



Third Session - Thirty-Sixth Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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The Honourable Louise M. Dacquay  
Speaker*



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

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 26, 1997

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

#### Obstetrics Closure—Grace General Hospital

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, I beg to present the petition of Howard Taylor, Brian Budney, Heather Fruboth and others saying that the Legislative Assembly of Manitoba request that the Minister of Health (Mr. Praznik) consider stopping the closure of the obstetrics program at Grace General Hospital.

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

#### Standing Committee on Public Utilities and Natural Resources Fifth Report

**Mr. Gerry McAlpine (Chairperson of the Standing Committee on Public Utilities and Natural Resources):** Madam Speaker, I beg to present the Fifth Report of the Committee on Public Utilities and Natural Resources.

**Mr. Clerk (William Remnant):** Your Standing Committee on Public Utilities and Natural Resources presents the following as its Fifth Report.

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*Your committee met on Thursday, May 22, 1997, at 10 a.m. in Room 254 of the Legislative Building to consider the annual report of the Manitoba Liquor Control Commission for the year ended March 31, 1996.*

*Mr. Ian Wright, president and chief executive officer, and Mr. Grant Holmes, chairman of the board of*

*commissstoners, provided such information as was requested with respect to the annual report and business of the Manitoba Liquor Control Commission.*

*Your committee has considered the annual report of the Manitoba Liquor Control Commission for the year ended March 31, 1996, and has adopted the same as presented.*

**Mr. McAlpine:** I move, seconded by the honourable member for Pembina (Mr. Dyck), that the report of the committee be received.

**Motion agreed to.**

### Committee of Supply

**Mr. Ben Sveinson (Acting Chairperson of the Committee of Supply):** The Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again, Madam Speaker.

I move, seconded by the honourable member for St. Vital (Mrs. Render), that the report of the committee be received.

**Motion agreed to.**

### TABLING OF REPORTS

**Hon. James McCrae (Minister of Environment):** Madam Speaker, I am pleased to table the Annual Report of the Manitoba Product Stewardship Program for April 1, 1995, to March 31, 1996.

### INTRODUCTION OF BILLS

#### Bill 39—The Labour-Sponsored Venture Capital Corporations Act

**Hon. James Downey (Minister of Industry, Trade and Tourism):** I move, seconded by the Minister of Finance (Mr. Stefanson), that leave be given to introduce Bill 39, The Labour-Sponsored Venture Capital Corporations Act (Loi sur les corporations à capital de risque de travailleurs), and that the same be now received and read a first time.

His Honour the Lieutenant Governor, having been advised of the contents of this bill, recommends it to the House, and I have a message to be tabled from His Honour.

**Motion agreed to.**

\* (1335)

**Bill 40—The Manitoba Employee Ownership Fund Corporation Amendment Act.**

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that leave be given to introduce Bill 40, The Manitoba Employee Ownership Fund Corporation Amendment Act (Loi modifiant la Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba), and that the same be now received and read a first time.

His Honour the Lieutenant Governor, having been advised of the contents of this bill, recommends it to the House. I am tabling a copy of his message.

**Motion agreed to.**

**Bill 42—The Provincial Court Amendment and Consequential Amendments Act**

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that leave be given to introduce Bill 42, The Provincial Court Amendment and Consequential Amendments Act (Loi modifiant la Loi sur la Cour provinciale et modifications corrélatives), and that the same be now received and read a first time.

His Honour the Lieutenant Governor, having been advised of the contents of this bill, recommends it to the House. I am tabling the message of the Lieutenant Governor.

**Motion agreed to.**

**Bill 43—The Law Society Amendment Act**

**Hon Vic Toews (Minister of Justice and Attorney General):** I move, seconded by the Minister of

Education and Training (Mrs. McIntosh) that leave be given to introduce Bill 43, The Law Society Amendment Act, (Loi modifiant la Loi sur la Société du Barreau), and that the same be now received and read a first time.

**Motion agreed to.**

**Introduction of Guests**

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon thirty-one Grade 5 students from Landmark Elementary School under the direction of Mr. Russ Dirks. This school is located in the constituency of the honourable member for LaVerendrye (Mr. Sveinson).

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

**ORAL QUESTION PERIOD**

**Domestic Violence  
Zero Tolerance Policy**

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, all members of this Legislature have supported policies that will not tolerate domestic violence in our society. We have supported the issue of zero tolerance throughout a number of governments in this House. Today it was reported that a victim was allegedly assaulted on three separate occasions, allegedly a victim had her arm broken.

I would like to ask the Premier (Mr. Filmon): Has there been any investigation of the handling of this case? Can the Premier advise us whether the zero tolerance policies that have been announced and reannounced in the 1995 election by the Premier—were the actions in this case consistent with that zero tolerance policy?

\* (1340)

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, without getting into any specific discussion of any particular case, I wish to indicate that the Attorney General's policy regarding

domestic violence is unchanged, and it is straight-forward. There is zero tolerance; that is, this means the discretion conferred on those responsible for enforcing the criminal law ought at each stage of the proceedings to be exercised in favour of sanctions where a lawful basis to proceed exists.

In practical terms, this requires that where there is evidence to support charges, they will be laid. That is the policy direction of my department that continues to be the direction of this government.

**Mr. Doer:** I think we are all aware of the policy and the announcements on the policy.

On June 25 of 1996, Dorothy Pedlar, who wrote a report that was submitted to the provincial government, reported at the Lavoie inquiry that the former Justice minister and the previous Justice minister had made no serious attempts to implement the policy recommendations, including zero tolerance, that she had put forward to the government.

I would like to ask the Premier: Will he ensure that his third Minister of Justice is implementing the stated policies that he has made in the election campaign and that we will have a serious attempt to implement the policies, and we will be sure that we have implemented the policies on behalf of victims of violent and unacceptable abuse in our society?

**Mr. Toews:** Madam Speaker, this is a government that has consistently made this issue one of its highest priorities. I know that, when I served under the Minister of Justice, the member for Brandon West (Mr. McCrae), it was his policy, it was his direction, it was the insight and leadership that that Attorney General brought to the area of domestic violence to set up a Domestic Violence Court, and I, as a Crown attorney at that time, was proud to serve a minister who would bring that kind of forward-looking policy to this province. I know that same policy has been continued by the prior Minister of Justice, and I will, as well, continue in that direction.

We have made it very clear where we stand in respect of this issue. It is a serious issue, and we will do everything within the law to ensure that people understand what our policy is. My understanding from

the police who investigate these crimes is that they accept the direction of the Attorney General on these matters and that they are complying with that policy.

**Mr. Doer:** Madam Speaker, I would refer the Minister of Justice to the testimony provided by Dorothy Pedlar on June 25 to the Lavoie inquiry. These were her words, not ours, and the Minister of Justice should heed the independent advice that the Lavoie inquiry received not from a person of this Legislature but from an independent person who is skilled and experienced in this area. I asked the Minister of Justice in my first question whether the zero tolerance policy was followed in this reported public case.

I would like to again ask the Premier: Has he investigated his commitment of 1995, and can he tell us whether the policy, as articulated by the Minister of Justice, was followed in this case where three separate incidents took place, or was it not?

**Mr. Toews:** This issue is one that the government takes very seriously, that I as a minister take very seriously. I wish to point out that, under the direction of some of the prior Attorneys General from this government, we have brought in the most progressive policies designed to ensure that women in our communities are safe. I can recall that in the early 1980s, after 1981, there were incidents where Crown attorneys were requesting that women who complained and then would not testify were thrown in jail.

Madam Speaker, those are not the types of policies I wish to be involved with or associated with. I think our government, on the contrary, instead of throwing women in jail who refuse to co-operate for whatever reason, we in fact have been taking an enlightened, progressive approach to ensure that justice is done in these situations, and we do more than talk.

### **Domestic Violence Zero Tolerance Policy**

**Mr. Gord Mackintosh (St. Johns):** To the Minister of Justice: I refer to the document published by this government entitled Stop the Violence, where it says: No margin will be afforded to abusers. The police and prosecutors have been so instructed and conduct themselves accordingly.

My question follows on allegations that yet the public is now presented with allegations that a police officer was not charged until last week in respect of allegations at an incident five months ago and earlier, one incident where a house appeared ransacked, there was an ongoing fracas recorded on tape, there was a witness who was not the victim, the victim apparently suffered a broken arm and, finally, there was an earlier incident where police were called.

My question to the minister is: What action is he taking right now to ensure that the government's zero tolerance protocol is indeed being enforced, that are not just words, that it is being consistently and fairly applied?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I can understand when the Leader of the Opposition (Mr. Doer) raises questions that touch upon a criminal investigation. The member for Concordia is not a lawyer, and perhaps he does not understand the dangerous ground that he is treading on. The member for St. Johns is a lawyer. He understands the impropriety of commenting on a specific case.

What I can assure the House is that this government remains committed to the policy of zero tolerance. We have approached this matter in a very sensitive way to ensure that all members of the justice community understand that this is the direction of the government, will continue to be the direction of the government. In reviewing any conduct in the future, we will ensure that our policy is in fact respected, and if in fact there is a problem in that respect, we will consult. We do not just automatically make decisions without knowing what the facts are.

\* (1345)

**Mr. Mackintosh:** To the minister, who should be aware that the reputation of justice is affected by such allegations and it is his responsibility to respond, I ask him: Will he not take some action to discover how the Crown could have given an opinion that there should be no charge when there must have been evidence to support the charge because it now has been laid?

**Mr. Toews:** Madam Speaker, our system of justice has evolved over hundreds if not thousands of years, and

for this member to stand up and state that he would interfere with an independent investigation and prosecution is improper. I am prepared to let the prosecutors determine whether in any particular case, what action should be taken, but what he has to remember is that, in fact, the police are the investigative body. They ultimately determine whether there is a charge. If there has been any wrongdoing in any particular case, that will be reviewed by my department either through the regular prosecutorial process or otherwise. We remain committed to this, and I will not prejudge any particular case.

**Mr. Mackintosh:** Could the minister not do simply as we ask, not to interfere with the particular case but rather to ensure to ask questions, to meet with the chief of police, to meet with his departmental officials to ensure that the government's own designed protocol on zero tolerance, which includes the police protocol, is being adhered to consistently and fairly for all Manitobans?

**Mr. Toews:** Madam Speaker—

**An Honourable Member:** Rosemary did it; that is what I did.

**Mr. Toews:** The comments from the member for Transcona (Mr. Reid) notwithstanding, this is a government that is in fact prepared to continue to enforce and give direction in respect of that policy. If that is the assurance the member for St. Johns wants, I can give him that assurance, that in fact that is a policy that we are continuing to apply in this province. For all intents and purposes, and certainly from any comments that I have read, the police respect that policy and indeed are continuing to abide by that.

### **Crystal Casino Relocation**

**Ms. Becky Barrett (Wellington):** As reported in the review of Winnipeg casinos, which was given to the public and laterally to us last week, all nine stakeholder groups in the business and tourism communities, which included the City of Winnipeg, Manitoba Restaurant and Foodservices Association, Tourism Winnipeg, the Winnipeg Convention Centre, The Forks North Portage, the Manitoba Hotel Association, Downtown Winnipeg

Business Improvement Zone, the Winnipeg Chamber of Commerce and Winnipeg 2000, unanimously recommended that the Crystal Casino be relocated in downtown Winnipeg. Despite this overwhelming recommendation, the government has decided to further emasculate the downtown area. Why does the Minister of Finance continue to ignore the needs and potential of downtown Winnipeg?

**Hon. Eric Stefanson (Minister charged with the administration of The Manitoba Lotteries Corporation Act):** Madam Speaker, we do not continue to ignore the needs and potential of downtown Winnipeg. As the member for Wellington knows, an independent study was done by Price Waterhouse. They made a recommendation to our government based on a combination of tourism potential, economics and other factors that the Crystal Casino be consolidated with the two existing complexes here in Winnipeg.

Those groups the member refers to were consulted during the whole review process by Price Waterhouse. Unfortunately, even though on the surface they may have suggested that there was some merit to retaining a downtown casino, there was no hard evidence provided whatsoever. We need look no further than the fact that the Crystal Casino is today in the Hotel Fort Garry. It has dropped by about 24 percent in attendance over the last two years and the Hotel Fort Garry, themselves, have asked that that casino be removed by 1999. Obviously if it had a significant impact on rooms, on food, on other aspects, they would be fighting to keep it downtown.

\* (1350)

**Ms. Barrett:** Madam Speaker, if, as the government continues to say, downtown Winnipeg is an important tourist draw, why do they not follow the recommendations, the unanimous recommendations of Tourism Winnipeg, the Convention Centre, the Hotel Association, the restaurant association, the Chamber of Commerce and the rest of the stakeholders and keep the casino downtown where the hotels, the restaurants and the entertainment centre of the city continues to be? Why not keep it there?

**Mr. Stefanson:** Quite simply, Madam Speaker, because there is no hard evidence that shows that there

is a significant economic spin-off to other businesses. Read the report. I tell the member to read the report from Price Waterhouse. There is no evidence and no evidence has been submitted—[interjection]

**Madam Speaker:** Order, please.

The honourable Minister of Finance, to complete his response.

**Mr. Stefanson:** Madam Speaker, quite simply, there is no evidence to suggest that there is any significant economic benefit to other businesses located downtown. Secondly, and I know the members are interested in this, it would require an additional investment of some \$70 million that generates very little economic return to the taxpayers of Manitoba and to the province of Manitoba, money that today is used and held in education and a whole range of other services, money that can be used for projects downtown like housing projects that help to bring people downtown on a permanent basis, those kinds of initiatives.

I tell members opposite to look no further than their friends in Regina and look at the lack of success with a downtown location of a casino with significant investment in that facility and so on. I also encourage the members to follow some of the coverage through the media. A consultant that was in town meeting with North Portage, one of the groups the member refers to, said very specifically that a way to revitalize Portage Avenue and downtown—told business that casinos provide very little in spin-offs, a similar report today in The Globe and Mail. Those are the facts. I encourage members opposite to do some research and find that out.

**Ms. Barrett:** I would like to ask the Minister of Urban Affairs (Mr. Reimer) if he connived with the Minister of Finance in this latest decision which furthers the abandonment of the heart of the city of Winnipeg.

**Mr. Stefanson:** Madam Speaker, obviously this is a very serious issue, and it is an issue that was addressed by Price Waterhouse in their report, obviously an issue that we collectively as a government took very seriously. If you look at all of the facts—and I encourage members opposite to do that for a change, to

read the report, to do some research on this issue and look at the economics and look at the other factors that come into play when you have to make these decisions. We have to make decisions in the best interests of all Manitobans, as opposed to the kind of knee-jerk reaction we are seeing from across the way. I encourage you to read even today's Report on Business in The Globe and Mail. It talks about casinos. What does it talk about? Some of the white elephants that are being created in other jurisdictions right across North America.

If you look at the analysis done by Price Waterhouse, it clearly indicates that the best option is to consolidate the Crystal Casino with the two existing operations already in Winnipeg. There are many other initiatives that we can pursue, and we are prepared to, with other levels of government for the good of downtown. We will be a part of those projects, Madam Speaker.

### **Public Housing Funding**

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, I had a visit this morning with members of the Filcasa Housing Co-Op where they discussed their concerns about the federal Liberal government's and the Filmon provincial government's withdrawal from social housing, as evidenced by the end of the co-op program, the increase in the rent geared to income, the elimination of the loan share grant program and other cuts. The implications of these are increased poverty and urban decay, which will mean further deterioration of the downtown area of Winnipeg.

I want to ask the Minister of Housing: Does the minister agree that social housing is one of the keys to urban renewal and that in order to have viable businesses and a safe downtown, people have to live downtown; that social housing, the renovations and construction are a very important part of ensuring that people can live downtown; and that the private sector simply cannot pick up the pieces and provide for these low-income Manitobans and ensure they can remain living in the downtown area?

**Hon. Jack Reimer (Minister of Housing):** Yes, social housing is very important in the downtown area, to answer the member's question.

\* (1355)

**Ms. Cerilli:** Then I would like to ask the minister to explain why, when the federal government cut its \$270 million over the last three years for social housing, the Manitoba government has also cut its share, and why they have withdrawn from the budget that amount of money in Manitoba rather than reinvesting it into social housing in our province.

**Mr. Reimer:** Madam Speaker, the number that the member is referring to when she said that the federal government has withdrawn \$270 million, that was not \$270 million from the Manitoba budget. That was \$270 million from across Canada.

Our commitment to social housing has always been strong and will remain very strong, Madam Speaker, in that we have always been there for the needs within the social housing component. The funding decrease that the member refers to consistently is the funding that has decreased because of the demand in applications. If the demand goes down through applications, then naturally the budget has gone down.

The figure of \$270 million is not a figure that has been cut from the Housing portfolio of Manitoba.

**Ms. Cerilli:** Madam Speaker, I do not think the minister understood the question. Based on one of the concerns expressed by the seniors this morning that the 667 housing developments, the co-ops and the nonprofits that are being transferred over from the federal government potentially to the province, that they could open up the existing operating agreements which could see a reduction in the subsidies and funds for the social housing, I want to ask the minister: Will he guarantee to us today that there will be no reduction in the subsidies or other funding to the existing housing developments in Manitoba in any agreement that he negotiates with the federal government?

**Mr. Reimer:** Madam Speaker, the member brings forth a very big concern regarding the federal government and the provincial government in the continual offloading by the federal government of its social housing commitments to the residents of Manitoba. We will continue to fight for all the satisfaction that we can out of working with the federal

government in trying to ensure that we do get our fair share of the money that has been allocated. The federal government consistently has cut back. They have cut back, as the member before mentioned, \$240 million. They have cut back on their new building program. They are continually cutting back on their programs. We have consistently had to reinforce and to backfill a lot of the shortfalls that the federal government has initiated. We will continue to do that.

It will be interesting to see, after the election of next week, how much more the federal government is going to look at social housing and their commitment, but we will be continually looking at the requirement of trying to satisfy the social housing needs here in Manitoba.

#### **Crystal Casino Relocation**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Minister responsible for the Lotteries Commission. We have a government that has had a half-baked idea in terms of what it should be doing with gambling in the province of Manitoba for years. Now we have the minister saying that we are going to have our casinos expand in our residential areas at our two bingo palaces. The question to the minister has been posed from the member for Wellington (Ms. Barrett). On what basis has this government made the decision that a casino has no role to play in the inner city? Did this government look into any other possibilities like the Union Station, for example, the Eaton centre, as a possible alternative?

**Hon. Eric Stefanson (Minister charged with the administration of The Manitoba Lotteries Corporation Act):** Madam Speaker, I know the member for Inkster has a keen interest in this area as he has been promoting the significant expansion of gaming and casinos right across Manitoba. I would encourage him, if he has not had the opportunity yet—a report was released on Thursday of last week, the independent report done by Price Waterhouse consulting group. It goes into a great deal of detail and information on this issue of why to consolidate the Crystal Casino with the two existing entertainment facilities. Obviously, that is a major part of this decision. It is an important issue, we acknowledge that, but based on the combination of economics, on tourism potential and the fact that there

is no evidence pointing to any additional spinoff benefits to the businesses, this is in the best interests of Manitobans. If he has not had a chance, I certainly encourage him to read that report in some detail.

\* (1400)

**Mr. Lamoureux:** Madam Speaker, the question to the minister is: Why does this government insist that the only role for gambling in this province is for a cash grab? That is what your policy has been all about ever since you brought it in in 1988. Why do you not base your policy on tourism and what is in the best interests of the province of Manitoba, such as allowing if you are going to have a casino, to remain in the inner city, as opposed to squandering it into the residential areas?

**Mr. Stefanson:** Madam Speaker, we want the right balance in the sense that we do want a significant element of tourism for our facilities, and that is in fact occurring. There are some 300 bus tours taking place at our facilities today. There is an opportunity for a much greater expansion in that area. The people who come as part of those bus tours will stay in hotels. They will stay in downtown hotels; they will spend their money elsewhere in Winnipeg.

To point out that the two entertainment facilities are in a residential district, again I encourage the member to drive down McPhillips and to drive down Regent and see where these two facilities are. Clearly, to leave the impression that they are plunked in the middle of residential communities is absolutely wrong. They are on business strips in Winnipeg and, therefore, any kind of expansion or adjustments to these facilities is certainly in keeping with the nature of those communities.

**Mr. Lamoureux:** Madam Speaker, the McPhillips Street Station is in the riding which I represent, and it is right beside Shaughnessy Park, so the minister is wrong when he says it is not by residential areas.

Madam Speaker, my question to the Minister of Lotteries is: When are we going to see a gaming policy that is driven by tourist dollars as opposed to a cash grab from this government? When are we going to start to see that sort of action as opposed to the type of garbage we are seeing currently?

**Mr. Stefanson:** Madam Speaker, you are seeing that kind of a policy right now, but I do want to point out to the member for Inkster that gaming does generate approximately \$220 million of revenue here in Manitoba. It is about 4 percent of our budget, but probably what is more important is when you think of the reduction in funding from the federal Liberal government of \$220 million over the last couple of years, I find it hypocritical for this member to stand before us and not suggest that there is some significance to the fact that there is \$200 million of gaming revenue that we can use to support health and education, unlike what the federal Liberal government is doing these days by significantly reducing funding in those very important areas.

So, again, we have the Liberals on the one hand arguing we do away with that revenue, that revenue is not important, and on the other hand he stands before us and he supports those kinds of policies from the federal Liberal government that are causing problems for provinces right across this country.

### **Gaming Policy Casino Expansion**

**Ms. MaryAnn Mihychuk (St. James):** Madam Speaker, my question is to the Minister responsible for Lotteries. Last week, last Thursday we finally got the report from Price Waterhouse recommending the closure of the Crystal Casino and the expansion of the McPhillips Street Station and Club Regent casinos to the tune of \$50 million.

My question to the minister: Is this not a breach of his and his government's promise, an election promise of a gambling moratorium which was conveniently announced during the last election which now they are choosing to break? Another broken promise by this government.

**Hon. Eric Stefanson (Minister charged with the administration of The Manitoba Lotteries Corporation Act):** Absolutely not, Madam Speaker. We appointed the Lottery Policy Review Committee chaired by Mr. Larry Desjardins.

That committee made several recommendations. They made some recommendations regarding VLT

operations in Manitoba. We have acted on those recommendations; in fact, we went further than the recommendations by reducing VLTs by some 15 percent. Madam Speaker, they recommended an independent gaming commission be established in Manitoba. We have gone ahead and we have enacted that legislation to put that in place. They also recommended that we conduct an independent feasibility study in terms of the Crystal Casino and the two entertainment facilities. We have done just that, and we are accepting the recommendations of that study.

**Ms. Mihychuk:** Madam Speaker, perhaps the minister can inform us what he is putting into these new elaborate casinos or additions. Will the minister inform the House how many VLTs there will be, slot machines, bingo stations, gaming tables like blackjack, roulette, pai gow poker, baccarat, et cetera? How many gaming facilities or stations will there be after the \$50-million expansion?

**Mr. Stefanson:** Madam Speaker, this is an interesting question coming from the member for St. James because, if I heard her correctly on Thursday, she was arguing to keep all three facilities open and to expand the location downtown, clearly indicating her preference for significant expansion of gaming in Manitoba. What we have indicated, and we indicated on Thursday to the public, is that the detailed plans on the renovations and adjustments to these two facilities will be coming forward very shortly. It will outline the kinds of games that will be in place, any adjustments to any of the gaming machines, but I want to remind the member, as well, that VLT machines are not provided in any of the two gaming facilities or the casino.

**Ms. Mihychuk:** Madam Speaker, during the last election, it was the Conservatives and Liberals playing with gaming policy during the election, not us.

The question to the minister: Since the moratorium is basically lifted in Winnipeg, will the minister confirm that the moratorium is now lifted across the whole province of Manitoba, or is it only here for the province of Manitoba?

**Mr. Stefanson:** Madam Speaker, I think the member for St. James has to take some time to go back and do

some research, and I remind her again of the Desjardins committee. The Desjardins committee made a series of recommendations. It made recommendations in the area of VLTs. We have reduced VLTs by 15 percent, and we have set a firm cap on the number of VLTs in Manitoba other than on reserve.

We have also announced that we are establishing a working group to work with the aboriginal community in terms of gaming on reserve. That committee will be up and functioning very shortly. We are also following through on the recommendation of the Desjardins committee to do an independent assessment of our three facilities, and the recommendation is to consolidate the Crystal Casino with the two entertainment facilities. So we have been acting on all of the recommendations from that report in a very comprehensive and forward-looking manner.

#### **TeleSend Gateway Inc. Funding**

**Mr. Jim Maloway (Elmwood):** Madam Speaker, my question is to the Deputy Premier. Under this minister's leadership, taxpayers have lost large amounts of money on his pet projects. Iris Systems Inc., ManGlobe and TeleSend Gateway Inc. were all projects of this minister that met with difficulties. In the case of TeleSend Gateway Inc., the minister claims he gave the money to Shalesa Charron, but she is not the owner of that company. Can the minister clear up the confusion and tell this House who really got the \$200,000?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, I do not accept any of the preamble from the member as it relates to the projects which we are involved in. Two of the projects that he has been asking questions about are still operational, operated by entrepreneurs in the province.

**An Honourable Member:** Entrepreneurs?

\* (1410)

**Mr. Downey:** That is correct, Madam Speaker, entrepreneurs. The negotiations took place with TeleSend, as I had answered in committee the other day.

#### **Investment Multilateral Agreement Government Position**

**Hon. James Downey (Minister of Industry, Trade and Tourism):** While I am on my feet, I would like to respond to a question that the member for Elmwood asked the other day and the Premier (Mr. Filmon) took as notice. It is dealing with the Multilateral Agreement on Investment. First of all, as I indicated—[interjection] Sorry, Crescentwood; that is right, from Crescentwood—the question was dealing with the Multilateral Agreement on Investment as currently drafted and whether or not his officials have prepared a provincial position. As I indicated the other day in committee, we have received a confidential draft copy which is no longer confidential, because he tabled it in the House.

**An Honourable Member:** It is on the Internet.

**Mr. Downey:** Well, the Leader of the Opposition says it is on the Internet. The information, which may not mean anything to them, but it was provided to the Department of Industry, Trade and Tourism by the federal government. If they put it on the Internet, that is their business, but we did not break the confidence. They may have. We will not.

As well, Madam Speaker, I can tell you that it is a draft copy, which I understand is not binding on the province. There are still discussions taking place between the department and the federal government. I have not received an official recommendation as to a provincial position from the department at this particular time.

There is an additional question as to whether or not we could confirm the western governors' concerns. There could well be concerns from other jurisdictions. Our No.1 concern, as we have done in the past, is to make sure that Manitoba's concerns are looked after, and that is what this Premier (Mr. Filmon) has done, and that is what this government will continue to do.

#### **TeleSend Gateway Inc. Funding**

**Mr. Jim Maloway (Elmwood):** My supplementary to the same minister is this. I would like to get the minister to concentrate on TeleSend Gateway Inc. for

a moment. Could the minister explain the circumstances surrounding the application for the grant and the approval of the grant, and why the final \$90,000 was withheld from TeleSend Gateway Inc.?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** If I understand the question correctly, it is why was it withheld. Madam Speaker, it was until the department was satisfied that all the terms and conditions of the agreement had been met.

**Mr. Maloway:** My final supplementary is this: In Estimates and in this House the minister stated that he checked the credit histories and the backgrounds of the principals and the shareholders of the TeleSend Gateway Inc. Can he tell this House what he discovered?

**Mr. Downey:** Madam Speaker, as I had indicated previously, the terms and conditions of the agreement, which had to be met before the funds were flowed, were met, and the department recommended the flowing of those funds. The company, by the way, is in operation and has just acquired a new business opportunity in Ontario and is expanding.

I, for the life of me, have a hard time understanding why the New Democrats are against women being in business and creation of jobs in this province with new technology. I have a hard time understanding it, but maybe by the end of this session, I may catch on. I am not sure.

#### **Keewatin Community College Board of Governors**

**Ms. Jean Friesen (Wolseley):** Madam Speaker, the board of Keewatin Community College has an enormous responsibility for the post-secondary education of all northern Manitoba, both community colleges and universities. The Minister of Education appoints that board and, under The Colleges Act, which she chose to retain, she remains responsible for that board.

I would like to ask the Minister of Education to explain why her board was unaware of the long-term issues of finance, of strategic planning, of budget processes and of the gulf between the president and

senior management, which appears fundamental to the crisis in northern education at KCC.

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, I think the member makes an assumption that the board was unaware of things going on at the college. I think the board of governors was very much in touch with what was going on at the college there and working to resolve the situation, so she makes an assumption and bases a question on an assumption which may be erroneous and therefore speculative, and there is no answer that has been given to an assumption.

**Ms. Friesen:** Could the minister explain why her board, if we accept the minister's explanation that they may well have been aware of this, could she explain why they chose to refuse the request of May 20 of senior management to meet with the board, and could she tell us what alternatives to a punishment by reprimand were considered by her board?

**Mrs. McIntosh:** The board of governors was approached by letter by five administrators who put forward allegations about the president. The board of governors has taken those allegations under consideration and is investigating them. The five administrators indicated that the board should fire the president immediately or those five administrators would resign. The board of governors said that they would like to do the investigation into the allegations to find out whether or not they were true before they dismissed anybody, and they accepted the five administrators' resignations and they have been replaced, Madam Speaker.

#### **Northern Nursing Program**

**Ms. Jean Friesen (Wolseley):** Can the minister tell us what guarantees she can give this House that the crisis in the management of northern education at KCC is not going to affect the introduction of the Northern Nursing Program, the introduction of a Bachelor of Nursing program which was to begin this fall? Can the minister assure us that will continue?

**Hon. Linda McIntosh (Minister of Education and Training):** The alleged crisis the member refers to, we have received assurances, and press releases to that

effect have gone out from the board of governors, that the students and their programs will continue to be served as they have in the past and that the allegations made by the five people who have now resigned will be thoroughly investigated to ascertain if there is any truth to them or not. Their intentions are to carry on servicing the students capably as they have in the past and as they will do in the future.

### **Personal Income Decline**

**Mr. Leonard Evans (Brandon East):** I have a question for the Minister of Finance. In response to my question on the decline of real personal disposable income since this government was first elected in 1988, the Minister of Finance referred to a 4.4 percent increase in 1996 in total personal disposable income in current dollars, which incidentally is less than one-half of the 9.8 percent increase experienced in Saskatchewan in 1996.

Will the minister acknowledge that when we take the inflation out of this 1996 estimate, we find that indeed average Manitobans have suffered a decline of nearly 4 percent in their after-tax income since this government first took office in 1988? In other words, today Manitobans have less money in their pockets than in 1988 when this government first took office.

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, if you want to look at any of the current information, the information I encourage the member to look at that was just released, I believe on May 12, by Statistics Canada, the most current for 1995 after-tax disposable income, that shows that Manitoba grew by some 1.8 percent. Canada grew by .3 percent. Again, significantly higher than Canada and the second best in all of Canada, but I think what is one of the most important statistics—I know the member for Brandon East is always interested in statistics—is that Manitoba has the fourth highest after-tax family income in all of Canada. Only Alberta, British Columbia and Ontario have higher after-tax incomes in Manitoba. I would say, in a relative sense, that is a good standing for the province of Manitoba.

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

## **ORDERS OF THE DAY**

### **House Business**

**Hon. James McCrae (Government House Leader):** Madam Speaker, I understand there is agreement that we shall waive private members' hour today.

**Madam Speaker:** Is there leave that private members' hour be waived for today? [agreed]

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

**Motion agreed to.**

## **COMMITTEE OF SUPPLY (Concurrent Sections)**

### **HIGHWAYS AND TRANSPORTATION**

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

This afternoon, this section of the Committee of Supply will be meeting in Room 254 and will resume consideration of the Estimates of the Department of Highways and Transportation. When the committee last sat it had been considering item 15.1.(b)(1) on page 76 of the Estimate book. Shall that item pass?

**Mr. Gerard Jennissen (Flin Flon):** Mr. Chair, I would like to ask the minister a few questions, and I know he has answered some of those in the House already, but just so that it is on the record and I am clear on it. On July 30, 1995, there was a sealcoat failure on provincial trunk highway No. 6 which resulted in damage to a number of vehicles that was fairly costly to Manitobans. I believe the figure for that was \$302,310.56. Is that correct?

**Hon. Glen Findlay (Minister of Highways and Transportation):** Mr. Chairman, the member for Flin Flon mentions a figure of \$302,000. That was the total figure, but there were three components to that figure. MPIC picked up about \$70,000 of cost, and Pounder

Emulsions picked up about \$125,000 of cost which left in the vicinity of \$125,000 for the province as cost. So it was not 100 percent provincial cost.

**Mr. Jennissen:** That was one of the reasons I was asking the question, because I am going with Order-in-Council 567 dated on October 30, 1996, and the last paragraph before the minister's signature, the last WHEREAS states: And WHEREAS it is deemed advisable to designate an existing appropriation of the Department of Highways and Transportation for the purpose of payment of settlement of this claim. I was wondering whether the whole claim came out of the department's budget. That is not the case. The minister says 100-and-some thousand. Can the minister tell me how many vehicles were involved in this? How many vehicles were damaged and had to be repaired?

**Mr. Findlay:** Mr. Chairman, we are not positive, but we believe the number of claims was in the vicinity of 200 to 250. If the member would like that number substantiated we will go back into the files and find the exact number.

**Mr. Jennissen:** I thank the minister for that. A considerable time ago, Engineering Aides 2 were under pressure. Some of them were let go, some of them were put, I believe, on seasonal status from full time, and I believe the nonseasonal status lasted until January 1, 1997, but I do not have a really good picture of where that is at now with Aides 2.

I am just wondering if the minister could tell me of the original number of Aides 2, let us say, in 1995, how many of them are still with the department, how many of them are seasonal, how many of them have been shifted and so on. I do not have a real feel for the figures.

**Mr. Findlay:** The beginning number the member asked for, 140; current number of Aides 2 is 75. Many left to find other employment; many went on the re-employment list.

**Mr. Jennissen:** One of the questions we have dealt with before is, how does this direction of laying off people like that and also offloading some of the gravel roads and so on and some of those initiatives and closing yards, how does that fit in with the overall

strategy of the government of decentralization where they were going to move services from Winnipeg out into the outlying regions? Now it seems that there are all kinds of cutbacks which cannot be good for northern and rural communities.

\* (1440)

**Mr. Findlay:** Certainly, there is an element of truth to what the member says, that reduction in jobs is not healthy for communities. On the other side of the coin is that the government is charged with delivering its services as efficiently as possible and to employ an individual where there is enough work for an individual, not to employ two individuals for one person's level of work. Those are the kinds of adjustments that governments right across this land have had to go through, because at the end of the day our mission is to maximize the number of dollars that can be spent on road surfaces, because our mission is roads, to maintain roads, a safe and reliable state of affairs for the travelling public.

So there are some unfortunate challenging decisions that have to be made and are consistently made by all governments today to be sure that the workforce is right for the level of workload that exists in any region or in the province as a whole.

**Mr. Jennissen:** In the minister's opening statement, he made reference to the fact that between last year's Estimates and now that there is a drop of some 21 SYs or perhaps the more firm figure would be 28, and I am trying to sort of put those figures together in—you know, multiplied by the last few years, and they do not seem to add up to some other figures I am getting.

I am not accusing the minister of anything, but I would like to at least get straight in my own mind who was using what figures and what they do mean. Now, I have other figures from the MGEU and others which state that since the last five, six years we have lost considerably more jobs than would be indicated by the 21 or 28 this year, and I would like to read into the records, if the minister would indulge me, the cost of privatization and municipal offloading by the Manitoba Department of Highways and Transportation from 1990 to 1996 and have the minister comment on this. This is four or five paragraphs.

Between March 1990 and March 1996, the Manitoba government reduced its Department of Highways and Transportation workforce by 583 employees through privatization and municipal offloading, and yet over this same period expenditures and highway maintenance operations increased by 47.8 percent or by about \$43 million.

The tables that follow use the government's own reports in documenting the cost of privatization and municipal offloading for the period from 1990 to 1996, and I can go into those tables later on.

On April 1, 1997, the Manitoba government will again be laying off the Department of Highways and Transportation employees. The Manitoba Government Employees' Union estimates that there will be about 150 fewer rural Department of Highway employees in Manitoba in 1997. An estimated 20 regular full-time employees will be laid off and another 130 Department of Highways seasonal employees will not be recalled to work this year.

Some of these seasonal employees will be those that have been converted from regular civil service status to seasonal status over the past few years. In addition to privatization and offloading onto municipal governments, this year the Manitoba government will be reorganizing highway maintenance stations around the province. Twenty-six stations will be closed and the work distributed to larger area yards.

The privatization and offloading onto municipalities includes dragging, snowplowing, gravelling, grass cutting, brush and weed control operations. A 1994 independent study by the accounting firm of Ernst & Young on the cost of privatizing highway maintenance in British Columbia, I conclude that it is costing the B.C. government an extra \$19 million per year more than it would cost under government operations. The accounting firm says that between 1988 and 1994 B.C. taxpayers have paid out more than \$100 million to the private sector that could have been saved if highway maintenance had stayed within government service.

So there are quite a number of allegations or statements in this, and I would like the minister to comment on those.

**Mr. Findlay:** I think the member asked--well, he asked me to comment on those statements, but there is a little bit of correction, I think. I will give the numbers that we have for the member. I think you mentioned '90 to '96, if I am not mistaken. Over that time frame, the number is actually 417 SYs reduced, and I will read them sequentially: In '91-92, there was 96; in '92-93, there was 41.4; in '93-94, 43; in '94-95, 62.5; in '95-96, 38; in '96-97, 31.

Now, out of those numbers, you will find they do not total 417. The difference is 105 because 105 positions were transferred. In '94-95, 22 were transferred to surveys, and '93-94, 83 were transferred to Government Services, so 105 were transferred out of the 417 reduced. That gives us a reduction of 313 actual SYs, and that takes us from '90 to '96. One other number I can give the member is that in '97-98, this budget year, the reductions will be 28, the lowest reductions in recent years.

**Mr. Jennissen:** The people who were transferred, did any of those people lose their jobs?

**Mr. Findlay:** Of the 105? Mr. Chairman, we are not aware. Those are the SYs that were transferred to those two departments, but what happened to those positions, you would have to ask them. That is going back three and four years ago.

**Mr. Jennissen:** So the minister says, though, that in that same period where MGEU alleges 500-plus jobs were lost, actually only 313 jobs were lost. That is still a significant number of jobs. The other part of that equation was that the MGEU was saying the Manitoba Department of Highways and Transportation technical maintenance and operational expenditures between 1991 and '95-96 has increased from approximately \$90 million to \$134 million, which was an increase of 47.8 percent. Can the minister confirm that that is correct?

**Mr. Findlay:** Could I ask the minister to clarify what number he is using there? Did you say technical maintenance?

\* (1450)

**Mr. Jennissen:** Which excludes capital expenditures, Administration and Finance, Driver and Vehicle

Licensing, Boards and Committees. The point, I think, that the MGEU is making that there was a considerable increase in that level of expenditure, while about almost a third—a tremendous decrease in terms of manpower—I should not use the percentage a third—or woman power, work power, people power.

**Mr. Findlay:** Mr. Chairman, we have a hard time just figuring out where the numbers the member has quoted actually come from. Our actual maintenance figure that we use has been consistently the same year in and year out, with very little variation; the maintenance costs run around \$55 million. I can probably indicate one of the possible misunderstandings that has happened, and the people who put the numbers together, is that previously the department did not account for such expenditures as rent for facilities, space, or for paying for employee benefits. Those are currently now charged to the department, no net effect difference on government, just where it is accounted for and how it is charged.

Over the time frame the member has mentioned, that change in accounting actually happened, so what it would do is give it an apparent increase in costs, that the department spent more in a particular area, but you take government as a whole, there was no net increase of that magnitude whatsoever. It just shifted from Finance over to us as charges that we had to account for. But the government was paying them before as a whole. The government today through the Department of Highways is paying for the same costs, so that could lead to an explanation of the discrepancy because there is certainly no increase in maintenance activities that we do in terms of those kinds of dollars.

**Mr. Jennissen:** Is the minister saying then that the MGEU statement which reads as follows, that the costs of technical maintenance and operation expenditures have increased by almost 50 percent and overall staffing has been reduced by 32.5 percent in a period of five to six years—that is what I get from them. Is the minister saying that is not correct then?

**Mr. Findlay:** I am saying that they are not really comparing apples to apples there. I think there are some other activities that were charged that are identified as increases but were really shifted from one department of government to another department, so they are not really comparing apples to apples.

**Mr. Jennissen:** In terms of the feared direction this government is taking of more and more privatization, the minister is aware of the Ernst & Young report out of B.C., and I would like to just quote one very short paragraph that came out of that study: Access costs of this magnitude are not justifiable in relation to the results which were possible with the ministry's original program. Indeed, if as much effort and financial resources had been invested in simply improving the ministry's original program instead of privatizing it in its current form, it is very likely that significant different outcomes and costs would have been the result. The actual costs do not, therefore, appear to be consistent with due regard for efficiency, economy and effectiveness in the public sector.

**Mr. Findlay:** I think it is fair to say that we take a very pragmatic approach here in evaluating who or where services should be delivered. We are constantly looking for greater efficiency and lower cost per unit of work wherever that can be obtained, and if we cannot obtain it by changing the way we do things, we do not change.

We are fully aware of B.C.'s example and Alberta's example. The fact that they have done something that increases their cost is unacceptable, and we do not intend to operate that way. We are very pragmatic. Where we can save costs, we will do something differently. Same as within the department, if we can save costs by organizing and doing things in a different way, we will do it.

Our mission is to maximize the dollars we can spend on road services and bridges because that is where our demand is in terms of public service. Along the way, we will use whatever vehicle, whether it is private or public, that accomplishes that with the greatest efficiency and the least cost to the taxpayer.

**Mr. Jennissen:** Yes, I hear the minister. I am just still fearful that behind the words there still lurks the government's agenda which I think is more and more following what Mike Harris and Klein are doing, and privatization is definitely in the works.

I would like to end with a Ernst & Young study statement, just a very short one again, which states from the experience of B.C. that privatization was a

politically mandated program which would not have been implemented in its current form if adequate research, impartial analysis of alternatives and careful re-engineering of maintenance processes had been performed before the decision to privatize the program had been made.

So I am hearing the minister say we have learned from the mistakes of others, and we are not going to go into privatization purely for ideological reasons. Is that correct?

**Mr. Findlay:** Yes.

**Mr. Jennissen:** Could the minister give us an update on another area of concern, especially in rural communities, and that is not only the gravel road initiative where municipalities take over what was formerly run by the provincial government but also the possible and the actual closure of a number of highway yards.

There is still some confusion of the exact numbers, although the minister has given me some figures. Is the minister aware of that impact on rural and northern communities?

**Mr. Findlay:** Along the line of what we have talked about earlier, Mr. Chairman, it is imperative that the department continue to streamline and reorganize its operations to fundamentally be sure that when you hire three people, there is enough work for three people. If there is only enough work for two people in that particular activity in that location, you should only have two people hired. Our ambition is to constantly do things that increase efficiency, decrease our costs and increase the number of dollars spent on the actual road surfaces.

The member is talking about maintenance yards. We did an assessment along the line I have just identified, reorganizing the number of yards we need and the amount of supervisory staff we need regarding the operation of those yards. Some 18 yards were involved in the process. Four ended up being closures, Rapid City, Sandy Lake, San Clara and Grandview, and 13 yards were changed from main yards to support yards. Effectively, that meant that in each of those yards there was no longer a need for a supervisor. They would be

supervised from an adjoining yard, but the support yard would keep the people who were actually working on the roads, running the equipment, and would keep the equipment at that particular yard in the 13 locations.

So we had at the end of the day 14 relocations and 17 layoffs. The primary number of layoffs were in supervisory staff where it was clearly deemed there was oversupervision occurring in many yards.

**Mr. Jennissen:** Is the yard at Wabowden affected as well? I am not clear at this stage whether that is operational as always or whether there was a change in the offing there as well.

**Mr. Findlay:** No change in Wabowden. If the member would like—I read him the four closures. I can read him the 13 yards that were moved from main to support, if he would like.

\* (1500)

**Mr. Jennissen:** I thank the minister for the offer, but he has already given me that information. I appreciate that.

I do have some specific questions also on other roads. Now, some of these have been discussed earlier. In fact, one of my Liberal colleagues had mentioned road No. 287, Cormorant, Manitoba. I think the minister said he would look at that. I believe the same member raised the Henderson Highway on the drive to Lockport issue, the parking along the side of the road which was another concern.

I have another one, a letter here, a concern about a Mr. Phillips complaining about the snow clearing in Manigotagan. I can read it to the minister if he would like. I am not sure if he has the letter to this effect. It goes like this. It is actually a note of his complaint: Henry Phillips called to complain about the road-clearing in his community. Apparently, the Department of Highways had some delays in getting to the town from Bissett. The concern is that there is no plan B and that people may have to go a long period of time where in the case of an emergency, they cannot go anywhere.

Now, it is more complex than that, but that is basically the gist of that.

**Mr. Findlay:** Before I can answer, Mr. Chairman, I have to ask the member, is this a particular snowstorm, or is this deemed to be a complaint that happens on a regular basis?

**Mr. Jennissen:** I had the feeling that this occurs quite regularly, that this is not the first time.

**Mr. Findlay:** Mr. Chairman, the reason I asked the question is because a heavy snowstorm really puts the department under tremendous pressure to get to every location as fast as they would under a light snowstorm. The priority for the department is to be sure that they get the main roads running first, and then they move to community roads or roads within communities. That has been the normal process for years and years.

We have to be given some leeway depending on the kind of storm and the availability of workforce to deal with the storm. We cannot have in our yards enough equipment to handle the worst storm in 10 years in the shortest possible time frame. We are positioned to handle every storm, but if we get severe storms, particularly storms that have prolonged wind associated with them, there are going to be delays that maybe some of the public does not think are acceptable, but it is fundamental that you can only do so much under those kinds of circumstances that is reasonable regarding cost.

We certainly do respond as quickly and as often as much as we can to those challenges, but we cannot offer the perfect solution in every storm for everybody. The priority is the main roads first and foremost and then the community roads.

**Mr. Jennissen:** I did receive, though, a number of complaints about places where apparently the gravel road snow clearance had been contracted out, and the concern of the people who phoned tended to be that the contractor—it might be a local person with a snowplow—was much more concerned about getting his own driveway and that of his friends plowed out while leaving others stranded. That was really sort of a bitter feeling from the neighbours.

Now, I do not know if this is a chronic situation, but I have had a number of calls that went something like that. They do not take the public good seriously. They

are more interested in cleaning their stuff first, and then as an afterthought maybe do what they were contracted to do in the first place. I am just wondering how you monitor something like that.

**Mr. Findlay:** Truthfully, the department has not had many complaints in that context. One of the things that we do with communities that do say, you are not responding fast enough, we say, we are prepared to contract with you to do the work. You see the priorities as your streets first. Whatever we normally cost out, we are prepared to pay you on a contract basis so you as a community with your equipment, which normally they have for their own streets, can clear your main streets and be paid by us.

That is happening in many communities. It gets away from this business that we cannot get there fast enough in their mind. In some places it may be a private contractor that we are contracting with, but we do not get the kind of complaints, very often, the member is talking about. That contractor knows that his ability to renew the contract is in jeopardy if he does not do a good job.

**Mr. Jennissen:** Regarding snow removal, and I have mentioned this, I think, at least twice before, there is still a concern with snow removal to the Simonhouse Bible Camp which is outside Cranberry Portage on the Highway No. 39, about maybe 15 to 20 kilometres in from the junction.

Traditionally, when the Highways department plowed the road, they would make a pass into the bible camp, which by the way is open all year and would save those people a lot of money. But now the attitude is, well, contract with private contractors, they have to come out either from The Pas or Cranberry and make a special trip in. They are being charged a lot of money, and this is a charitable institution for charitable purpose. It serves everybody and we are just mystified why they have to go through that rigamarole, why we cannot simply do as we have always done. We make a pass on the main roads, then we go in there, clean it out. Charge them, you know, at par; they are not averse to paying their fair share. But they are somewhat unhappy with the fact that they have to make special arrangements to get that road plowed, and they never did this before.

**Mr. Findlay:** The bible camp that the member refers to is a bible camp on private property with a private road. It is not a municipal road and our responsibility is to clear municipal roads. At the same time we do not want to unduly compete with the private sector. The private sector, they are willing to do the work. We believe it is only right that government allow the private sector to create the jobs associated with that kind of work.

When there are particular hardship cases, in the case as the deputy has mentioned, there was a particular situation last winter that was a real hardship case. We moved in and dealt with it, but a general rule of thumb is the private sector gets very irritated if we start competing with them on—basically on a level playing field with their own tax dollars competing against them.

This bible camp, we are prepared to help them find an appropriate contractor to do the work. Now, if there is such that costs are completely out of line with what maybe our costs would be, we are always prepared to revisit because every particular case is unique in some particular aspect.

Generally speaking, we want to promote local jobs through the local private sector industry, and we will maintain provincial roads but we cannot start pulling in and plowing out private lanes; otherwise, you set a precedent there. Why not plow every private lane in the province? It is just not feasible. It is not what government has ever done nor what government should do.

**Mr. Jennissen:** Well, I understand the minister's point of view, but we are dealing with something that had always been done in the past and it seemed to be reasonably costed. What is happening now is they cannot find private sector people to come in and do it. They can sometimes, but they have to wait a long time and it is prohibitively expensive. I think it is \$500 to do the job, whereas it would take the Department of Highways like, I do not know, I am guessing 15 minutes or 10 minutes to whip in and out of there because they are there anyway.

Now, I know that we have made an issue of this before, and I have certainly phoned Mr. Ron Meisters out of The Pas. I want to commend the gentleman; he

is excellent, and he is very good, but he is toeing, sort of, the government line. He has been told a certain thing and he is sticking with it and he is very good, but I am just thinking, you need to lean on him a little bit and say, soften up, Ron.

I am getting at just one particular institution that is far from, I hate to use the word "civilization," but it is isolated. They have no other way of being serviced. They are a charitable institution. They are used by a lot of people across this province. I again plead with the minister to make that an exception. I am not asking for a lot of private lanes to be plowed out. I understand that, but this was something that had always worked in the past. It was always reasonable, they were willing to pay their fair share, but there is no private contractor willing to take that on. That puts them in a real bind.

**Mr. Findlay:** Mr. Chairman, we are of the impression that the private contractor from Cranberry Portage was interested in that kind of work. That was the information we had last fall. I will commit to the member that we will have staff follow up with the bible college to determine if they cannot get that any kind of reasonable pricing from a private contractor, we will look at whether it is a unique situation and determine the pros and cons of the government doing it as opposed to the private sector.

So we will commit that to the member. If they are particularly isolated so that the costs of transporting equipment to there are very high, we will revisit it and deal directly with the bible camp.

\* (1510)

**Mr. Jennissen:** I appreciate if the minister would do that because my information from them appears to be that the contractors are not interested. It is not worth their while to bring their equipment in which might be 100 miles away, and it is I believe, at least, I would guess, around 30 kilometres from Cranberry that would be the nearest place. I thank the minister for that answer.

A few other questions. One of them is looking at the Capital budget and the work being done in the North, there is reference to a bridge at 391 between Leaf Rapids and Lynn Lake. Now, the map that I have, it

appears to be something other than the Churchill location, the Churchill River. So is it just a mistake on the map or am I just misreading that map?

**Mr. Findlay:** Mr. Chairman, it is a strengthening of Churchill River bridge.

**Mr. Jennissen:** Okay. Which is then the bridge that is three, four kilometres outside of Leaf Rapids, because the circle that I saw indicates much further up, closer to Lynn Lake. So I presumed it was just an error. Okay.

I have talked with the Chief of the Moose Lake Band, Mr. Phillip Buck, and they are very concerned about the nature of that road. I do not remember the exact number of the highway. I think it is PR 384; it is PR 384. That road is in fairly rough shape and extremely dusty in the summer as well.

Is there a possibility in the future that this Department of Highways together with the feds and Repap could be developing a road that would be a lot shorter, that, in fact, parallels or is the same as the winter road whereby Moose Lake loggers haul their wood to the Repap mill? In other words, that road could be shortened considerably. Is there anything in the works there at all?

**Mr. Findlay:** Mr. Chairman, the department has certainly looked at it. A report has been done, but the member mentions other parties involved in cost sharing, and it is a fairly expensive bit of activity there and a tremendous benefit to Repap, and also a benefit to the federal government, if we do that sort of thing. At this stage, the other parties are not prepared to cost-share, so it is sort of in limbo, but the report does exist, and the shorter road the member mentions has been identified.

I also note that Moose Lake is looking at extending the road further east past Moose Lake over to the other side of Cedar Lake to a cutting area over there. I mean, there is not only the new road but there certainly has been some discussion, that I have been aware of, of extending it, moving towards Highway 6.

I know the benefits would be great for the area, but when you got the funds we have over a tremendous network and the demands we have, it is very difficult

for us to get there unless the partners are prepared to cost-share, and at this point we have not had that commitment.

**Mr. Jennissen:** Regarding the flood agreement with South Indian Lake and the long-range plan to build a road from South Bay to South Indian Lake, at what stage is that now?

**Mr. Findlay:** Mr. Chairman, an engineering study on that particular piece of construction is well underway. The study will ultimately put some numbers and figures on the table, and it will be dealt with at that time.

**Mr. Jennissen:** Yes, I would really appreciate it if the minister would give me a little bit of a time line on that, like, are we looking at a five-year, 10-year, or two-year? As well, could the minister indicate, as was in the original flood agreement, whether or not that all-weather road will include a bridge?

**Mr. Findlay:** Mr. Chairman, the commitment that the member for Flin Flon refers to was about a 10-year window in a Hydro agreement. We believe there are five or five-plus years left in that agreement. The business of a ferry versus a bridge, it will have to be a ferry just based on cost.

**Mr. Jennissen:** So then we cannot really say it is an all-weather road. Still those people would be stranded seasonally whenever that water of the river breaks up in the spring and whenever it freezes in the fall.

**Mr. Findlay:** It will be the ferry when the season allows the ferry to run. It would be winter road when the season allows it to be used. Yes, there will be disruptions at certain points in time based on weather in the spring and fall, but what you might want to do and what you can afford to do sometimes are different things. The cost here is just, at this point in time, prohibitive to build a bridge.

**Mr. Jennissen:** So then the word "all-weather" is not really applicable. It is a road that is used most of the time but is not an all-weather road.

**Mr. Findlay:** Mr. Chairman, the department has always and consistently argued that the combination we are referring to is technically an all-weather road. One

can find fault in that argument, but it is one that we have had to live with simply because that is the best that we can afford to do in balance of all the other demands and requests on the government through its Highways Capital budget.

**Mr. Jennissen:** While we are on the subject of ferry crossings, the ferry at Cross Lake, were there problems with that this year? Were there significant cost overruns?

**Mr. Findlay:** Cost overruns?

**Mr. Jennissen:** Yes.

\* (1520)

**Mr. Findlay:** Mr. Chairman, our operation of it is on a 14-hour-a-day basis, and where communities want to run it longer, if they are prepared to pay for that additional time, we are prepared to operate it longer. There had been some agreement where they would be paying for it in the past, for the extended hours, but I gather they ran it for a while and then saw fit to cease the additional hours of operation. Our fundamental principle is 14-hours-a-day operation, and on that basis there were no cost overruns.

**Mr. Jennissen:** Is there any long-range planning with regard to Highways 374 and 373, Norway House, Cross Lake, in putting in bridges to those two communities, or is that simply not in our long-range plans?

**Mr. Findlay:** Mr. Chairman, both bridges the member mentions are in the \$8-million to \$10-million category, and the traffic volume just does not indicate that we should be spending that kind of money in those locations at this time. So the traffic does not warrant that kind of expenditure for those bridges.

**Mr. Jennissen:** Can I conclude then that the only main expenditure this year on 374 and 373 is the one bridge that is being upgraded this year?

**Mr. Findlay:** Well, Mr. Chairman, I will go back to last year. There was a \$1.6 million project of grade and calcium base on 373 from PTH 6 easterly for 12.6 kilometres. That was completed last year. An additional \$2.2 million of grade and calcium base from

12.6 easterly of Highway 6 to Sipiwesk, that is currently in the process of completion. About 25 percent of it remains to be done.

The bridge at Mulligan River, a million-dollar bridge, has been programmed along with environmental assessment survey and design on 373 from Maniago River to 15 kilometres north. That environmental assessment survey and design is underway, and that has to be done before you can program any actual work on the particular road.

So there is the bridge plus completion of projects that led to about 25 kilometres of grade and calcium base course on 373 east of Highway 6.

Another project from Norway House north is the gravel road stabilization for some 14 kilometres.

**Mr. Jennissen:** When we started the Estimates process quite a number of days ago, because it has been dragging and skipping a fair bit, I asked the minister for an update on how the flood had damaged southern roads.

Quite a bit of time has passed since then, and I am wondering if the minister has a little bit more information and perhaps even a map to indicate which southern roads have been affected and some ballpark figures in terms of damages.

**Mr. Findlay:** Mr. Chairman, it is very preliminary yet to know what the total cost is in southern Manitoba for bridge and road reconstruction after the flood. We have a running chart that probably has at least 50 different projects or roads or items on it, and the total is currently \$7 million with several items with no estimate yet, because it is still under water or still has not got a firm figure. So a probable round ballpark figure would be \$10 million for road and bridge reconstruction. That is very preliminary and subject to variations up or down. There are a lot of—as I say, almost 50 different locations involved, and it runs from some locations, a \$10,000 cost to other locations of \$1.3 million in one location.

I am sure the member saw the stretch of Highway 75 where the concrete was just like an earthquake had hit it. That will be a million dollars plus, for sure, but the highway will be open and running before the

reconstruction is done whether it is on the other two lanes or how ever they accommodate the traffic. But it will take some time to reconstruct that section since it would appear that they have to go right down to the base and start over again, build it up and then replace the cement. So that is an example of a long-term project, very expensive, but only one of the 50. Mind you, it is undoubtedly the most expensive of the 50. So, let us put it this way, it is in a range between \$7 million and \$12 million, give or take.

**Mr. Jennissen:** So, actually, Mr. Tinkler's estimate was not that far off when he first had to make an estimate on that. Now, how much of that is cost shared with the feds, again?

**Mr. Findlay:** Well, certainly it would be our intention to apply for all of it as flood-related expenses where the 90-10 formula would be used, and we would be compensated 90 percent. But I want to caution the member we will be applying, and they will ultimately make some decisions. If they would extend the election for six more months, I think we would probably get our 90 percent consistently. But I have been around before, and I know there will be some argument over some items. We will argue for 90 percent and whether we end up with that remains to be seen.

**Mr. Jennissen:** The cynical view up north where they are saying, after this flood every square inch of the road in southern Manitoba will be paved, but will that money saved go to us up north? We are not sure of that, and, in fact, that is the question I have for the minister. Had any capital monies been targeted to these roads that will presently be fixed, hopefully, with federal aid, and if so, will that money be shunted elsewhere or will we just lose it?

**Mr. Findlay:** None of the projects that are currently programmed apply to any of these roads that are under this flood impact. What is currently programmed, and what will be tendered this year, will not be changed by the flooding activity. We will continue with our provincial capital program of approximately \$100 million without any reference to the flood. The flood will be in addition to that.

We will be expecting to, as I said earlier, get the 90 percent reimbursement from the federal government on

the cost of rebuilding those particular roads. So the existing program is not affected in southern Manitoba nor in northern Manitoba by the impact of the flood.

\* (1530)

**Mr. Jennissen:** So the minister is saying that no money will be redirected, even though some of that might be federal money that would have normally been paid by the province. Is he suggesting that there is nothing there to redirect?

**Mr. Findlay:** In terms of the current provincial capital budget, there is not a single federal dollar in it, so none of their dollars can be redirected because they have not got any in the provincial program, if that is what the member was referring to.

**Mr. Jennissen:** I am sorry, Mr. Chair, I was thinking of the money that you save because some of the roads that are now destroyed, let us say, are not exactly at 100 percent standard are now going to be fixed with federal money; that saves the province a lot of money. Perhaps those roads were going to be fixed in the near future. Is any of that money going to be redirected?

If you save a million bucks in the south because the feds are paying, we could sure use it in the North; that is what I am saying. Is there any chance of any of that being redirected?

**Mr. Findlay:** In terms of what we are going to do in the south in terms of rebuilding of these roads, we are going to bring them up to the standard that they were. I mean, we would not be there building them, period, if it was not for the flood, so no money is saved by us. We actually have to spend 10 percent, so it actually costs us to do that rebuilding, and it is only up to the previous standard.

That is where maybe some of the argument will come from the federal government, well, it is a newer standard now, they might argue that point. We will argue strenuously we only brought it up to the standard it was before, and particularly where a shoulder has eroded away, say, two feet of a shoulder is gone, you replace the clay, you put the gravel back on, that just brings it up to what it was. If the surface is gone, you resurface it, but it brings it back to what it was, and it

will only be sections of roads. Many of these projects are a section of maybe 100 yards long, or maybe a quarter-mile long and maybe even two miles long in certain cases.

It is sections of roads. We are not rebuilding whole roads to any new standard, just bringing them up to the standard they were prior to the flood. So there really is not any saving for us; there is really a cost of 10 percent to us, 10 percent or whatever part of the 90 percent we lose in the argument.

**Mr. Jennissen:** If I could just ask a few more questions of the minister basically on railroads and then allow my colleague from The Maples to ask a few questions, as well, before we actually get to the—

**An Honourable Member:** Allow?

**Mr. Jennissen:** Let me rephrase that. I would be honoured to have the member for The Maples (Mr. Kowalski) to ask questions on the roads.

#### Point of Order

**Mr. Gary Kowalski (The Maples):** On a point of order, I notice both the minister and the official critic are wise and gray-haired gentlemen. Am I still eligible to ask questions around this table? I do not have any gray hair yet. Does that allow me to?

**Mr. Findlay:** If he asks enough questions, I will gray it for him.

**Mr. Chairperson:** The honourable member for The Maples does not have a point of order.

\* \* \*

**Mr. Jennissen:** Mr. Chair, my apologies again to the member for The Maples. If he does not have gray hair now, just stick with the Liberal Party; he will have.

**Mr. Chairperson:** Order, please.

We are talking about the Estimates of the Department of Highways and Transportation, and I would like to ask all members of the committee—[interjection] That is only when the committee puts me to sleep.

**Mr. Jennissen:** Mr. Chair, my apologies for the levity that descends upon us after hours of this.

Could the minister tell me, when was the last time he met with any representative from CN, CP or VIA, because I am concerned a little bit about the future of railroading in this province?

**Mr. Findlay:** Mr. Chairman, we would have talked to CN and CP at the end of April of this year.

**Mr. Jennissen:** Does the minister get a feeling of what the prospects are in the future for rail jobs? I know there have been cuts, but what does it look like in the near future for CN and CP especially, and VIA?

**Mr. Findlay:** Well, Mr. Chairman, I think it is fair to say that everybody in this day and age is under a significant challenge to be sure that their operations attract customers and that their costs do not exceed their incomes. Clearly, both the major railroads have lost some money in recent years and have gone through some major restructuring to get their costs down, and have worked hard to try to maintain their customer base and maintain satisfied customers. Otherwise, they will continue to lose more work to the trucking industry, or maybe more to U.S. rail.

I think the restructuring that both CN and CP have done has put them on a better course for the future than what they have been on in the past. At the kind of meetings I was referring to, there are usually people from every part of the transportation industry, whether it is trucking industry, rail industry, air industry. Provincial and federal governments are there and talking about the challenges that are faced, and significant comparisons are often done to U.S. rail. The member, I am sure, is aware of the tremendous amalgamations in U.S. rail and the whole objective to get their cost per unit of activity lower, lower, lower. It puts a lot of challenge on these like CN and CP.

I think CN and CP are in a much better position today because they are making money which allows them to look forward to the future in terms of capital reinvestment, in terms of purchasing equipment, and actually there are jobs associated with building cars or building engines. I think it is a firm indication that the security of jobs in the industry is much better today

than it used to be, but I will not for a moment pretend that things have not changed dramatically in those industries.

The customers that want freight moved have demanded lower costs, greater efficiency, more reliability. The railroads, for a period of time, did not seem to respond very fast to those requirements, but in the last two or three years have responded fairly dramatically.

There is no question that, theoretically, the cost of moving bulk freight by rail is the least cost, should be the least cost way, as opposed to by truck over the long distances we have to haul in Canada or in North America. Technically and theoretically, they have a good future, but they have got to work hard to capitalize on that good future, whether it is hauling coal or grain or potash or piggybacks or passengers as in the case of VIA.

You have to satisfy the customer in terms of quality of service, reliability of service; and, if you do not do that, you lose business, because the customer has choices. Where he can exercise those choices, he may well use them as levers. I think, clearly, the railroads understand that better today than they did five or 10 years ago.

The volumes that we are exporting, the volumes of product that are moving around Canada and North America bode very well for the railway industry and for the trucking industry, too. Either one of the two is going to haul them. In certain cases, yes, the air industry will work with them in an intermodal sense.

The economy is moving along reasonably well. There is more and more trade going on into and out of Manitoba, and a lot of that trade activity is more north-south than it used to be. There are trucking companies and railroads that are doing that business down into the U.S.

So I am reasonably optimistic about their future. I cannot let this opportunity go by without pointing out the change in how they deal with their customers in terms of freight billing, waybilling, customer contact. Those customer service centres for both CN and CP are here in Winnipeg for all of Canada in both cases. This

change in how they did business, for various reasons we were able to attract them to Manitoba.

Those are railway jobs in one sense. They are in a different form than the traditional railway job, but they are part of the services they deliver to their customers, and that responsiveness to their customers that they must do is done through those customer service centres.

\* (1540)

**Mr. Jennissen:** Talking about the more traditional railway jobs, especially in Winnipeg itself, is the minister perhaps privy to any information about the future plans of CN for the Transcona Shops, both the car shops and the diesel shop? This affects a lot of people, and people are nervous. They wonder if you have an idea of what is in the offing.

**Mr. Findlay:** Mr. Chairman, the member may have been aware that recently GE just signed a contract with CN to do a fair bit of new locomotive work at Symington. Those are examples of the kind of contracts that those yards need to get in the future in order to be sure that their people are actively working, because every piece of equipment that they make today, although it is more costly than it was 20 years ago, is certainly much more reliable and needs less service work. But the service work that has to be done is more technically skilled, a lot of electronic computer activity.

Both CN and CP are private companies and make their decisions for their benefit, and governments do not have the input or the lines of communication that they might have had in the past with a Crown corporation.

In terms of creating a positive business climate here in Manitoba, we tend to attract companies to look at this as a place to do those kinds of contracts, and I am very pleased to see that Symington Yard here in Winnipeg has been successful in obtaining that kind of work. Those are the kinds of activities that they will need to continue to get to continue to use their staff to the maximum of their capability.

**Mr. Kowalski:** My questions I have are in regard to public safety. I am concerned that Manitoba's highways and roads are safe, and to be safe there are

three elements, good roads, good vehicles and good drivers. Good roads result when well-engineered, well-built highways are well-maintained. Good cars, again well-engineered, well-built and well-maintained, are safe vehicles. Good drivers are drivers who are well-trained and obey the rules of the road.

The reason why people obey the rules of the road is because they believe it is in their safety, or they believe that they might get caught by the police and reminded. There has to be a deterrent, and I believe the province has increased the fines for highway infractions lately. That is one element, but regardless of how severe or how high the fine is, if a driver believes there is a good chance that they can disobey the laws and not get caught, the deterrent effect has less value.

In regard to two elements that the Manitoba Public Insurance Corporation has advertised in their RoadWise campaign about speed, I know from personal experience that noncompliance with traffic control signals and speeding cause a lot of loss of life on Manitoba's highways and roads.

I know the minister has read and I have read a number of studies that have shown that photo radar and red light cameras—there are a number of studies from all over the world, New Zealand, and we know B.C. has introduced photo radar and has shown that it dramatically decreases speed on the roads that have indicated that they are patrolled by photo radar, and I think every year I have asked a question about what is happening in the Highways department as far as any studies, any initiatives, since last year's Estimates.

Have we gone any closer to any action and any initiative? Have there been any further studies, any further discussions, about introducing red light cameras and photo radar on Manitoba's highways to make them safer?

**Mr. Findlay:** I thank the member for the question because very definitely we are on the same wavelength in trying to maximize public safety, particularly for the innocent who obey the laws and get impacted by those out there who do not obey the laws appropriately.

We have had several meetings and discussions involving the RCMP, Winnipeg Police, Brandon Police,

myself directly and staff on other occasions, looking at exactly the question the member is referring to; how can we do something in government that gives them greater tools at their disposal to be sure that citizens obey the law reasonably and responsibly to maximize safety of citizens in Winnipeg and elsewhere in the province?

Those discussions have been most interesting, and we have highlighted, in addition to what the member has identified as two items—he has talked about red light cameras and photo radar—railway cross-arms as another item that has been in that process of discussion. Coming out of that discussion, there have been some conclusions which ultimately will be announced and the member will be aware.

So we have had very fruitful discussions, back and forth, pro and con, and it is probably premature for me to say anything more than that at this time, but I think there is going to be pretty good support from those entities in terms of what initiatives will take place.

But it is a result of considerable discussion, and both sides appreciate the input from each other, so it has been a good discussion over the course of several months which will lead to activities that will be of benefit to Manitobans.

**Mr. Kowalski:** I am very happy for that response. It is a long time coming, but sometimes good things are a long time in coming, and the sooner the better. We are coming up to the tourist season, the holiday season, on Manitoba's highways. It is strange, with our winter driving conditions, the number of fatalities that occur during the summer months, July and August, when our holiday weather is out, bright, sunny skies, ideal road conditions. That is when we have our fatal accidents on our highways.

So I hope that if it is at all possible to move it up before we have our peak holiday season, before July and August, that if there is a move in that direction, it be initiated as soon as possible because even if one life is saved by people slowing down, it is well worth it.

The last question I have on this subject is almost redundant, but has the minister received studies from the introduction of photo radar in B.C.? Has there been

any communication with the Department of Highways in B.C. as to the success of their photo radar program, and what, if anything, could we learn from the way they initiated phone radar?

I know one of the things they did for the trial period was that for a month they just stopped vehicles, and they did not give out tickets. They gave out warning tickets that after this month, you would have received a ticket for this amount. They were to sent in the mail, and then people learned about photo radar.

Are there any other things that could be learned from the way it was introduced in B.C.?

**Mr. Findlay:** In the process of the discussions that have taken place, staff certainly had been aware of the information from whatever jurisdiction inside and outside of Canada to look at the pros and cons. Our initiative is simply to improve public safety—that is the bottom line, public safety—and not to generate revenue, as some other people have identified. So our mission is safety.

**Mr. Kowalski:** I am sure it will be in a made-in-Manitoba solution, to quote another minister, so thank you very much.

**Mr. Jennissen:** Mr. Chair, if I could actually move to the blue Estimates booklet, I know we have been patiently waiting. I would like to ask a few questions, actually, about the Organizational Chart, if I may.

One thing that I certainly have some questions about, but I would like to ask them a little bit later on when we get to the regular pages, is on the amalgamation of the Motor Transport and Highway Traffic Boards. I certainly have some concerns about that amalgamation, but we will do that when we get to the appropriate page.

On the left-hand side under Administrative Services, P. Rochon, Human Resource Services, is that just a name change from last year when it was called Personnel Services?

**Mr. Findlay:** Yes, Mr. Chairman.

\* (1550)

**Mr. Jennissen:** And the bottom of that same Organizational Chart under Administrative Services, Claims Investigations, which was not listed last year under that heading, was that a major change?

**Mr. Findlay:** Mr. Chairman, a position moved from Construction and Maintenance over to Administrative Services.

**Mr. Jennissen:** Mr. Chair, under Policy, Planning and Development with Mr. Norquay, Corporate Services last year was called Corporate and Legislative Services. Does that omission of the word “Legislative” mean something?

**Mr. Findlay:** No, Mr. Chairman, it is just streamlining the name.

**Mr. Jennissen:** Under Driver and Vehicle Licencing and Transportation Safety and Regulatory Services, both of the boxes under those vertical lines deal with Transport Safety and Regulation. I do not understand that. Why do we have that listed twice?

**Mr. Findlay:** Under the column on Driver and Vehicle Licensing, the first box on Safety is dealing just with drivers. The bottom box, Transport Safety and Regulation, deals with vehicle safety, the PVIP program, the commercial vehicle program, and then over on the right hand under Transportation Safety and Regulatory Services, Transport Safety and Regulation refers to the National Safety Code, which is a national undertaking of many contexts to promote safety in some uniform fashion across the country.

So there are different activities. The names may be the same, but they are different activities under each of the three.

**Mr. Jennissen:** If it is appropriate with Mr. Chair, I would like to continue with line by line on Estimates.

**Mr. Chairperson:** Item 15.1(b) Executive Support (1) Salaries and Employee Benefits \$438,900—pass; (2) Other Expenditures \$89,000—pass.

15.1.(c) Administrative Services (1) Salaries and Employee Benefits \$387,000—pass; (2) Other Expenditures \$268,100—pass.

15.1.(d) Financial Services (1) Salaries and Employee Benefits \$655,500—pass; (2) Other Expenditures \$207,800—pass.

15.1.(e) Human Resource Services (1) Salaries and Employee Benefits \$735,300—pass; (2) Other Expenditures \$203,400—pass.

15.1.(f) Computer Services (1) Salaries and Employee Benefits \$1,511,400—pass; (2) Other Expenditures \$573,300—pass.

15.1.(g) Occupational Health and Safety (1) Salaries and Employee Benefits \$173,300—pass; (2) Other Expenditures \$60,400—pass.

Item 15.2. Highways and Transportation Programs (a) Management Services (1) Salaries and Employee Benefits \$362,600—pass; (2) Other Expenditures \$37,000—pass.

15.2.(b) Operations and Contracts (1) Salaries and Employee Benefits \$1,420,400—pass; (2) Other Expenditures \$493,400—pass.

15.2.(c) Bridges and Structures (1) Salaries and Employee Benefits \$1,793,100—pass; (2) Other Expenditures \$295,100—pass.

15.2.(d) Transportation Safety and Regulatory Services (1) Salaries and Employee Benefits \$2,433,100—pass; (2) Other Expenditures \$634,700—pass.

15.2.(e) Regional Offices (1) Eastern Region Office (a) Salaries and Employee Benefits \$2,177,300—pass; (b) Other Expenditures \$535,500—pass.

15.2.(e)(2) South Central Region Office (a) Salaries and Employee Benefits \$2,058,300—pass; (b) Other Expenditures \$574,000—pass.

15.2.(e)(3) South Western Region Office (a) Salaries and Employee Benefits \$1,893,800—pass; (b) Other Expenditures \$476,000—pass.

15.2.(e)(4) West Central Region Office (a) Salaries and Employee Benefits \$1,512,300—pass; (b) Other Expenditures \$390,200—pass.

15.2.(e)(5) Northern Region Office (a) Salaries and Employee Benefits \$1,194,200—pass; (b) Other Expenditures \$403,300—pass.

15.2.(f) Winter Roads \$2,000,000—pass.

15.2.(g) Other Jurisdictions (1) Gross Expenditures \$2,440,000—pass; (2) Less: Recoverable from other appropriations (\$1,000,000)—pass.

15.2.(h) Planning and Design (1) Salaries and Employee Benefits \$1,643,700—pass; (2) Other Expenditures \$432,400—pass.

15.2.(j) Northern Airports and Marine Services (1) Salaries and Employee Benefits \$3,038,000—pass; (2) Other Expenditures \$2,344,500—pass.

15.2.(k) Materials and Research (1) Salaries and Employee Benefits 1,556,600—pass; (2) Other Expenditures \$450,500—pass; (3) Less: Recoverable from other appropriations (\$1,009,200)—pass.

15.2.(m) Traffic Engineering (1) Salaries and Employee Benefits \$806,800—pass; (2) Other Expenditures \$233,300—pass.

15.2.(n) Policy, Planning and Development (1) Salaries and Employee Benefits \$1,676,500—pass; (2) Other Expenditures \$501,000—pass

15.2.(p) Driver and Vehicle Licensing (1) Salaries and Employee Benefits \$10,805,500—pass; (2) Other Expenditures 7,766,00—pass; (3) Manitoba Public Insurance Cost-Sharing Agreement \$3,763,800—pass.

15.2.(q) Boards and Committees (1) Motor Transport and Highway Traffic Boards.

**Mr. Jennissen:** I notice that those used to be two separate committees, and I guess in a sense they still are, the Motor Transport Board and the Highway Traffic Board, and through Order-in-Council, and I have them, they have been reduced from 16 people to seven people. Is that correct?

**Mr. Findlay:** Right.

\* (1600)

**Mr. Jennissen:** Could the minister explain why those changes were necessary and if there is any conflict between those two boards? Are the same people sitting on two boards?

**Mr. Findlay:** Mr. Chairman, in the interest of making sure we are as efficient as we can be and decrease our costs, we looked at the activities that were happening in those two boards, and clearly the Motor Transport Board activities were declining because of less regulation in the industry, more deregulation occurring, and decided it was appropriate to have one committee to carry out the functions of both Motor Transport and Highway Traffic.

In the process, we have reduced the number of appointed members from 16 to seven and have reduced the cost to government to carry out these functions by \$50,000 per year, so considerable cost saving in doing this. No, I do not see a conflict of interest in terms of the two activities being done by the same board members.

**Mr. Jennissen:** Because I am not very familiar with either of the boards, can you give me an indication how often these people actually meet in a year?

**Mr. Findlay:** Mr. Chairman, it would appear there would be around 40, 45 meetings were held in 1996, and many of those meetings would be hearings which require only three members to sit in on the hearing.

**Mr. Jennissen:** So, under Board Members, that \$120,000 a year, that would mean \$3,000 a meeting. Am I correct then that Salaries and Employee Benefits, Administrative Support and Other Board Members, Estimates of Expenditures—[interjection] I am simply taking that figure and dividing it by the estimated number of meetings. Is that what it would cost a meeting? Is it fair to characterize it that way?

**Mr. Findlay:** Well, I reacted to the member's \$3,000 per meeting, because if you look back, it is \$120,700 in the year '96-97, and as I have already identified, we saved \$50,000, so the figure here should really be \$50,000 less.

The \$50,000 shows up in the total of the sum appropriation, but most of the savings of that \$50,000

is in that line right there, so there will not be \$120,000 spent this year on board members. That is where the \$50,000 saving by reducing from 16 to seven from last year to this year happens.

**Mr. Jennissen:** What exactly constitutes a meeting? For example, if Mr. Penner shares both meetings that he picks up the phone and phones another member, does that constitute a meeting?

**Mr. Findlay:** Mr. Chairman, no, a phone call would not constitute a meeting. They meet Tuesday mornings and the hearings are scheduled by staff that they deal with these hearings that are requested by citizens under various activities associated with the Highway Traffic Board.

**Mr. Jennissen:** The downsizing or slimming down of that group from 17 to seven had everything to do with efficiency and not in punishing or rewarding anybody in particular?

**Mr. Findlay:** No. It had everything to do with increasing efficiency and decreasing cost. It had nothing to do with punishing anybody, no.

**Mr. Jennissen:** I am not aware of what the fees are for volunteer board members who I am sure will work very hard, but I did notice that if the chairperson is involved the whole day—that is \$336 a day or \$191 a meeting and \$109 per meeting for the other members or \$192 per day, which is not an insignificant amount but I am sure these are qualified people.

**Mr. Findlay:** Across government for appointed positions, there is a schedule of what they are paid based on the level of activity they are involved in, the degree of expertise they need to have in order to serve in those positions, and that is where those per diems or half-day-meeting rates are set, but it is consistent across government based on the nature of the appointment as to what you get paid on a per diem basis.

**Mr. Jennissen:** The projected savings of \$50,000, as the minister said, should have perhaps come out of that \$120,000. Does that mean then that under Other Expenditures, under Supplies and Services, which is down \$30,000 and Other that is down \$30,000, are those the savings we were talking about?

**Mr. Findlay:** The actual savings are shared, from where I talked about it earlier between board members and other operating expenditures, but the bottom line is the \$50,000 saving is primarily because less members paid less money for being a member of the board and less expenses naturally with less people.

**Mr. Jennissen:** So that fairly vague line that says Other which is down from \$57.7 to \$27.7, a saving a \$30,000, what would that consist of?

**Mr. Findlay:** At the end of the day, the majority of it will be in the expenses. The per diems are less now than they were in the previous years. Less people, less expenses, less per diems. I would not say we are not exactly on those numbers, those are approximate numbers. I would prefer if the member looks up the total of the sum appropriation. That \$50,000 will be saved, but primarily it should be showed as board member, less cost, because that is really where the majority of savings are going to happen.

\* (1610)

**Mr. Jennissen:** I was also looking at the line called Accommodation which has not changed under Other Expenditures from \$46,000. It remains at \$46,000. Now perhaps I am wrong, but if you are down from 17 members to whatever, 16 to seven, I do not understand why Accommodation would not change. You are dealing with less bodies.

**Mr. Findlay:** This is not a precise science. These are only projections. Come back a year from now and we will see more exactly what they turn out to be but you are right, less people, there will be less accommodation expenditures. Mr. Chairman, this accommodation is actually rental space for the offices.

**Mr. Jennissen:** Are there any guidelines on how these people are hired? Is it their ability, their qualifications?

**Mr. Findlay:** We look at people that we deem have had enough experience, that they are qualified to carry out the functions of the board. We look for some distribution across the province, the city, rural, North, so we have people that can understand the points of view of the people that come before them on hearings in the different regions.

Also, if you want, there is a hearing happening in Thompson or Brandon that you would prefer to have members closer to that area as opposed to having the high costs of transporting them in, so there are a variety of factors. Over the course of time, you make some changes to be sure that you continue to strengthen the capability of your board members.

**Mr. Jennissen:** And the minister remains convinced that reducing this to seven members is actually a productive move? Like, sometimes, you know, more heads are better than fewer heads.

**Mr. Findlay:** We spent some time considering how to handle this and, in the end, I believe that the decision made to reduce it to seven is the right thing to do.

**Mr. Jennissen:** Do these seven members reflect geographical disparity somewhat, or are they all Winnipeg people?

**Mr. Findlay:** They are not all Winnipeg. In fact, I look down the list, only one is from Winnipeg. They come from Steinbach, Headingley, Dugald, Somerset, Thompson, Garson. That is six, and the seventh one is from Winnipeg. So they are from all over Manitoba. The North is represented, rural Manitoba is represented, and the city.

**Mr. Jennissen:** Can the minister identify the northern member from Thompson? I do not know who that is.

**Mr. Findlay:** Mrs. Helen McIvor.

**Mr. Jennissen:** Mr. Chair, I think we will continue line by line.

**Mr. Chairperson:** 15.2. Highways and Transportation Programs (q) Boards and Committees (1) Motor Transport and Highway Traffic Boards (a) Salaries and Employee Benefits \$436,800—pass; (b) Other Expenditures \$137,900—pass; (2) License Suspension Appeal Board and Medical Review Committee (a) Salaries and Employee Benefits \$221,000—pass; (b) Other Expenditures \$96,600—pass; (3) Taxicab Board (a) Salaries and Employee Benefits.

**Mr. Jennissen:** I just have one question of the minister, and that is some concern I have personally

because, in all honesty, I do not know the whole issue here, but I do have some taxicab drivers who work for a large taxicab company in the city, and the issue, and I talk to every cabbie I meet about this issue, is owning the licence and owning the cab.

There is at least one case where the licence is not in —although the cabbie owns the cab, I guess, he does not own the licence. I know this is a contentious issue with pros and cons on both sides, I do not claim to be an expert, but I would like the minister's point of view on this.

**Mr. Findlay:** Mr. Chairman, this issue with regard to the company that the member is referring to has been ongoing for a long period of time. They have had a process of how they have operated, which in balance for the vast majority is functioning. They continue to deal with the board as to how that issue will evolve over the course of time, and I am prepared to allow the board in its wisdom to do the analysis to strike the appropriate balance between owning the cab and owning the licence involving that company where those drivers are shareholders in the company.

It has been a ticklish issue. It has been floating around for a long time, and no matter what is on paper, there is always one or two that see it another way, but when 98 or 99 percent see it in favour of the way it is, that is a pretty strong majority. I think we have to go with what the taxicab industry is able to work out with the board.

**Mr. Chairperson:** 15.2.(3) Taxicab Board (a) Salaries and Employee Benefits \$302,400—pass; (b) Other Expenditures \$96,900—pass.

Resolution 15.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$57,425,300 for Highways and Transportation, Highways and Transportation Programs, for the fiscal year ending the 31st day of March, 1998.

15.3. Infrastructure Works (a) Maintenance Program \$54,416,800—pass.

15.3.(b) Mechanical Equipment Services (1) Salaries and Employee Benefits \$7,212,900—pass (2) Other

Expenditures \$15,436,800—pass; (3) Less Recoverable from other appropriations (\$22,649,700)—pass.

15.3.(c) Construction and Upgrading of Provincial Trunk Highways, Provincial Roads and Related Projects, Provincial Programming (including Manitoba's share of the Strategic Highway Improvement Program) \$97,900—pass; Canada's share of Strategic Highway Improvement Program, no cost.

15.3.(d) Aid to Cities, Towns and Villages \$1,300,000—pass.

15.3.(e) Work in Municipalities, Local Government Districts and Unorganized Territory \$3,660,000—pass.

15.3.(f) Rural Municipal Bridge Assistance Program \$400,000—pass.

15.3.(g) Other Projects \$3,300,000—pass.

Resolution 15.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$160,976,800 for Infrastructure Works for the fiscal year ending the 31st day of March, 1998.

The last item to be considered for the Estimates of the Department of Highways is 15.1.(a) Minister's Salary. At this point, we request the minister's staff to please leave the table for the consideration of this item.

Item 15.1.(a) Minister's Salary \$25,700—pass.

Resolution 15.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,329,100 for Highways and Transportation, Administration and Finance, for the fiscal year ending the 31st day of March, 1998.

This now concludes the Estimates of the Department of Highways and Transportation.

The next set of Estimates to be considered for this section of the Committee of Supply is the Legislative Assembly. Will the committee agree to a short recess, and we will reconvene?

\* (1620)

**Mr. Jennissen:** Before we do that, Mr. Chair, I would like to thank the minister for his clear and forthright answers. I do appreciate that. I also want to thank my colleagues for their input and participation, and, particularly, I want to thank the minister's very capable staff for their patience in being with us over the number of days and weeks, I guess, almost.

**Mr. Chairperson:** I thank the honourable member for Flin Flon for those comments.

**Mr. Findlay:** Mr. Chairman, I would also like to thank the staff for the work they do to prepare for these Estimates. It is as hard on them as it is on anybody because they never know quite what is going to come up.

I also want to thank the member for Flin Flon (Mr. Jennissen) and the member for St. Boniface (Mr. Gaudry) for the nature in which we held the discussion. It was not acrimonious, and we did not worry about line by line until the very end.

We had a good discussion on a lot of issues, and, hopefully, they are helpful to the members. My door is always open to carry on those kinds of discussions on a less formal basis if they so desire. Thank you.

**Mr. Chairperson:** I thank the honourable minister for those comments. The committee will now take a recess at the direction of the government House leader.

*The committee recessed at 4:22 p.m.*

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#### After Recess

*The committee resumed at 4:33 p.m.*

### LEGISLATIVE ASSEMBLY

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

This section of the Committee of Supply will be considering the Estimates of the Legislative Assembly. Does the honourable minister have an opening statement?

**Hon. James McCrae (Minister of Environment):** Actually, no, Mr. Chairman.

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

Does the opposition critic, the honourable member for Burrows, have an opening statement?

**Mr. Doug Martindale (Burrows):** No.

**Mr. Chairperson:** I thank the honourable member for those short remarks.

Since there is no ministerial salary for the Legislative Assembly, we shall proceed directly to consideration of the line items. I should point out for the benefit of the committee that the first three items, Indemnities, Retirement Provisions and Members' Expenses, are items that are statutory, and that is, the dollar amount is set by the statute.

There is no requirement to pass these lines, and the lines can only be changed by legislative changes. The lines will be read aloud and members will have the opportunity to ask questions on these lines if they wish, but there is no requirement to pass these lines.

I should note that once we reach Section 4, Other Assembly Expenditures, we will then be considering line items that have to be passed.

So reading into the record, S1. Indemnities (Statutory) \$3,415,600 (a) Members \$3,317,800; (b) Additional Indemnities \$97,800.

S2. Retirement Provisions (Statutory) \$1,762,300. Provides for pension payments to retired members and matching registered retirement savings plan contributions for members. (a) Pensions and Refunds \$1,487,900; (b) Registered Retirement Savings Plan \$274,400.

S3. Members' Expenses (Statutory) \$3,254,900.

**Mr. Martindale:** Mr. Chairperson, I would just like to put on the record that we in the NDP caucus believe that MLAs should be treated the same as civil servants regarding salary increases and decreases.

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

**Mr. McCrae:** I will resist the significant temptation to make further comment.

**Mr. Chairperson:** I thank the honourable minister.

**S3. Members' Expenses (Statutory) \$3,254,900.** Provides reimbursement of various expenses related to functions and special duties performed by members. (a) Constituency Expenses \$2,102,700; (b) Temporary Residence and Living Expenses \$332,700; (c) Commuting Expenses \$37,600; (d) Travel Expenses \$490,400; (e) Special Supplies and Operating Payments \$116,800; (f) Printing and Franking \$169,700; (g) Committee Expenses \$5,000.

1.1 4. Other Assembly Expenditures \$4,011,700. Provides administrative support for the Legislative Assembly. (a) Office of the Leader of the Official Opposition (1) Leader of the Official Opposition's Salary \$25,700—pass; (2) Other Salaries and Employee Benefits \$123,900—pass; (3) Other Expenditures \$32,500—pass.

1.1 4.(b) Salaries and Employee Benefits \$2,785,200—pass.

1.1 4.(c) Other Expenditures \$1,044,400.

**Mr. Martindale:** Mr. Chairperson, it just occurred to me since I recently travelled with a legislative committee that the cost of travelling in Manitoba is quite expensive. We just, as a legislative committee, went to Thompson, and I think my return airfare was \$730. Several people have pointed out to me that you can fly on a charter flight to London, England, more cheaply. Is there any way that the government of Manitoba can negotiate cheaper air travel in Manitoba?

**Mr. McCrae:** Mr. Chairman, I would be happy to perhaps pass that question on to our colleague the Minister of Government Services (Mr. Pitura), who may have a better answer than I am able to give. Other than that, I think that is the best that I can do with that question. It is a legitimate question. It sometimes makes you wonder, but I have travelled myself, and sometimes we should make some personal decisions

that make some sense. For instance, if you have significant or enough time to plan ahead, you can get in on seat sales and that sort of thing, which I know I have done in the past. So, you know, there is individual responsibility on all of us, but certainly I think it would be a good idea for me to pass that question on to the Minister of Government Services, and perhaps something more definitive can come forward, and I thank the honourable member for asking it.

**Mr. Chairperson:** 1.1 4.(c) Other Expenditures \$1,044,400—pass.

Resolution 1.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,011,700 for Legislative Assembly, Other Assembly Expenditures, for the fiscal year ending the 31st day of March, 1998.

1.2 5. Office of the Provincial Auditor (a) Salaries and Employee Benefits \$2,530,000—pass; (b) Other Expenditures \$545,300—pass.

Resolution 1.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,075,300 for Legislative Assembly, Office of the Provincial Auditor, for the fiscal year ending the 31st day of March, 1998.

1.3 6. Office of the Ombudsman (a) Salaries and Employee Benefits \$720,700—pass; (b) Other Expenditures \$116,400—pass.

Resolution 1.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$837,100 for Legislative Assembly, Office of the Ombudsman, for the fiscal year ending the 31st day of March, 1998.

1.4 7. Office of the Chief Electoral Officer (a) Salaries and Employee Benefits \$377,400—pass; (b) Other Expenditures \$85,500—pass.

Resolution 1.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$462,900 for Legislative Assembly, Office of the Chief Electoral Officer, for the fiscal year ending the 31st day of March, 1998.

This now concludes the Estimates of the Legislative Assembly.

## SPORT

**Mr. Chairperson (Gerry McAlpine):** The committee will now deal with the Estimates for Sport.

**Hon. James McCrae (Government House Leader):** In view of the fact that I do not see the minister or the critic, another brief recess might be in order at this point, we hope very brief.

**Mr. Chairperson:** Agreed? [agreed]

*The committee recessed at 4:42 p.m.*

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## After Recess

*The committee resumed at 4:52 p.m.*

**Mr. Chairperson:** Order, please. 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 Sport. Does the honourable Minister of Sport have an opening statement?

**Hon. Eric Stefanson (Minister responsible for Sport):** Mr. Chairman, I have a brief opening statement. It is my pleasure to place before the committee the '97-98 budget Estimates for Sport.

Amateur sport makes a significant contribution to the physical, social and economic well-being of our province. We take pride in our many achievements and our record points to ongoing progress based on some of the following:

The number of national team and carded athletes who are resident of Manitoba and train here on a regular basis; the number of Manitobans to participate with medal success at the most recent Atlanta Summer Olympics, the most ever; the establishment of the National Training Centre Manitoba which will serve to meet the specific needs of these athletes and the hundreds of others who are on the threshold of becoming our country's high-performance athletes; and the awarding to our province of both the national men's

and women's volleyball teams training centre. We also have a tremendous legacy of hosting numerous successful championships, two World Curling Championships, two World Youth Baseball Championships, the World Boardsailing Championships, and the list goes on and on.

This has paved the way for other major hosting initiatives over the next three years. It begins with the 1997 Canada Summer Games in Brandon this August; the 1997 World Handball Championship in Winnipeg in August; the 1998 Olympic Curling Trials in Brandon in November; our own 1998 Manitoba Winter Games in Gimli next March; the 1998 Canadian Men's Curling Championship, the Brier, in Winnipeg next March; the 1999 World Junior Hockey Championship in Winnipeg, Brandon, Portage and Selkirk—all leading up to the 1999 Pan American Games in Winnipeg.

With these and other challenges facing us, Sport Manitoba, after a year of transition following the merger of the former Manitoba Sport Directorate and the Manitoba Sports Federation, has started to set the stage for comprehensive planning and a stronger integrated delivery of sport throughout the province. Mandated to implement the province's sport policy, Sport Manitoba's goals are the following: to increase the efficiency and effectiveness of resources to best meet the needs of athletes, coaches and officials; to provide funding which effectively balances the needs of sport and the costs of delivering programs and services; to support services which are in line with the priorities of sport partners; to develop a financial plan which creates overall economies in saving for the operation of sport.

Sport Manitoba will achieve these goals through an annual business plan derived from the sport policy and a funding agreement that will see the organization continue to support the Manitoba Games, Team Manitoba's participation in interprovincial games, best-ever athlete support for Manitoba's best athletes, coaches and officials development, and support of major hosting initiatives.

Our successes are built on a solid foundation of partnerships and volunteerism that involve the dedication and commitment of thousands of individuals, citizens and corporate sponsors who

continue to make a significant and major contribution to sport development in our province. The new opportunities that exist will enable us to increase our focus on the development of our athletes, coaches and officials through initiative, leadership and a highly supportive environment. This administration through Sport Manitoba is setting the course to address the ongoing challenges faced by amateur sport and to maximize the opportunities to ensure the further growth and success of amateur sport in Manitoba. Thank you, Mr. Chairman.

\* (1640)

**Mr. Chairperson:** I thank the honourable minister for those comments. Does the critic for the official opposition, the honourable member for Radisson, have opening comments?

**Ms. Marianne Cerilli (Radisson):** Yes, I would just like to make a few comments and highlight, I guess, some of the areas that I want to focus on in these Estimates. We only have a few hours, but there is a lot going on in sport right now, especially after today with the major announcement of the television contract for the Pan Am Games, and I will spend quite a bit of time, I think, discussing plans for the Pan Am Games. Hopefully, we will get around talking a little bit, too, about the Canada Games which are on this summer.

I want to follow up on some of the issues, unfortunately, that have surfaced in sport in our province and across the country related to abuse of athletes and participants in sport. I want to talk, as well, about the High Performance Centres, centres of excellence that have been developed for Manitoba, national centres that I understand are tied to the Pan Am Games as well.

I will have some questions about the changes in some of the Lotteries policy and how that is affecting the Sport Manitoba agencies and ability for those organizations to continue to work effectively. As the minister has also mentioned in his opening statement, the number of changes that are now implemented through the new Sport Manitoba body, and I am interested in following up on their plans, their financial plans and agreements that they have been working on with the provincial government, and I think that will

probably take up the majority of the time that we will have.

There are other areas I am interested in, in terms of high school athletics and the carding system for athletes and any development there and just generally looking at ensuring that the province is complying with some of the sport policy that was developed. I think there are some areas where there are some problems developing in the different sports, particularly in terms of some of the development activities. Maybe I will ask a few questions about that to start off with. I guess the minister can have his staff join us and I think that is where I am going to start.

**Mr. Chairperson:** Since there is no ministerial salary for Sport, we would invite the minister's staff to please come forward and the minister to introduce the staff present.

**Mr. Stefanson:** Mr. Chairman, seated to my immediate left is Mr. Jim Berry, the director of Community Support Programs in Sport, and also joining us is Mr. Jeff Hnatiuk, the president and CEO of Sport Manitoba.

**Mr. Chairperson:** I thank the honourable minister. We will now proceed directly to the consideration of line items on page 122 of the Estimates book. 28.1.(a) Sport Manitoba \$10,065,000. Shall the item pass?

\* (1700)

**Ms. Cerilli:** As I was saying in my opening comments, I wanted to ask a few questions about some areas that have arisen lately that are of great concern, and it has to do with high school athletics and sport development programs as related to young athletes coming out from high schools.

This was raised in Question Period with the Minister of Education, and I am wondering if the Minister for Sport and Sport Manitoba have had any discussions about this problem and that is that certain school divisions or perhaps just one school division, the Assiniboine area, are now charging teams who go out of town for tournaments or meets and then require the coach teacher that is joining them to miss days of classes at the school are having to raise funds and pay

for the costs of hiring a substitute teacher to replace the teacher coach that is with the athletes going out of town or missing classes because they are supervising the students and coaching during class time.

I am sure the minister would agree—he can tell me if he does or if he does not—that this will have implications in a number of ways. It will have implications for the number of tournaments or meets that student athletes will participate in during class time because there will be a cost. It will limit lower-income athletes from being able to participate on an equal playing field if they are expected to pay certain fees, and I think that it would also have implications then in the long run for the development of amateur athletes at that level and in a variety of sports that rely on high school for their development programs.

So I am wondering if the minister would agree if this is an area of concern, if he is aware of this, and tell me if there has been any discussion of this matter, at Sport Manitoba, if there has been any concerns that have been brought to his attention and if now that I am raising it, if maybe this is something new that Sport Manitoba needs to take a look at, if it is a concern that high school teams would have to be raising funds to pay for substitute teachers because they are missing class time to compete in athletics, and if the minister agrees that this is a concern.

**Mr. Stefanson:** Mr. Chairman, I am told that this issue has not been brought to our attention. When I say our attention, Sport Manitoba or through Mr. Berry and my offices, has not been brought to our attention or raised as a concern by school divisions or by the Manitoba High School Athletic Association at this particular point in time. We do have a liaison person, consultant with education, and we will certainly look into the issue.

**Ms. Cerilli:** I believe this is a fairly new practice on the part of the school division that is involved. Has the minister had any discussions with the Minister of Education (Mrs. McIntosh) about this matter especially since it was raised in the House? Had he thought of the implications for the area of sport?

**Mr. Stefanson:** No, I have not had any discussions with the Minister of Education, but as I have indicated,

the fact that we are discussing this here today we will look into the issue and determine if it does exist, if it exists in what divisions, to what extent and what the implications would be to participation in sport.

**Ms. Cerilli:** Would the minister think that this practice of having high school sports teams pay for the cost of substitute teachers violates or go against part 7 of Manitoba sport policy which says: There should be appropriate means for encouraging the integration of sport in education and to communicate with all members of the education system the value of sport within education, developing leadership, character and healthy lifestyles—if the minister could tell me if he thinks this policy or this practice of charging for substitute teachers for coaches would be in keeping with that policy.

**Mr. Stefanson:** Mr. Chairman, I do not think I want to comment until I determine whether or not this is, in fact, taking place. If it is, in what divisions, under what terms, and know with absolute certainty what it is we are talking about. So I certainly undertake and assure the member that I will look into it.

I will have our Sport Manitoba officials look into it, and I will correspond with her in terms of what I find out, how much of a problem, if any, this is. Obviously, subject to whatever we find out, I am then prepared to indicate what we are prepared to do. Until I know with some absolute certainty, I do not think it is all that helpful for me to speculate.

**Ms. Cerilli:** I am not asking you to speculate on if or if not this is occurring. What I am asking you to determine is if that practice would be in keeping with the policy that does exist. I mean, this policy is in the book and I am wanting you to tell me if you think it would be in keeping—there is another part of the policy that says to develop leaders in the sport community by enhancing the quality of sport education within the school system.

So there is a whole section of sport policy in your policy document which, as I understand it, is one of the things that has been driving the whole reorganization and creation of Sport Manitoba. I think there is a lot of concern if this policy is being compromised now by cost-saving measures in the Department of Education or

because of cuts from the Department of Education and cost-saving measures on the part of some of the school divisions that are suffering from those cuts.

**Mr. Stefanson:** Mr. Chairman, I think, as the member indicated, that question was asked in the House. I want to determine with absolute certainty what is taking place out there and whether or not this is occurring in the manner that the member for Radisson outlines. I will tell her that we certainly view schools as an important area for sport, as an opportunity to participate in sport. I think we can all agree on the value of sport. Our schools are also useful physical facilities for activities in sport and so on. I mean, the policy that she is reading from is certainly one we support; obviously, it is one we released.

This very specific question, I want to determine with absolute certainty what is taking place, if it is happening, under what terms, under what conditions and so on. As I indicated when she first asked the question, we have received no comment to date, either through my offices or through Sport Manitoba from either individual school divisions, individual teachers, or the Manitoba High School Athletic Association.

So I am certainly prepared to look into the issue and to get back to the member for Radisson as soon as I can.

\* (1710)

**Ms. Cerilli:** Well, like I said, this perhaps is fairly new, but someone has complained in particular to the member for St. James (Ms. Mihychuk) who raised the issue in the House. I am willing to go out on a limb and suggest that this is not in keeping with the sport policy, which also goes on to say that one of the objectives is to develop appropriate mechanisms and programs to assist educators involved in sports.

So it is fairly clear that this practice would not be in keeping with stated sport policy of the government, as outlined in Section 7, Education and Sport, so I guess I am willing to listen to the minister. As he said, he is going to get back to me on this one. It seems that whenever we raise some kind of controversial or problematic issue for the government in Estimates, that is the answer that we get.

I know that when I was in the Estimates with the Minister of Housing (Mr. Reimer) and I was debating and discussing the agreement being negotiated with the federal government on social housing, I was informed during the Estimates that I would receive a copy. That, I guess, then, dealt with a lot of the questions I was raising, because once I was told that, it seemed unnecessary for me to ask more questions on the topic. Then about a week or so after the Estimates finished, I finally got a letter from the Minister of Housing and, lo and behold, he was not able to give me a copy of that agreement.

I am just sharing that with the minister to let him know the frustration that I have and members of the opposition have through this Estimates process where, when we do raise issues that are problematic, we get told that we will have information given back to us and it sort of shuts us up, if you would, and then down the road we do not get that information, and we have missed our opportunity to ask questions of the government and hold them accountable for policies through their government which are incongruent and are contradicting each other.

I do not know if he is going to be able to tell me any more based on my explaining to him the situation we are in, in opposition, during these Estimates when we try to raise issues and get answers and are told we will have the minister get back to us and then we end up not really getting much information after the Estimates are finished.

**Mr. Stefanson:** Well, Mr. Chairman, today I can only speak for myself and if I take issues as notice, I usually do my best to get back to the member. I think the difficulty with this issue is she is citing a question raised by one of her colleagues in Question Period. We have nothing in front of us that outlines a policy of any sort that is in place in any school division. As I have already indicated to her, and I have officials here with me, we have not received any concerns, any complaints, any information. That is not to say what she is suggesting might not be existing out there in some school division in some form, and I think the most prudent thing for us to do is to determine, first of all, if it does exist; if from our perspective it is a problem, if it does exist and, if so, then what steps should be taken.

It is not, in any way, an attempt not to provide her with information. It is merely that the question she is asking, not much information is being provided to us at this stage in terms of any substantiation of this issue. So that is our problem. I think we are suggesting to her that if she can provide me any information, I would welcome that specific, or we will undertake through Sport Manitoba to pursue the issue, and I will get back to her.

**Ms. Cerilli:** Then I want to ask you a question about the Indigenous Games which are in August of 1997 in British Columbia; they are a national competition. The minister in his opening statement listed a number of competitions here in Manitoba and others that we would be sending delegations from our province. I am wondering if we are sending any athletes to the Indigenous Games?

**Mr. Stefanson:** Mr. Chairman, the short answer is yes. I am told Manitoba athletes will be participating in the Indigenous Games in British Columbia this year.

**Ms. Cerilli:** That is it? I am wondering if you can tell us how many and what sports. What is the financial contribution on the part of your department or on the part of Sport Manitoba?

**Mr. Stefanson:** Mr. Chairman, there has been no, I guess, official written request for any financial support, but there has been a phone call to our officials about the possibility of some support. A meeting has just recently taken place, and there is to be more information provided in terms of the exact question that the member is asking, the numbers of athletes participating, the sports they are participating in and so on. So at this particular point in time there is no commitment to any financial contribution, but discussions are taking place with the aboriginal community.

**Ms. Cerilli:** So in that case again I guess the minister will have to get back to me with details when they are available, and could he also tell me who the lead person is both with Sport Manitoba and in the community in dealing with this issue.

**Mr. Stefanson:** Mr. Chairman, the member is right that I will have to get back to her with particulars,

because at this particular point in time a meeting has taken place. There are very limited particulars.

Sport Manitoba has assigned a Mr. Tim Fergus to liaise with the group in terms of the first meeting that took place. I understand there is a consultant that is liaising with the aboriginal community called Mary Sanderson, but one meeting has taken place, and the result of that is to provide some additional information and move forward from there.

**Ms. Cerilli:** How does the process work in this case, because I am not sure if there is any involvement in these games by Sport Manitoba or perhaps even any of the associations under Sport Manitoba? The minister can correct me if I am wrong, but it would seem that this is an entirely independent endeavour by aboriginal groups, indigenous groups. So I am wondering what the process is for their benefiting from any support through the province.

\* (1720)

**Mr. Stefanson:** Mr. Chairman, I would say the member for Radisson is basically correct the way she outlined the organization and the games, that there is no official structure in place.

We certainly through Sport Manitoba have been encouraging them to work with the individual sport governing bodies for the sports that are affected with any of the games, but we also have been responsive to sitting down with them, as I have already indicated.

A recent meeting has taken place with Sport Manitoba and officials from my office on the whole issue of their participation in these games. Obviously, related to that will be discussions about any financial contribution and so on. I think in the past financial contribution from government has been very limited for this group participating in these games but, obviously, that is part of what will be discussed in terms of the participation in British Columbia.

**Ms. Cerilli:** Can the minister explain which sport organizations are involved with this or which aboriginal groups are leading this, and what program through his department or government would any funding support come from for this type of activity?

**Mr. Stefanson:** Mr. Chairman, I will have to provide the member with information on the actual sport governing bodies that have been contacted. I know soccer has, as an example, but I would want to find out with certainty which ones have been contacted. I know, as well, some of the regional sport organizations have been contacted.

In terms of potential funding support, where it might come from, if it is determined that some funding should be provided, there are some alternatives. Sport Manitoba could certainly look at their various categories, whether or not they could provide assistance.

We have limited ability to provide some assistance through the Community Support Programs. As well, the meeting I referred to earlier did include some other departments, Northern Affairs and I believe Justice and others, so within government, there might well be some other departments that there is some merit to pursue in funding if it is determined that funding should be provided.

**Ms. Cerilli:** Okay, I may come back to that issue, but I want to move on now and spend probably the remainder of our time today discussing the Pan Am Games. Like I said in my opening statement, big, big announcement today. I was there for most of it, I think, and was encouraged especially after raising this in a recent debate—when were we in the House? April 8, '97, there was a private members' resolution brought forward by the current Chairperson about the Pan Am Games. At that time I raised a lot of concerns and one of them was the fact that at that time there was not a television contract. Today, lo and behold, there is an announcement that there is this unique agreement with CBC and TSN.

I am wondering if the minister could give me some of the details about this including, first of all, to clarify that this is 100 hours and that is 100 hours over the two-week period. Am I understanding it correctly, that that is all live broadcast and that that will expand to include ads and pre-taped bios and backgrounders and vignettes and other sorts of filler? So I am wondering if we can get a sense of the total number of hours and if I am correct in saying that this 100 hours is live hours?

I am wondering if the minister could compare that to, say, coverage that we enjoyed from the Olympic Games most recently in '96, if we could have a dollar value that is attached to that amount of time?

**Mr. Stefanson:** Recognizing at the end of the day these agreements are entered into with the host society, we do not necessarily have all of the information here with us, nor would I expect that we should. I will certainly at the outset undertake any questions that I take as notice to provide the member with whatever information we can. This contract, as she indicated, is good news for the Pan American Games. I think with the previous television contracts they have entered into with the Caribbean and others that it will have access to the largest viewing audience of any Pan American Games, so obviously that is good news.

I think the financial element of the announcement today that is the most significant is that it now opens the door in a much greater way to pursue private sector contributions. We saw some of them today with IBM, Great-West Life, Investors and Wawanesa. By having the television contracts in place, that really does open the door to pursuing those in a much more aggressive fashion.

She asked for any other financial information relative to the contract. I will get back to her, and I think those were the elements of her question.

**Ms. Cerilli:** I hope that by that answer the minister is not suggesting that in my quest to ask detailed financial questions about the Pan Am Games he is going to have to take them all as notice, because I find that both frustrating and unacceptable. I have gone through this before in Sport Estimates. Previously when the Sports Federation existed, and perhaps it was the previous Minister for Sport, but there would be a reluctance to answer questions because that was under the jurisdiction of the Sports Federation. Now that will perhaps be the case with Sport Manitoba, even though all the sport directorate people are now over there, so I am not sure what we can ask questions about in these Estimates in terms of sport.

I will let the minister answer my question first. Am I only going to get questions taken as notice related to financial issues around the Pan Am Games?

\* (1730)

**Mr. Stefanson:** Mr. Chairman, there is no reluctance to answer any questions and, if I take questions as notice, as I have indicated to the member, I will do my utmost to provide her with the information subsequent. There is a host society. We are one funding organization for the Pan Am Games, as she knows, along with the federal government and the City of Winnipeg, the private sector and other revenue sources that they will generate. It is not like a line department of government that is under our complete control and jurisdiction when we control all aspects of it. We are a party to an agreement with several other parties. We have some information here today, and if we do not have information, we will take it as notice and we will undertake to provide her with the information.

**Ms. Cerilli:** I want to remind the minister that this is where you are accountable to the Chamber, the Legislature and to the public for the spending in the Pan Am Games or any other sport-related matter, so I am concerned that you do not have the information here particular to this television contract for the Pan Am Games, especially given that this was the big news today.

I will proceed with asking some of the other questions I have in mind in terms of the Pan Am Games, but I do want you to acknowledge that for Sport in Manitoba, any expenditure, that this is where you are held accountable. This is why we have this process, as far as I understand it, so I am frustrated when questions are simply taken as notice. I do not know if perhaps it would be better or appropriate for tomorrow to bring some of the Pan Am Games staff to the table if that is possible, because I want to be able to have a discussion. I mean, if I was going to get questions taken as notice I would simply send you a letter and we would not go through this process of sitting around the table. I appreciate what the minister is saying in terms of not having the information right now, but that is a problem as far as I can see it in terms of this process. I do have a lot of detailed questions about the Pan Am Games budget.

You know that I asked you for this budget a couple of weeks ago leading up to this Estimates today and was lucky that I went into your office or it would have just

been in the mail today and I would not even have had any chance to have a look at it. So let us make this process work and let us make it fair to the opposition and fair to the public who can now read Hansard if I get the information on the record. If I do not, if I simply get the questions taken as notice, there is no public record, and I do not find that acceptable.

**Mr. Stefanson:** I do not feel that I need any lessons in accountability from the member for Radisson. I am certainly prepared to debate that at length with her. The issue of the budget, she did request a copy of the budget which we have provided to her, but when we are a party to an agreement, when we are one funding source, I could cite all kinds of examples where we do not necessarily provide all of the detail in terms of every organization that receives some portion of their funding from the provincial government, similar with other government bodies.

I have indicated to her that obviously we have certain information around the Pan American Games as a funder, which we should have. But in terms of all of the day-to-day individual decisions and so on, we are not an immediate party to those, nor should we be. If you had to operate the Pan Am Games in that kind of a fashion, we would make absolutely no progress if we are saying that we would have provincial, federal, municipal, all officials having to participate in the running of the games. There is a host society; they are responsible for the implementation of the games. They are responsible to all of their funding partners, as well, so we do get information as this issue moves forward. But, as I have already said, that does not mean that I have all the information on every decision that the Pan Am Games Society is making here with me today, nor should I have that information here today.

**Ms. Cerilli:** Mr. Chairperson, I just want to say to the minister, given his response, that as the Minister for Sport what I am saying is that you should know what is going on, and you should have the information here for this process where I ask questions about sport-related matters in the province. Even though it is the Pan Am Games Society which is arm's length, it is getting by far the majority of its money through public funds. I would think that both the federal government and the city would also have an interest then in having all of the information, especially about the very basic information

about this contract for the television rights to the games. So I think that you should have the information here.

I am going to move on and ask some other questions about some of the other partnerships in terms of the news conference that was held this morning, and hopefully you can answer those questions. But I really find it problematic and maybe perhaps the minister feels because of his position and his tenure in government and all that, he does not have to take lessons from me on accountability, but from my point of view this is where it happens in terms of my role as opposition. If I cannot expect to come here and ask questions and get answers put on the record, there is a serious problem. When there is the amount of money that is being invested into these games from the provincial government and from other governments, there has to be some record and there has to be some answers at these Estimates.

**Mr. Stefanson:** Mr. Chairman, nobody is suggesting for a minute that there should not be answers to certain types of questions. To date, the member is making a big to-do, whereas we have responded to her questions on Pan Am other than one aspect, a financial element of the contract entered into today with CBC and TSN. We have indicated that we will undertake to provide her additional information, and we will do just that, but I think she has to recognize that every question she asks will not necessarily be answered because some of the questions—she can ask them all she wants, but they are not necessarily the direct responsibilities of government.

We will be accountable, and we will be held accountable for areas that we should be, but where funding is provided to other organizations there is joint accountability and joint responsibility, and I think she has to acknowledge and recognize that. So we will certainly undertake to provide whatever information we can and move forward on that basis.

**Ms. Cerilli:** Okay, let us try and move forward. I want the minister to confirm then that the total budget in public money, the total revenue in public money, for the Pan Am Games is \$64 million and that the province is putting in \$23.5 million of this amount; the federal government is putting in approximately \$37 million;

and \$4 million is covered by the city; and that there is a remainder of \$58 million to be raised by the Pan Am Games Committee through the private sector, through merchandising and through other ticket sales and fundraising. Is that correct?

\* (1740)

**Mr. Stefanson:** Mr. Chairman, maybe I will just reply what the funding is from the three levels of government. I think there is a slight difference from what the member for Radisson indicated when it came to the municipal contribution.

The federal contribution is \$30 million in cash and \$7 million in kind and goods and services. The provincial contribution is \$23 million in cash and \$500,000 in kind and goods and services. The municipal contribution in the city of Winnipeg is \$8 million in cash and \$2 million in services, in goods and kind. So, if you take those three amounts, not counting the \$7 million from the federal government in goods and services, you are at approximately the \$64 million. The \$7 million is over and above, and is our goods and services being provided, I guess the best way to describe them is, more directly by the federal government.

**Ms. Cerilli:** So then there is approximately \$58 million that has to be raised to round out the budget revenue. Is that correct? I see the minister nodding, so the second part of my question is, can you tell me from the partners that are so far involved, MTS, IBM, Investors Group, Great-West Life, Wawanesa, and perhaps there are others, how close we are getting to that amount of \$58 million?

**Mr. Stefanson:** Just to clarify on my previous answer, the \$7 million from the federal government is not included in the budget, as I said. It is for services they will provide direct, I gather, like some of the customs and some of the security and those kinds of things.

The corporate sponsors that the member referred to—MTS, IBM, Investors, Wawanesa, I believe—and for some reason today, the Pan Am Games did not announce individual breakdowns. The member knows. She was there today. I believe those contributions to date are in the \$8 million to \$10 million range in total.

Just picking up on that, the first major corporate sponsor was MTS. These other ones were announced today, and I think, as we heard today at the press conference, what many have been waiting for is to know with absolute certainty what the television coverage is going to be. There is the link between the television coverage and the private-sector support, and certainly the Pan Am Games host committee is very optimistic and positive now in terms of moving forward now that they have a particular television package that they can talk to sponsors about.

**Ms. Cerilli:** A television package that the minister does not have any information for me today about. I could not get any information from you, for example, a cost for ads, television ads, that kind of thing. Do you have any of that information with you?

**Mr. Stefanson:** As the member knows, there were no details provided on any of that today, and I will certainly undertake to obtain information in that area for her.

**Ms. Cerilli:** I think it would be really good if we could have that for tomorrow when we resume these Estimates. I am wondering if the minister could have more details on that contract for tomorrow.

**Mr. Stefanson:** We will do our best and determine what we can have available for tomorrow.

**Ms. Cerilli:** Back to the budget then for the Pan Am Games, I am wondering if it is true that as of December 1996 there was a projected revenue shortfall in the Pan Am Games budget of \$40 million.

**Mr. Stefanson:** Mr. Chairman, I cannot confirm that number, but I can confirm that the Pan Am Games Society is doing a complete review of their budget, that there are some areas of some pressure on some of their expenditures in terms of the numbers of athletes, the impact that has on accommodations, on travel arrangements, on food, on everything that goes with hosting the numbers of athletes and the duration of stay that those athletes will be staying in Manitoba. So work is being done on the Pan Am budget, and we would expect an update from them sometime fairly soon.

\* (1750)

**Ms. Cerilli:** Is it true then that costs are increasing due to an increased number of sports and that you have increased the length of stay of the athletes, that previously athletes were going to stay for only one week and now all the athletes are going to be attending for a full two weeks? Is that correct?

**Mr. Stefanson:** Mr. Chairman, the number of sports has not changed, I am told. It remains consistent at 42 sports, in terms of the Pan American Games, but there are additional requests coming in for, in many cases, more athletes being sent and participating in the games. One of the issues that is now under review by the Pan Am Games Society is just that issue, the numbers of the athletes that are being requested from various countries. Then obviously that has an impact on various aspects of the expenditures.

**Ms. Cerilli:** So are we going to have a revised budget then? This budget that you have been so kind as to share with me, which has a total of \$122,064,000, revenue and expenses, shows a balance. That is not accurate. I am wondering when this budget was approved and when we are going to see a revised budget.

**Mr. Stefanson:** Well, Mr. Chairman, at this stage, this is the approved budget of the Pan Am Games, but as the games get closer—they are now just over two years away—as the Pan Am Games Society starts to firm up all of their expenditures as their budget committees and finance committees do their final due diligence, some of these numbers are potentially subject to change. At this stage, this is the budget that everybody is working off of, but there might well be some revisions within the next few months.

**Ms. Cerilli:** So you talked about though there being more athletes, and you talked about there being then more of a requirement for accommodation and food, and I would think that that is logical where there are going to be increases and expenses. Are there other areas besides where there are going to be increases in expenses, and can you explain those to me? Do you have any figures, even preliminarily now, for the increases in costs for the larger number of athletes?

**Mr. Stefanson:** I should clarify. I think I said it, but just to clarify it again and I am reminded that this whole issue of numbers of athletes at this particular point in time is a request, but that if accepted it does drive a great number of these costs as we have already discussed, from food, to accommodation, to volunteers, to transportation, almost right through the whole system, as we can appreciate.

I guess another area that there has been some pressure on has been some of the areas of technology and so on, but the primary pressure I am told is coming from the area of whether or not these additional numbers of athletes are accepted in terms of the ripple effect through all of the expenditures.

**Ms. Cerilli:** On this budget there actually is not a lot of detail. I am assuming that it is under the Operation section, which is \$33,523,013, that the resources for athletes and coaches and visitors, delegations is under. Is that correct? Is there any more detail for that budget line in terms of accommodation and meals?

I am noticing that in the bid book, for lack of a better word for the Pan Am Games, that it says that the University of Manitoba campus will be the village which will house more than 6,500 athletes, coaches, referees and other officials. I am wondering what the actual capacity of that site is, and what the maximum number of athletes and coaches and trainers the games has determined that it can accommodate in Winnipeg.

I guess, just to add to that, knowing that there are venues, sporting venues, throughout different areas of the province, there may be other accommodations besides just the University of Manitoba campus, and if that is the case then the minister could add that information to the answer to my question.

**Mr. Stefanson:** The member is correct, that Operations would be a line primarily with the direct expenditures related to the issues. We have been discussing accommodations and so on. She is also correct that the University of Manitoba is going to be the main athletes' village. A second site is going to be maintained out at Southport, out at Portage la Prairie.

In terms of any specifics beyond that in terms of additional accommodation, again that is exactly the

process that the Pan Am Games committee is going through right now in terms of all of these budget items that we are already discussing in terms of whether or not they ultimately accept the requests for additional athletes and, obviously, what that means to their expenditures and so on. They are going through that process, and we have to wait for them to complete it.

**Ms. Cerilli:** When I asked the question earlier about the revenue shortfall of \$40 million, I think the minister said that he could not confirm that number, but indeed there is a shortfall if we are going to have more athletes. I do not think he told me the number of athletes that they are currently planning for given this budget. Maybe I will let him answer that first before I go on with my question.

**Mr. Stefanson:** I am told that this budget is prepared on the basis of 5,000 athletes.

**Ms. Cerilli:** I want you to give me more of a sense then of what the shortfall is in the budget.

**Mr. Stefanson:** I think we are premature, that we have to let the Games society go through that process. They have all these individual committees. They have a finance budget committee. They have a board of directors that, if there are going to be changes, would have to ratify any changes before they bring it back to the three levels of government, so at this particular point in time this is the approved budget.

But for the reasons we are discussing, they are currently reviewing their entire budget and have to complete that process.

**Ms. Cerilli:** Is it true that the Pan Am Games plan for Winnipeg in '99 will have three times the number of sports as the Commonwealth Games did in Victoria?

**Mr. Stefanson:** I am told in terms of number of sports, it is roughly twice as many. The Commonwealth apparently had 22 compared to the 42 at the Pan Am Games.

**Ms. Cerilli:** So how does our budget compare in terms of the total cost dollars in the budget and the number of athletes compared to the Commonwealth Games in Victoria?

**Mr. Stefanson:** I am told that the Commonwealth Games had fewer athletes and cost more to put on, but I will have to get the specific numbers. In comparison, the Pan Am Games had fewer athletes than the '99 Pan Am Games will have, and the cost was greater than the budgeted \$122 million for the Pan Am Games.

**Mr. Chairperson:** Order, please. The hour being 6 p.m., committee rise.

### GOVERNMENT SERVICES

**Mr. Chairperson (Ben Sveinson):** 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 Government Services. When the committee last sat, it had been considering item 8.1.(b)(1) on page 63 of the Estimates book. Shall the item pass?

**Mr. Jim Maloway (Elmwood):** Mr. Chairman, in keeping with our past practice at least during this session, we had previously agreed to allow for some movement among the different sections so that when the Estimates were over, we would just simply simultaneously pass everything at once.

Where we left off the other day was dealing with the flood questions, and I would like to ask a few more questions before we finish that area. I understand that, contrary to some reports today in the media that the federal government and the province had signed agreements for the flood compensation, that that is in fact not true. I would ask the minister to take some time and explain to us just where everything is at with this.

**Hon. Frank Pitura (Minister of Government Services):** Mr. Chairman, I failed to do this last week, but I would like to introduce Harold Clayton, our executive director of the Manitoba Emergency Management Organization, who has joined us at the table here, and he was here on Thursday during Estimates.

With respect to the member's question, the Canada-Manitoba agreement is a signed agreement by both the federal and provincial governments, and it is an

agreement of understanding that various program components that were agreed to would be negotiated and put into place. So, as a result, many of the program components do not directly impact Manitoba Emergency Management as such, because the Manitoba Emergency Management Organization is responsible for the delivery of the disaster assistance program.

These other programs that were identified under the Canada-Manitoba agreement are programs that are associated with the various departments that are also involved in the 1997 flood and, as such, each one of those areas within that Canada-Manitoba agreement would be negotiated with the various expertise and the people from those individual departments along with the federal government. So, from that standpoint, no, I do not have any knowledge of the signings of any agreements.

We had the announcement of the business restart or the restart program which was a federal government announcement and, as far as I am aware, was done without prior consultation with the provincial government.

\* (1440)

The agricultural compensation program, which I understand is to be released later on today, again I am not aware of the degree of consultation that has taken place with regard to that program, but we are looking forward to having a great deal of consultation with the federal government with regard to the flood mitigation part of the program.

**Mr. Maloway:** Mr. Chairman, well, this is now two reported false starts on the part of the federal government, and we only have one more week to go before election day. Does the minister have any hope that the federal government will be coming through between now and next Monday?

**Mr. Pitura:** Mr. Chairman, I would have to say that after having some serious misgivings about whether or not we would actually end up with a process that had programs put in place that I am perhaps more optimistic now that we will end up with a program that is suitable to both the federal government and to the province with regard to the overall flood program for 1997 and any

future flood mitigation programs that will be put into place. You have to have that optimism, I guess, and it also has an area of mutual trust and understanding that needs to happen in areas like this. Therefore, I am reasonably confident that we will have the necessary programs put into place in the near future.

**Mr. Maloway:** Mr. Chairman, at our last sitting the minister promised a copy of the City of Winnipeg's current evacuation plan. Does he have that available now?

**Mr. Pitura:** Yes, I do. I have the City of Winnipeg emergency plan, which was put together in 1992. I will also supply the member with the Province of Manitoba, City of Winnipeg, Canadian Forces joint force headquarters, a contingency operation plan for flood response in the area of the city of Winnipeg dated the 30th of April 1997.

I would just like to clarify for the member that this report, the latter report that I am referring to, was a contingency plan that was put into place as a result of the Brunkild dike. What they were doing was trying to model what would be the worst-case scenario if a breach in the dike occurred. So they were putting into plan by the model under the worst-case scenario what kind of evacuation procedure would have to be put into place.

As a result of continuing to work with the model and continuing to monitor the water situation, of course, the need for a plan like this to continue was put on hold because, as new models were run, it was found that the present system, floodway system, could manage any kind of breach that would occur along the dike. So I will be happy to pass these on to the member.

**Mr. Chairperson:** Are you tabling these, Mr. Minister?

**Mr. Pitura:** I am tabling them, Mr. Chairman. [interjection] Rather than tabling these documents, I will just give them directly to the member for Elmwood.

**Mr. Maloway:** Mr. Chairman, I would like to ask the minister to explain a bit about the Z-dike and why it seemed to be such a last-minute operation. I mean,

with the amount of water that was coming north, why was it so late in the game before somebody came forward and realized that this was a problem?

**Mr. Pitura:** Mr. Chairman, again, I think that the question that the member for Elmwood asked would probably best be answered by the Department of Natural Resources, because it falls outside the terms of reference of my department and, certainly, out of the area of my technical expertise.

**Mr. Maloway:** I missed that.

**Mr. Pitura:** I will repeat it again for the member's benefit. The question about the technical aspects of why the dike was built when it was built I think can best be answered by the Department of Natural Resources and the Department of Highways, especially the Department of Natural Resources. The terms of reference of my department are such that our involvement with the dike was from the standpoint of preparing that emergency contingency plan, and it is certainly out of the realm of my expertise.

**Mr. Maloway:** Has the minister been able to find out just what the story was with the business of somebody in his department asking the Archives for five or six copies of the 1950's evacuation plans the day St. Norbert was being evacuated?

**Mr. Pitura:** I am advised that there was not anybody from our department, that is, the Department of Government Services or Manitoba Emergency Management that requested a copy of that document from the Archives. I am informed, however, that an employee of the Department of Natural Resources did request a copy, and we do not know the name of the individual.

**Mr. Maloway:** I would like to move over to the Information Technology Services which would be I.(e), and I assume that is the section that would deal with the letting of the new computer contract that the government has got itself into.

Correct me if I am wrong on that, but if this is the section, then could the minister give us an update of what has been happening with this contract? This contract, as the minister knows, is running severai

months late, at least when the successful tender was announced. I would like to know what the current status is.

**Mr. Pitura:** I would just like to advise the member for Elmwood that the desktop management program is under the area of Supply and Services within the department.

To bring the member up to speed on the contract, I am advised that contract negotiations are continuing with SHL and, hopefully, everything will be finalized by the end of June.

Mr. Chairman, I would also like to introduce Mr. Gerry Berezuk who is our assistant deputy minister of Supply and Services within the Department of Government Services.

**Mr. Maloway:** I would like to ask the minister then, what prompted the government to take this type of action?

\* (1450)

**Mr. Pitura:** I think maybe I could kind of lead up to why the decision was made within government at the present time. If I look back through the last decade and a half, I guess, within government, computers started to make their way into government on a small-scale basis. Various departments were identifying needs for use of computers within their departments. As time went on, each department within government kind of went its own direction, and indeed sections within departments went their own direction with regard to computer technology and software programs.

So what has happened over the years, of course, is that we have gone from the massive mainframe type of computer operation to many smaller desktop computers that are able to handle the same kind of information now. What has been showing up within government is the fact that there are a number of areas which now could be identified as having, if they had common hardware and a linkage between that hardware and the software, that government would be able to deliver a more cost-efficient service to the taxpayers of Manitoba. So identifying this need came about.

Then the next issue was: How do we go about taking on or using the approach or changing the approach to the way we use computers in government, and the software. The decision was made that the best common-sense approach would be, rather than trying to get departments individually to work together, that it might be more desirable to have somebody from outside the government take a look at all the hardware and the software and be able to manage it right across the entire foray of government.

I just want to share as well with the member that the desktop management program is—part of its advantages would be to standardize and integrate key desktop management functions across government into a single point of service delivery to improve corporate productivity and delivery of services. It would also provide proactive management of rapidly changing desktop technology and applications in partnership with private sector expertise but also ensure the ongoing development of desktop management services in an effective and efficient pricing and cost structure which will also reduce hidden costs. It would also maximize utilization of information technology by employees currently involved in desktop management activities and define an effective human resource strategy to deal with staff who may be impacted by this change.

So those are some of the things that desktop management—by adopting desktop management, that is how it will impact the government.

**Mr. Maloway:** What other jurisdictions did the government look at that had comparable models such as this?

**Mr. Pitura:** I am advised that we had a look at the models that were used in the province of Alberta and the province of Nova Scotia. They are not exactly the same as the models we have here in Manitoba, but they did provide a good basis upon which to study and to be able to mould the type of desktop management we would like to see here in Manitoba.

**Mr. Maloway:** Could the minister tell us, then, what were the differences between the current Manitoba model that he has adopted and the Alberta model and the Nova Scotia model?

**Mr. Pitura:** When we took a look at Alberta, and I believe Alberta was the most recent one? [interjection] Yes, Alberta was the most recent province to adopt a desktop management strategy. The major difference between the strategy which we have here in Manitoba as compared to Alberta is that in Alberta they adopted desktop management on an individual departmental basis, and they allowed the departments within that framework to adjust their own departments as they saw fit with regard to the desktop management. In Manitoba, what we are hoping to achieve is to have a corporate style of infrastructure for the desktop management as well as adopting corporate standards throughout government with regard to desktop management so that there would be more uniformity across departments and with regard to the desktop management program.

**Mr. Maloway:** So what were the differences between the Nova Scotia program and the Manitoba program?

**Mr. Pitura:** I am sorry I have to inform the member that we do not have that information readily available, but we are prepared to supply that information to the member the next time we get together.

**Mr. Maloway:** The minister made reference to corporate style and standards, so what does that mean?

**Mr. Pitura:** It is felt with regard to the corporate infrastructure with regard to desktop management that centralized management and standardization are fundamental to the continued improvement of operations and the support of initiatives currently underway to re-engineer core corporate systems.

The concept of desktop management, therefore, falls into this picture. With regard to adopting some corporate standards as an essential part of moving to desktop management, some of them are that the standards will give Manitoba the ability to negotiate volume pricing and decrease acquisition processing costs; support and training costs are lowered by supporting fewer systems; Manitoba's ability to share data and applications is improved; end user availability is increased due to faster resolution of common problems; organizations with strong implementations of standards have lower total costs and lower support costs; standardization helps to decrease support costs

due to vendor liaison, product introduction, product reviews and installs, moves and upgrades; standards also will ensure that procurement is in line with corporate initiatives. Strong and well-considered standards help ensure that the corporate infrastructure is flexible and robust enough to change with advancements in technology and demand, and also the standards will ensure the year 2000 compliance on new acquisitions.

\* (1500)

So there are a number of areas where because of the corporate infrastructure and the corporate standards that you would have a well-managed, uniform use of computer hardware and software right across government.

Also, these standards will evolve based upon the continued input from the groups as well as end-user input, so we have changing business requirements and advances in technology. All the standards are generic, and they will establish a level of quality and reliability based on specifications and not brand names necessarily.

So their standards are not going to be carved in stone, but they will be evolving with the end user, the customer, so to speak, and the changing business requirements of government

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

**Mr. Maloway:** I would like to ask the minister then whether they looked at the federal model in coming up with their own system.

**Mr. Pitura:** I am advised that we had discussions with some departments of the federal government, but the specifics we do not have, nor did we have discussions with them tantamount to adopting any of the programs that they had in place. We were more interested in what was happening on a provincial basis elsewhere rather than on a national basis.

**Mr. Maloway:** I would like to then ask the minister why it is that—and I appreciate that this egg was scrambled before he took the reigns of power on

January 6. This mess was created by the former minister who is now trying to get promoted to the federal House, so he is not here to explain what it is that he did and the thinking that went on before the current change, but what I am told by people in the industry is that the government could have kept everybody happy and could have solved the problems that the minister has addressed—and there are problems—by adopting the federal model which I am told is an unbiased tendering system.

It is set up in such a way that little companies can compete with big companies on an equal footing, and the local companies, no matter how big or small they are, seem to be agreeable that this federal—at least that is their impression. Their impression is that when they compete for a federal contract, that even though they may be up against the biggest company in the world, they feel that they have an equal chance of winning.

Whether that is right or not, I do not know, but that is just what they feel. They feel that in dealing with this monolithic system that the former minister developed, that it is a winner take all and that, in fact, because of the performance-bonding requirements and other such things, there is no local company in Manitoba that could even produce a quote for this business, and, in fact, no serious quotation was produced from a local company. You had three huge corporations competing, and this was basically a beauty contest between those three.

So that is the impression out there in the industry, and I would like the minister to explain to me where the people who are telling me this are wrong.

**Mr. Pitura:** The member's previous question, I misinterpreted the question or he misled me on the question with respect to the federal government, because it ended up with a second question asking about the tendering system employed by the federal government, and I was answering the question with regard to the actual technology aspects of the program that we were developing and putting into place within Manitoba. I would like to say that my predecessor I think has to be congratulated that he actually started this initiative within government because Manitoba is not alone on this issue of government having to go into an area of desktop management.

Many public institutions across this country and probably North America are faced with the same problem, and that is because of the use of computer technology as an evolving technology and, because it was evolving over time, the switch from using a—I can remember up in the 9th floor or the 10th floor of the Norquay building, half the floor was occupied by a mainframe computer with climate controlled conditions. Now desktop units can handle that.

At that time you had to have key operators punching cards and they were running through the machine and all these things had to be done. I am probably a little bit older than the member for Elmwood, but the whole essence of standardization of hardware and allowing software systems to be compatible with each other I think is a very important initiative. For that I give my predecessor much credit for having initiated this program, because I think the timing is right and we will also be able to deal with the year 2000 compatibility as well.

The other question that the member asked was about these, because the way the federal government operates they can tender contracts with smaller companies, and I would just like to inform the member that that is also possible and very real within the context of the desktop management program within Manitoba, because the contractors are going to require the services of many subcontracts in order to be able to provide the government with the type of desktop management program that it requires. Not one of these companies that bid on the contract was able to fulfill those obligations on their own, so they required the inclusion of a number of subcontracts.

So many, many businesses in Manitoba will still find themselves as part of the overall contract to supply desktop management technology for their provincial government. In fact, I would be sharing with the member that some 20 local firms are looking at options for their involvement in providing these desktop management services, so it is not just one contractor out of three that is getting the work. It is many firms in Manitoba and Manitoba firms that are getting the work.

**Mr. Maloway:** Madam Chairperson, I would like to ask the minister then, what control does the government have over making sure, making certain that the local

suppliers and contractors will be given an adequate share of this work? What guarantees do we have that SHL will not give all the good business to—I believe it has a subsidiary, Computerland. What guarantee do we have that all their equipment, hardware and so on will not be just simply brought in through their subsidiary that they own and that the local people will get very little business out of this?

**Mr. Pitura:** With regard to the subcontracts with the desktop management program, part of the requests for proposal by the companies that were bidding on the overall contract was their ability and their willingness to be able to share their—to make sure the subcontracts were a part of the proposal. Their evaluation, the evaluation of the RFP, was done on the basis of their ability to work with local firms in carrying out the desktop management program, and also, as part of their ongoing initiative with the provincial government and carrying out of the contract, the monitoring of their commitment under the RFPs will be monitored very closely.

**Mr. Maloway:** Well, Mr. Minister, I would like to ask you how big this contract will be on an annual basis for '97, '98 and '99, at least up to the election.

\*(1510)

**Mr. Pitura:** I am advised that, as one of the components of the contract negotiations, pricing is part of that negotiation process. The way the contract negotiations are done is that there is an individual firm that is putting together the necessary benchmarking throughout the system as a method and basis for being able to control, so to speak, the prices of each component, but I am sure that the member would also agree that, since the contract is under negotiation, pricing is ultimately part of that contract.

**Mr. Maloway:** Could the minister tell me then what the government spent in 1996 and in 1995 on computer products and computer services then?

**Mr. Pitura:** I am advised that in 1996 fiscal year that approximately \$12 million was the cost associated with direct desktop management. I would also point out that within each department there were also a number of costs which were referred to as hidden costs with

regards to each department having costs attributed to Desktop Management technology, but overall the direct costs for the hardware itself was approximately \$12 million for '96.

**Mr. Maloway:** The \$12 million, would that include the monies that are paid to ISM? Is ISM in there as well or is that in addition to the \$12 million?

**Mr. Pitura:** I am advised that the costs for ISM are not included in that.

**Mr. Maloway:** Then if we add on ISM costs, which I believe are around the \$8-million range, then would we be dealing with about \$20 million then in computer costs for last year? Would that be accurate?

**Mr. Pitura:** As far as I am advised the contract for Desktop Management, or at least the Desktop Management part of the hardware costs are something that was part of this initiative. The ISM costs are something that is separate. It really is part of the Department of Finance, so that it has no real relationship with what the objective of Desktop Management is all about.

**Mr. Maloway:** But what will happen over the next two or three years then as this desktop system gets put in place? Will we be seeing a decline of ISM's revenues then as a result of all this installation of desktop models? I mean presumably when you put desktop computers in to perform all these functions, then presumably ISM's component is not required or certainly should not be as big a component. If I am wrong on that, then tell me how and why?

**Mr. Pitura:** I think, and I have even mentioned this earlier, the fact that we are changing from largely a mainframe type of computer system to the desktop units that have the equal capability, it is a natural that the shift historically is from the mainframe to desktop. So I think that given the fact that this is occurring, those information technology companies that are providing mainframe services may indeed see the amount of business that they receive for using mainframe starting to drop off. I think that that is probably, as one would say, a fact of life.

**Mr. Maloway:** Then surely the government has got projections here as to where it will end up in the next

two or three years with this initiative. Would it be the intention then to wean itself off the mainframe component, and if so, by what year would it be able to do all of its functions on its own desktop system?

**Mr. Pitura:** Madam Chairperson, the idea of going with the desktop computers as being the source of mainframe is that really there is a place probably for some mainframe activities and for desktop activities and that as we gradually put more and more programs into the desktop area, there will still probably be a usefulness for mainframe activities down the road.

**Mr. Maloway:** Madam Chairperson, I would like to ask the minister, then: Does he see the growth of the mainframe component increasing over the next year or two? Does he see it levelling off? Does he see it declining? If so, what would be the rate of increase or decline?

**Mr. Pitura:** Madam Chairperson, I think the question that the honourable member is asking is more related to the type of question that might be best asked of the Minister of Finance (Mr. Stefanson) because as Minister of Government Services, our main role is the desktop management area and, as such, the terms of reference that we have are to provide a desktop management uniformity or desktop management initiative for the provincial government and that our role, as such, is delineated by the terms of reference for that initiative.

\* (1520)

**Mr. Maloway:** Madam Chairperson, I would like to ask the minister, much has been made of the millennium bug and the year 2000 compliance problem, and my information has been that even today computers are being sold and computers are being bought, brand-new ones out of the store that are not 2000 compliant either through the software or the hardware. I find that sort of hard to believe that since we know about the problem, there are a lot of reports about the problem, the government is—well, individuals certainly are taking possession of systems that are not 2000 compliant.

I would like to ask him whether the government in its most recent purchases of systems, whether what they are buying today are 2000 compliant or not.

**Mr. Pitura:** Madam Chairperson, I am advised that any department that is purchasing desktop hardware right now is advised that when they do their purchasing that all purchases be 2000 compliant. The member brings up an interesting point in his question, the fact that showing and demonstrating the need for a co-ordinated and a corporate approach to desktop management technology because of the fact that with things like the 2000 compliance and if you have a number of departments that have hardware that is compliant and other departments that are getting compliant hardware, the type of mix that you can get within hardware, so that having some consistency and uniformity to the entire system, I think, makes sense for the long-term future of the utilization of hardware within the provincial government.

**Mr. Maloway:** Madam Chairperson, I would like to ask the minister: When did the government officially start buying hardware and software? Because there are two separate issues here. When did they start buying the software? When did they start buying the hardware and demand that it was 2000 compliant? What date?

**Mr. Pitura:** I am advised that the guidelines for the purchase or the requisitioning of desktop hardware and software that is year 2000 compliant occurred in March of this year as a definitive guideline for departments and their purchasing, and the member might ask and say, well, why did you not do it earlier than this? The main thing is that you also have to remember that probably in 1990 or 1992, maybe even as late as 1994, there might have been some difficulty finding hardware and software that was then manufactured to be 2000 compliant. If it was available, it was probably going to be priced at a premium to the regular computers that were available.

You have to keep in mind that the evolution towards being 2000 compliant in terms of timing, being that this is 1997, that basically there are three years in which to have the compliance in place. I think, given the industry's ability to respond to a need, I do not see any problem that the provincial government cannot reach that objective by the year 2000.

**Mr. Maloway:** Could the minister then tell us what committees, if any, he has in place to deal with this problem and when they were first struck?

**Mr. Pitura:** Within the Department of Government Services there is not a committee that is—I stand corrected. We have a departmental committee that is looking at the year 2000, but overall within government there is a Year 2000 Project, a co-ordinating committee that is chaired by my colleague the Honourable Eric Stefanson. The impact assessments are well on their way and actually Manitoba is probably ahead of other provinces in addressing this issue.

**Mr. Maloway:** Could the member finish the answer to the question? The question was: When was this Year 2000 Committee struck? When was it first set up and when did it first meet?

**Mr. Pitura:** The fall of '96.

**Mr. Maloway:** Could the minister tell us who is all on that or who are the members of that committee? Does it include representatives from each of the departments?

**Mr. Pitura:** The committee that was struck to look at co-ordinating the year 2000 compliance is a committee that consists of representatives from departments, primarily the directors of the information technology areas, and I am advised that the chair of the committee is the director of Information Systems for Housing.

**Mr. Maloway:** Could the minister tell us how many people are on the committee, who is chairing it and how many times it has met?

\* (1530)

**Mr. Pitura:** I think again the honourable member might be best advised to ask the Minister of Finance (Mr. Stefanson) that question as this committee is under the direction of that department. As to when it meets and how many times it has met would be information that could be gotten from that particular minister or from the chair of that committee.

**Mr. Maloway:** So is the minister telling us then that the Minister of Finance has a Year 2000 Committee that was set up last fall, the fall of '96, and on the committee that he is the only elected person and there are representatives from some departments, not all the departments on the committee, and we do not know how often it meets or whether it has ever met?

**Mr. Pitura:** I am sorry I have to apologize to the member for misleading him. The Honourable Eric Stefanson does not chair the committee as such, is not actively involved with the committee. The committee is under the Department of Finance and as such that is where his name is associated with that committee.

**Mr. Maloway:** I would like to then ask the minister how much of the existing hardware and software that the government owns or has possession of is actually year 2000 compliant at this time?

**Mr. Pitura:** I guess what I want to leave with the member for Elmwood is the fact that with regard to the initiative of desktop management, and that is basically the area in which the Department of Government Services is involved, that it is charged with the responsibility of co-ordinating and implementing desktop management across government.

With respect to the specific questions that the member for Elmwood raises, in many areas he is going with his questions outside what would be the terms of reference for my department to be involved with, and, as such, the responses would be best if they would come from those areas that have that responsibility.

So although desktop management is certainly a part of the overall system within the provincial government and because of the fact that it is across the provincial government and it is tied to many of these areas, the actual responsibility for those areas lies in one or other departments within government, and probably, as such, they are in the best position to answer those questions for the honourable member.

**Mr. Maloway:** The problem here, Mr. Minister, is that you have a lot of old equipment. You have about, I believe—I do not have the figures with me—8,000 computers that you own or have possession of. I understand that the majority of them, 2,000 or 3,000 of them, are old 286s which would be worth a couple of dollars today, I guess, in a garage sale if you could even find them there, and you have a couple of thousand more 386s, and then you have a couple of thousand more 486s.

As of the time you asked for the tenders last December, I guess it was, there were a grand total of

256 of them, I believe, that were even of Pentium quality or Pentium class. Well, today, even the Pentium 100s are selling for \$500, so that would give you an indication of how obsolete some of this stuff is. On the other hand, if it is doing the job, I guess, one cannot argue with it.

So what I am trying to find out and discover, and you must know or you must have an idea of how much money this is going to cost, is, I want to know how much money you anticipate spending on upgrading all this computer equipment, most of it obsolete, between now and the year 2000, and it is a separate issue, although it is related, what will the cost be of correcting the millennium bug problems, the year 2000 compliance problem?

Because what you have, for example, in at least one of your Crown corporations is a scenario where I believe they are talking about eliminating huge areas of software because it is just costing them too much money to upgrade it to make it year 2000 compliant, so they are throwing the whole works out, and they are just buying fresh, new software.

So this could be an enormous costly problem that you have on your hands here, and I am trying to find out whether you even know how big the problem is. You have a committee that was set up in December. We do not know who is on it for sure. We do not know how many times it has met, if anything. We just do not have a clue as to what, in fact, is happening.

So have we dealt with the question of how big the problem is to begin with? How much code has to be changed? How many programmers have to be hired?

For example, I am told that programmers are very hard to get now. The people who were earning \$40,000 a few months ago are demanding and getting \$60,000 and \$70,000, and I am told that that is going to increase substantially every six months between now and the year 2000.

So what we want to find out is, how much do you know about how big the problem is? If you do not know, just tell us. Just say, look, we do not know. We are just at the initial stage or we are just at one of the stages past the initial stage. I am trying to get

convinced, in my own mind, find out just whether you people are on top of the problem, whether you understand how serious it is and, if you do, then tell us how serious it is.

**Mr. Pitura:** With response to the comments that the honourable member for Elmwood indicated saying and suggesting that perhaps the problem is a lot more complex and larger than one would expect, I would ask the honourable member, one of the reasons we have gone to a desktop management system is from the standpoint that this is a recognized problem across public institutions and governments across North America. It is at the point where, because of technology, remember that technology has to be there in the first place.

You could not have done this probably seven or eight years ago, but you can in 1997 move to a common hardware technology across government so that many of the issues that the honourable member brings up, of course, are being addressed as a result of going to the desktop management proposal, going for an RFP and contracting with outsourcing for these services to ensure that the taxpayers of Manitoba are going to receive a higher level of service, a more cost-efficient service, and that the technology that we have in place within government is going to be able to meet not only the needs of government but also the needs of the taxpayer in years to come.

So many of the things that the honourable member has indicated as being issues and not knowing it is for that very basic reason, that everything that is being done within government is being done with that purpose in mind to be able to address those issues.

\* (1540)

**Mr. Maloway:** Could the minister tell us how much the correction of the year 2000 problem is going to cost the government?

**Mr. Pitura:** As I pointed out to the honourable member earlier, the compliance of the 2000 compliance issue is a corporate issue and that is being addressed by the committee that has been working under the Department of Finance to address the issue, the compliance with the year 2000, and as such they are

addressing the issue. I am confident that they will be able to ensure that government will be able to serve its clientele without any problems come the year 2000.

**Mr. Maloway:** Mr. Minister, you are in charge of the largest computer initiative, the minister is in charge of the largest computer initiative this province has had to deal with. I am expecting that the minister, because he is in charge of it, should be on top of the matter enough to be able to give us an idea of what solving of the year 2000 compliance problem, the millennium bug problem, is going to cost the taxpayers of this province. If he does not know at this point, when will he know and why does he not know?

**Mr. Pitura:** Madam Chairperson, with respect to the question of the honourable member for Elmwood, I would hope that he would realize that the type of question he is asking is one that is, in terms of the issue, being addressed in terms of conversion. I would probably say to the honourable member that our costs in Manitoba to have compliance for the year 2000 are probably not going to be very different from those costs incurred by any other province or jurisdiction within this country, because we are all faced with having to switch over to complying with the year 2000. Therefore, in terms of the costs, I do not have an answer that is specific for the member at this time, but I can assure the member that in terms of the ability for this government to be able to switch over to 2000 compliance will indeed be there.

**Mr. Maloway:** Can the minister then tell us when, at what stage, he will know what this will cost? Will it be in a month or two? Will it be at the end of the year?

**Mr. Pitura:** I just want to share with the honourable member for Elmwood the fact that with regard to approaching the year 2000, please keep in mind that we are 36 months away or very close to that—well, knock it down by six months. As we get closer, then I would see no problem being able to identify that type of a cost, but what I also want to share with the honourable member is the fact that when the year 2000 co-ordinating committee have addressed the issue, they will undoubtedly be able to supply us with what they see as a projected cost for moving to the year 2000. Manitoba Department of Government Services will supply, or at least be initiating or co-ordinating, the

program for the desktop hardware in that regard as well, so that they will be part of the hardware linkage that the Year 2000 Committee is going to be referring to compliance with the year 2000.

**Mr. Maloway:** Can the minister tell us how many of the government's existing number of computers and software are 2000 compliant?

(Mr. Chairperson in the Chair)

**Mr. Pitura:** The honourable member asked the question about how many computers within government are compliant with the year 2000. Again, I would refer to him that, with respect to the individual departments right now, individually each department could probably supply the member with a number of computer systems that they have that are compliant with the year 2000.

The overall objective of the exercise that we are going through, and part of the desktop management, of course, is to be able to have in place a uniform hardware system across government that can be 2000 compliant. At the same time the committee within the Department of Finance that is looking at the year 2000 program is going to be bringing forth direction as to compliance within the whole program area, and each department will be able to identify and work within that purview of that committee to identify its needs for the year 2000.

**Mr. Maloway:** By that I take it that the minister is admitting that none of the computers and none of the software is 2000 compliant? If that is that case, why does he not just say so?

**Mr. Pitura:** I would like to advise the member for Elmwood that very simply because I stated the fact that each department would have an idea of how many computers they had that were 2000 compliant. If the member were to ask the question as to how many computers within the Department of Government Services were 2000 compliant, we could probably provide him with that information. But he chooses to ask the numbers from across government, directing those questions to one government department that is just in the process of getting up and going with the desktop management program which, when down the

road, will be able to supply him with that information on a regularly updated basis every Monday of the week, and those numbers would be readily available.

I point out again that that is one of the reasons that we went to a desktop management type of program so that we could address some of the very issues that the member is bringing up, the fact that departments have been evolving through the computer technology for a number of years; if there are 18 departments, they have been going in 18 different directions. This program is meant to bring all the departments within the same corporate framework with the same corporate structure to be able to address the very problems that the member continues to bring up.

\* (1550)

**Mr. Maloway:** Then could the minister tell us then how much of the Government Services department's computers and software are 2000 compliant?

**Mr. Pitura:** Mr. Chairperson, as the member for Elmwood probably can realize, I am not a computer technologist, so I have been using the wrong terminology to describe this whole area. It really is systems that are 2000 compliant, and as such there are three systems within Government Services that have been identified as being non-2000 compliant. However, what I have been advised is that within the Service First Initiatives these three areas would be replaced by that initiative. Therefore, at that point in time, they would be fully 2000 compliant.

**Mr. Maloway:** Mr. Chairman, could the minister endeavour to get us the information from the other departments, to collect the information from the other departments as to what their status is regarding the 2000 compliance and what their costs will be and forward it to us as opposed to having us ask these questions at every single department, because I can tell the minister that I have done this already? In Consumer and Corporate Affairs, we hauled in each of the—

**Mr. Pitura:** You only have another 16 to go.

**Mr. Maloway:** Yes. We hauled in the heads of all of the individual SOAs and we asked them questions individually about what was happening with the

computers in their departments and what was happening in that department. As the minister said, I only have another 16 departments, so by the time 2010 I will get to the bottom of this. I do not want to take that long, so I would ask the minister in his co-operative approach that he has taken as new minister in charge of this department, whether he would get us this information.

**Mr. Pitura:** Mr. Chairperson, my response to the member for Elmwood would be that, if he wants the information within the next few months, I would say that it would be very difficult, but I think as far as the evolution of this whole process is concerned is that, as we go through this process, systems such as ours that are identified within Government Services are being identified in other departments.

So, if the honourable member is not really pushing to get this information immediately, I will endeavour to supply you with the overall government in terms of the inventory analysis of government with regard to the systems, because that will probably be forthcoming as part of this whole initiative. At that time, I will gladly supply the member with that information.

**Mr. Maloway:** Mr. Chairman, I would like to ask the minister about the situation with regard to the Crown corporations. How do they fit into this whole compliance problem and this whole computer initiative on the part of SHL?

**Mr. Pitura:** They are not included.

**Mr. Maloway:** Mr. Chairman, well, what are the Crowns doing then as far as their own computer needs are concerned? Is the minister saying that each one is on its own as far as going to the market for tenders and dealing with this problem?

**Mr. Pitura:** Mr. Chairperson, I am afraid I do not have the answer for the honourable member on that as to whether the Crowns are, indeed, working together or whether they are on their own.

**Mr. Maloway:** Mr. Chairman, well, would the minister then endeavour to obtain this information, as he has already promised to do for the rest of the government? What we wanted from the rest of the

government is the membership of this committee that was set up last fall and its meetings and how it has been able to quantify the problem at this point on a department-by-department basis. Of course, that only deals with the central government itself. It does not deal with the Crown, so we would want the same information provided for the Crowns. I would assume the Crown Corporations Council, if they have not asked this question already, would certainly be wanting to ask the question as to at what stage is each of the Crowns at with this.

I know that as of January 1, I believe, in the United States one department was well ahead, well out in front. It started a couple of years ago with an internal committee. It identified the problem. It quantified the problem. It knows what it is going to cost to solve the problem, and it is working well ahead I believe it was the only—think it was Social Security department.

The other departments were canvassed and some of them did not even know there was a problem. They are the ones that are going to come in with excessively high costs because they are going to be put at the end of the line, whereas this other department that got on with the program and started working on this problem two years ago, at the end of the day, is likely to solve the problem at far less costs because they have got the benefit of being able to look at this thing long term, get programmers at lower prices and so on, and get the problem solved in advance.

So what is happening with these Crown corporations, do they all have these internal committees? Who is on them? How many times have they met, and what are their costs going to be to get this year 2000 compliance problem solved?

**Mr. Pitura:** Somehow I get the feeling, Mr. Chairperson, that the honourable member for Elmwood is looking at me as a legislative library, but I would just like to share with the honourable member that the Crown corporations and the Crown Corporations Council do appear before the Public Utilities and Natural Resources committee and probably that time would be the best time to direct the question to determine whether there is a co-ordinated effort amongst the Crown's corporations or not, because it is not within the realm of this department that we are

associated with the Crown corporations with regard to their desktop technology.

\* (1600)

**Mr. Maloway:** I guess if the minister will not ask the Crown Corporations Council, we will have to do that ourselves. But I would think, you know, that he should take that initiative because once again he is the minister in charge of the whole initiative. I think it would look better if he knew exactly what was going on in the entire government plus the Crowns in terms of how big a problem this is going to be. Nevertheless, we will keep plugging away at it and maybe have to ask the minister a few questions for information that we do not get. It is too bad that that has to happen, but I guess if that is what it takes.

I would like to ask the minister about the tendering process and the tendering process that was followed. In the tender, it indicated that the winning company, in this case SHL, would be responsible for taking over the contracts of some 50 or 52 government employees who were classified as computer, I guess, positions and whose contract with the MGEU ran out April 1, I think, of this year. What is the status of those 50 or 52 employees? Are they all still working for the government or they have been terminated? What is their status?

**Mr. Pitura:** I am advised that there are 54 staff years, full-time equivalents, that have the potential to be impacted with this program. I am advised that all 54 are still in the employ of the provincial government, but I would like to share with the member the fact that with a company such as SHL taking over or managing the contract for desktop management, that certainly part of the contract discussions and negotiations, of course, would be with regards to the staff identifying the positions that would be necessary to employ within this contract, to be able to fulfill the contract. So in a very short sentence, probably the majority, the vast majority of these 54 staff, will probably have a very good future and future employment with the contractor in regards to fulfilling the contract.

**Mr. Maloway:** So can the minister confirm that these 54 people have been laid off at this point?

**Mr. Pitura:** No, they are not.

**Mr. Maloway:** When will they be laid off and rehired by SHL?

**Mr. Pitura:** I am advised that with SHL and the provincial government and the 54 staff that are now presently working with the provincial government, that SHL will probably, is entering into discussions with the employees that are impacted. I would be fairly comfortable saying that the transition from government to private will probably be fairly smooth.

**Mr. Maloway:** When does the minister anticipate that this smooth transition will come about?

**Mr. Pitura:** Just to advise the honourable member that with the contract negotiations that are ongoing right now at the present time, of course, part of those negotiations would be the implementation of the program itself, and so therefore it would probably be in a staging process.

We expect that probably early fall there would probably be the initial transition that takes place with an implementation plan laid out in terms of steps or stages by which the full transition would occur.

**Mr. Maloway:** Mr. Chairman, this is a management contract, and I would like to ask the minister how many years is it for and what are the penalty clauses, because I knew there were some substantial penalty clauses at least in the original proposal. How many—well, let us just deal with those two questions first.

**Mr. Pitura:** Mr. Chairperson, the contract is for a three-year term, and the penalty clauses that the member refers to do form part of the contract-negotiating process, and it would be very presumptuous on my part to indicate what the penalties are and what the magnitude is.

**Mr. Maloway:** Mr. Chairman, will the minister tell us how much this contract is for?

**Mr. Pitura:** I just advised the honourable member and I had indicated earlier that the value of the contract was part of the negotiating process.

**Mr. Maloway:** Well, I know that. What I want to know is what is the value of the contract?

**Mr. Pitura:** I indicated earlier, the exact value of the contract is part of the negotiating process, and, as such, the response to the member's question is that there is a group that is at the present time assessing provincial government needs and putting benchmarks into place which would form part of the negotiating process and as a check in regard to the cost.

As I indicated earlier, the overall value of the contract is presently being negotiated with SHL.

**Mr. Maloway:** Well, let us deal with the fees then. Forget the value of the contract. Let us deal with the fees for SHL. What is the quantum of the fees for SHL?

**Mr. Pitura:** Mr. Chairperson, just to share with the honourable member that the entire value, the package for desktop management, is part of the negotiating process. As such, because negotiations are ongoing at the present time, it would be probably irresponsible of me to indicate any kind of ballpark dollar numbers because, as I indicated earlier, there are benchmarks being put into place, so that forms part of the negotiating process.

\* (1610)

**Mr. Maloway:** Maybe the minister can tell me, then, how the SHL will be paid if he cannot tell me how much they will be paid. Is it a percentage of the contract, or is it an absolute dollar contract amount? Which is it?

**Mr. Pitura:** I am advised that they would be paid based on the service that they provided within the contract.

**Mr. Maloway:** So is that an hourly rate or is that a monthly rate, yearly rate or a percentage of something?

**Mr. Pitura:** I am advised that there is an extensive, complex array of services that are being negotiated and would be offered; therefore, the method of payment per each service could indeed be quite different, depending on the kind of service that is being offered.

**Mr. Maloway:** Maybe we could deal with the confidentiality question then. SHL will be, I assume,

operating out of their building here on Broadway. Where will the current computer records be kept? Will SHL have possession of these records on their own computers outside the building? How is that going to be resolved?

**Mr. Pitura:** I am advised that the contract with SHL is a contract for infrastructure of a system, and as such the information on that system is not part of that contract. So they would have no responsibility for storage of any kind of data or information from this program.

**Mr. Maloway:** So essentially their job will be to look at the overall picture and ask for quotes from local suppliers when they feel like it if they cannot supply it themselves, and then they will install the systems and let the government employees deal with all the data problems.

Who deals with the data problems if there are problems with it?

**Mr. Pitura:** In response to the member's question, and I hope I can get the handle on the answer properly, but the essence of the whole system is that there is a hardware and a software compatibility across government and, as such, when providing service for anybody that has difficulty—I think the member mentioned about data—that the responsibility for data management, firstly, lies within the responsibility of that department and that department only.

Secondly, if there is a problem with handling the data or retrieving the data or whatever within that department, then the essence of the contract is such that there would be persons within that department that would be properly trained to address that issue as part of the whole contract arrangement. Apart from that, the whole essence of the contract is to ensure that we have a infrastructure system of hardware and software that will operate and function across all government departments.

**Mr. Maloway:** Of your existing suppliers, there are going to be a number then that are going to be phased out, I would imagine. Are you telling me that all of your existing suppliers will be built into this new system that you have developed?

**Mr. Pitura:** Just to share with the honourable member that there are presently on the market some 92 different brands of hardware that are available. So, as a result of moving with desktop management to a more standardized type of hardware, I guess it would also make sense that because of that standardization process, probably the number of suppliers that could supply the product might be a few rather than many because of the fact of being able to supply the necessary technology.

**Mr. Maloway:** I believe last year and going back since to about 1990 now, several companies, three or four companies, have had the lion's share of the government computer business. It is my understanding that of the four or five companies, I guess they would all handle different kinds of products. So you cannot standardize it and keep all of these companies on board. That just will not happen. One that I noticed had come up fairly quickly since 1990 anyway was a company called I believe it was RDM. What do they sell and what components did they provide before, and where will they be in this whole new master plan?

**Mr. Pitura:** Mr. Chairperson, in response to the honourable member with regard to the companies and the kinds of products that they supply or could supply is that at this point in time, I cannot answer the question as to one company or the other company, but Systemhouse has been in conversation and in talks with a number of suppliers that could possibly supply the technology. Now, I am not a computer wizard by any stretch of the imagination, but something tells me that if I were to take a computer that—very much similar to cars when you change the label on the front and you basically have all the same major components within the mechanism. The main thing is that we are not trying to standardize the name so much on the outside of the machine as we are trying to standardize the guts.

\* (1620)

**Mr. Maloway:** Mr. Chairman, but you are standardizing the name as well, let us not make any mistake about that. Unless there are some guarantees here that the local companies will be given some sort of fair chance at this, I do not think that you are going to see that. In terms of standardizing the equipment and so on, I mean, there has to be some sort of acceptable

standards, and, of course, the companies know that. The hardware providers and software proprietors operate according to these standards. It is just that in this particular instance, and the minister can dispute it if he wants, but I have been told that Manitoba is pretty much the only jurisdiction in the country that does not have any standards at this time. You do not have any standards. Federal government on the other hand has a very good tendering system, and it actually has standards specifying exactly what each company has to produce. I have been told that you do not have those kind of standards. Now, why not?

**Mr. Pitura:** Mr. Chairperson, just for the member for Elmwood's information, earlier today I had indicated to him and answered that there are standards by which hardware and software is purchased within government as of March of this year.

**Mr. Maloway:** Mr. Chairman, I know that, but before that there were no standards. That was the point. I would like to ask the minister: What control does he have or will the government have to make certain that there is a local component to this venture? We at this point have no guarantees other than just promises that SHL has made.

Now, SHL and IBM evidently have made certain intimations to certain other smaller companies saying if we are successful we will be doing business with you, but that is all they have got and when the crunch comes it is quite conceivable that these companies will be left right out of the picture completely because, I guess, if you shop far enough and wide enough you can always get a lower price somewhere, if you look far enough.

So I do not have any faith in this government that its plan is going to produce a system that is equitable to the local supplier. So I want to know what exactly the mechanism is here to make certain there is a local component, and does the government retain some sort of veto power over what SHL recommends and decides to do?

**Mr. Pitura:** I think earlier on today, I had indicated to the member that part of the RFP proposal that was requested by government earlier on was the individual proponent's ability to work with subcontracts or with subtrades within the RFP proposal. They also indicated

their ability to work with local firms and also the ability to monitor the whole contract proposal as it proceeds.

I would also like to point out to the honourable member that the reason that the number of firms that he indicated had won contracts with the provincial government was the fact that they ran a very good business here in Manitoba and were very competitive, and that is the ultimate reason why these companies have these contracts with the provincial government. I would say to the honourable member that these companies continue in a light that they will likely enjoy a fair amount of business under the new contract as well.

So, it is not a case of saying it is going to be mandatory for a company to have X number of Manitoba companies, but rather the feeling that Manitoba companies are essentially here in Manitoba operating an industry or a business, because of the fact that they find that the economic conditions in Manitoba and the types of government programs there are in Manitoba allows them to be able to establish a vibrant business, to establish a business that is highly competitive and, as a result, win a lot of contracts both provincially and nationally and internationally. As a result, I am very optimistic that many of these companies will be participants in this contract, and they will be participating because they are good at what they do and they are very competitive.

**Mr. Maloway:** But it is conceivable that none of the local companies will be competitive enough to get any of this business, is it not?

**Mr. Pitura:** The member is being terribly pessimistic in, I think, maybe some of the tradition that they have been, the fact that they just cannot see Manitoba being a winner. Manitoba is a winner. Manitoba is a great place to invest and to run a business. I would also have to say to the member that I would certainly be a lot more optimistic than he is but, at the same time, it is very premature to speculate as to how it is going to end up with these businesses. If you look at the historical pattern of these industries in Manitoba and their ability to compete, and their ability to be efficient, and the economic climate in which they operate within Manitoba, that I would say it would have a chance of being very positive for these businesses.

**Mr. Maloway:** Well, could the minister tell us whether there is any Manitoba preference clauses in this agreement?

\* (1630)

**Mr. Pitura:** The answer is no, the reason for that being is that Manitoba is part of an Internal Trade Agreement that was signed—was it two years or a year ago?—about a year ago that prevents, well, as part of the agreement, provinces have agreed that they would not have preferential treatment for businesses within their own province.

**Mr. Maloway:** Clearly then, this signing of the agreement with SHL gives SHL a three-year period then to essentially do what they wish in terms of the desktop management in the province. Would the minister not agree with that statement?

**Mr. Pitura:** No, I do not agree with that statement, because in fact within the contract and the contract negotiations there is benchmarking that gives guidance to the contract in terms of the value of the contract, how the service is provided, what degree of service is provided. At the same time, there is going to be close monitoring along the way of these services so that—and we indicated earlier that as far as the penalty clauses within the contract, that they are certainly under negotiation as well.

So I think that the honourable member is wrong in this, and the fact that this contract is virtually going to be like any other contract, and that is to be able to supply the services at the end of the day up to a certain level of quality, and that is acceptable by those people or those buying the service.

**Mr. Maloway:** Perhaps we could skip over to Government Air Services. I have a number of areas that I wanted to ask questions on. Perhaps, if the answers are forthcoming, we might be able to attempt to finish today. If not, we will be here tomorrow.

Under the Government Air Services, I would like to know what the cabinet minister's use of the government aircraft was in the last year.

**Mr. Pitura:** Just a correction for the member with regard to the Internal Trade Agreement. That was signed in July of 1995, for the record.

**Mr. Maloway:** I am waiting for the minister to answer the other question.

**Mr. Pitura:** I have numbers here for the—up till the end of February, no, this is the full year, for the fiscal year 1996-97. The total kilometres flown by ministers was 40,874 kilometres.

**Mr. Maloway:** Could the minister tell us what the cost of that travel would be?

**Mr. Pitura:** Mr. Chairperson, I am advised that the approximate cost is about \$160,000 for those flights.

**Mr. Maloway:** Mr. Chairman, can we go back then a couple of years that you would have records for there that are handy? We have got '96-97, so what about 1995-96? How many kilometres and the cost to the government?

**Mr. Pitura:** Mr. Chairperson, we do not have that information here, but we could supply that information to the honourable member.

**Mr. Maloway:** Mr. Chairman, if the minister could, that would be fine—if you could do it for '94-95 and '95-96. I want to get an indication of whether the air travel is increasing or staying the same or decreasing. Can the minister tell us, then, where the trend has been over the last two or three years?

**Mr. Pitura:** Mr. Chairperson, for the honourable member's information here, in terms of the overall aircraft utilization, over the last number of years the actual trend has been for reduced use. Now I say that, and I say that with qualification, because we do go up and down, but overall, if you take a look from 1993-94 to '96-97, that in '96-97 is the lowest use of the aircraft in terms of flight hours, distance flown. Passenger numbers are down, and the only positive thing would be that the freight cargo in terms of weight has gone up. But overall passenger use of our aircraft is down over the last number of years in terms of a trend.

**Mr. Maloway:** Mr. Chairman, the minister has obviously got some figures here that he is reading from. Would he provide me with a copy of that sheet?

**Mr. Pitura:** If I read you the figures, can you write them down?

**Mr. Maloway:** Sure.

**Mr. Pitura:** I will just give them to you. Okay. Total Flight Hours would be the heading.

**Mr. Maloway:** What year?

**Mr. Pitura:** Mr. Chairperson, '93-94, in round numbers, thirty-nine forty-seven; '94-95, forty-four ninety-nine—

**Mr. Maloway:** Mr. Chairman, 44,000 and—

**Mr. Pitura:** Mr. Chairperson, 4,499.

**Mr. Maloway:** Mr. Chairman, 4,499, and for the year before is three thousand—

**Mr. Pitura:** Nine hundred and forty-seven. Then, for '95-96, it was 4,978; and then for '96-97 it was 3,649.

**Mr. Maloway:** So the minister does not have the costs to the government for each of those years, does he, on that sheet?

**Mr. Pitura:** No, I do not have the cost figures on that sheet.

**Mr. Maloway:** Well, I see the staff feverishly looking for those figures, so if they are going to find them in the next minute or two, perhaps we could wait and get them from them. I would like to ask the minister if he could provide us with a list of the trips that were taken and where they have been to, basically the flight manifests of the different flights as to who went on them and what the purpose was for the flights for those years from '93-94, right up to '96-97.

**Mr. Pitura:** Mr. Chairman, is the honourable member referring to every flight manifest on the aircraft, or is the member referring to only that which is by cabinet ministers?

**Mr. Maloway:** I was simply asking for the cabinet ministers and government MLAs, I would think, and their any other spouses, assistants or whatever.

\* (1640)

**Mr. Pitura:** To try to answer the honourable member's question about the data going back to '93-94, the staff in my department will attempt to take a look at it to see if it is easily obtainable through the manifest to be able to get that information which you have requested. Should it require a great deal of work, then I guess my advice to the member is that he would seek the channel of Freedom of Information because of the staff involvement and the time and the necessity to pay for that time to put that research together for the member.

**Mr. Maloway:** Well, when will the minister be able to provide me with that information as to which information is going to be easily obtainable, and which is going to have to be obtained through Freedom of Information?

**Mr. Pitura:** Just to advise the honourable member that probably prior to the end of the session on Thursday.

**Mr. Maloway:** Well, I look forward to the minister's being able to dig up this information and, like I said, get the information that is easily obtainable and— [interjection] Sure, and if we need any more, we always know we can come back and ask more questions on this subject when we get into the concurrence motions.

What I wanted to do is to ask some questions about the Fleet Vehicles SOA and particularly as it relates to their selection of new vehicles and the reluctance of the previous minister to deal with any new technology. I see this minister is up to his neck in new technology right now and probably encouraged by it with all his computer initiatives, so I would ask him to consider looking forward to the use of or at least the purchase of some of the vehicles that are making their debut in the United States right now, the electric-powered vehicles that are available.

The minister is, no doubt, familiar now with Ballard Bus of Vancouver. They had a profile last night on CBC, but Ballard has been around for some time. I think I had mentioned this, maybe not in this set of

Estimates, but certainly we have been discussing it this session. Ballard, in fact, had a bus here in Winnipeg about six months ago, and they had the television person doing a news clip, and she drank the exhaust out of a glass for the cameras to see.

Basically, it is a fuel cell that they produce, a hydrogen fuel cell, and just recently, I guess, which is what prompted the Venture show last night, Mercedes Benz has bought a quarter of the company for some huge amount of money, and Ford has signed some sort of deal with them to develop the fuel cell.

So these are some of the developments that are occurring in the area of attempting to reduce emissions and so on and getting vehicles off gasoline. What I wanted to know was what the government had done. Now, we went through this quite lengthy period last year with the previous minister, and his attitude at that time was he did not want to hear too much about these kinds of things. He was only interested in getting the lowest cost per unit from big Bob or whoever else he was buying his vehicles from at that time, and he was not really interested in the purchase of some alternative fuel vehicles.

That was kind of sad in a way and I will tell you why. I went to Thompson and Churchill last summer, and Thompson has significance here because Thompson is a cold weather test site for vehicles. Thompson has some sort of a contract with Ford of Canada. In fact, they test the Windstars up in Thompson. As a matter of fact, it has been reasonably successful, and Thompson has expanded the test site from Ford to—a number of other companies have been coaxed up there and, I think, are on the verge of doing something in Thompson.

That, coupled with the fact that Manitoba has an enormous hydro supply and nickel coming out of Thompson to produce batteries and so on, I mean, we are well positioned here to try to get into the market. I mean, the Minister of Industry, Trade and commerce is not here at the moment, but I would encourage him, rather than chasing around, writing more cheques to companies such as ManGlobe and Iris Systems and Teleglobe and so on, that he should be concentrating more on something a little more realistic here and looking at this kind of technology which is where

Manitoba has, I think, a role to play. If Manitoba does not get involved in this type of technology, then it will be beat out over the long haul by other provinces, by Saskatchewan, by other provinces. So I would think that at least a recognition on the part of the government that there is a role for the government to play here and some kind of effort being made by the government would in fact enhance this program.

I might tell you too that in the United States, certain states such as, I believe it was, Arizona have a program, at least as it relates to the GM electric vehicle, the EV 1. They were giving reductions on the driver's licences and there were other incentive plans. In California, there were even more incentive plans that were being provided for people to buy these vehicles. Manitoba Hydro would have to be involved, because in the B.C. case, B.C. Hydro is involved in retrofitting people's electrical outlets, because when they plug these cars in they cannot just run on a regular, you know, your old plug-in that you plug your TV in. You need a circuit that is as big as the one you plug your washer and dryer in, that sort of a size.

So there are a tremendous amount of changes in that that will occur because of this, and we are not helping our cause any by staying away and letting somebody else solve the problem, because B.C. in Canada is the government that has jumped ahead on this. They are the ones that have roped in B.C. Hydro. They have got a deal signed with, I think it was, GM. They have an agreement signed with GM to participate in this program, and the other states that I have mentioned have different programs going on.

So here we are in Manitoba with the energy resources, we have the Thompson test site right now, and we have a government that until now has been asleep at the switch—totally asleep, just dozing. So I would like to ask the minister just what he is planning to do about this whole initiative.

**Mr. Pitura:** Mr. Chairperson, I would like to take the opportunity now to introduce Dennis Ducharme who is the chief operating officer for the Fleet Vehicles Special Operating Agency.

In response to the member's question about electric vehicles, I am advised and given a bit of information

here that in February, General Motors did approach the Fleet Vehicles Agency indicating the availability of some electric Chevy S10 pickups. However, they had a range of about 40 miles of stop-and-go driving, and this would depend on temperature, terrain, type of accessory use and driver use. The battery recharging takes about two and a half hours at room temperature.

GM, I think, indicated that it would be suited for organizations with daily driving where the vehicle would return back to the garage at night. So it would certainly make sense for somebody like Canada Post, let us say, that has all their vehicles returned back or some other delivery agency within the city where every vehicle returns to a central garage at night would be the most practical. GM also advises that the cost of purchasing one of these vehicles is about \$46,000 each, which would be, you would have to buy 10 of them to get a minimum order.

**An Honourable Member:** What do you mean, you have to buy 10?

**Mr. Pitura:** You have to buy 10 to get that price. So, therefore, given the time or at least given the specs that were on the vehicle with regard to its ability to be able to provide a real good functional service for the provincial government, I do not think it takes a rocket scientist to figure out that probably the application for electric trucks of that nature within the provincial government right now is probably not doable.

However, Fleet Vehicles is never, ever going to turn away from an opportunity to investigate an alternative fuel or an alternative method of—well, I should not say an alternative method of transportation, but alternative fuel anyway, so even now we have switched over—is it some vehicles? We have on order the one propane-powered van for the fleet pool so, you know, there will be encouragement for the transfer over to propane as an alternative fuel.

There are many alternative fuels coming onto the market. I am sure, as the member is aware, we are taking a look at high erucic acid rapeseed as a source of fuel for replacing diesel fuel so that diesel motors can actually burn canola oil as a substitute. So there are many, many innovative things coming on the market with regard to alternative fuels.

I would like to share with the member that I think that Fleet Vehicles, given the opportunity and given that we will take a look at all these alternatives with regard to operating Fleet Vehicles as a very efficient, customer-friendly type of service.

**Mr. Maloway:** Mr. Chairman, this, of course is not new. I believe at the turn of the century, I found this quite hard to believe, but at the turn of the century there were more electric-powered cars on the road than there were gas-powered cars. The question is whatever happened to them after that, but I guess it did not take off.

In the '70s, I remember Russ Doern, one of my—well, he actually was my predecessor in Elmwood. I guess I have been here a long time—but was here for 20 years, was the minister in charge of Government Services in the '70s. I recall one day him unveiling a van and a couple of converted Renault 12s from some guy, I believe it was in Minneapolis, and they were testing them here around the front of the Legislative Building for the press. That was about 1975, so that is 20-some years ago now, but the fundamental problem with those vehicles, of course, is that they were not electric vehicles built from the ground up.

That is what you are going to find with your GM S10 here that you were approached on, and I am glad to see that GM is approaching you or you are approaching them or at least somebody is doing some approaching, because one year ago I was asking these very same questions about who is doing what to whom here, and most ministers did not know. The Highways minister had not heard of any of this at first, but he promised to look into it, so at least we have got, I think, a little bit of activity going, if it has gone to the point where GM has approached you. But the S10 pickups that you are talking about are essentially just basically S10 trucks with an electric motor put into them. That fundamentally is not, I guess, going to work because that is what those old Renaults were. They were just Renault 12s with electric batteries put into them.

(Mr. Mervin Tweed, Acting Chairperson, in the Chair)

The engineering people tell me that to make this thing work, you have to develop the vehicle. Every aspect of

it has to be developed with electricity in mind. The tires have to be constructed differently, so they do not have a resistance to the road that normal tires do. There is a whole bunch of other engineering considerations. So we are not going to see major movement in this area until vehicles are constructed from the ground up using this kind of technology.

So the GM S10 I am not surprised that you are not going to see terrific results right now. You might look at the EV-1 which is also a GM vehicle. In California now, because that was kind of slow-moving, they have evidently lowered the price considerably. Matter of fact, GM does not sell the vehicle. They will lease it only. It is not a saleable product. You cannot buy it. You could lease it only from them. It comes from sort of a guarantee or a warranty that if the battery croaks on you or something falls apart on it, I gather they just haul it in and replace it.

\* (1700)

Anyway recently, because of a slow uptake on this stuff, they have slashed their prices in half, so that in fact is happening. I mean, in other words, if you simply wait for GM to come to you and say here is the price and you just leave it at that, then that is probably not going to go too far. But if you get involved with them a little bit and make them an offer—and the offer in B.C. was that if the minister wanted to try out one of these vehicles, he had to turn in his vehicle for a 30-day period or whatever, and they exchange vehicles. They had an exchange program. So that is what you really want to get going with GM, some sort of an exchange program so you can get some of these things on the road, and you are going to have to get Manitoba Hydro involved as well.

Let us go on a little bit further on this, because the problem once again with these two GM vehicles is that they are still lead acid batteries. The Japanese manufacturers, I think, all of them have announced prototypes or announced production-model vehicles. I think Honda and all of the manufacturers have announced vehicles that are going to come out using—and you may have the terminology for this type of batteries—but they are not lead acid. They take the range the lead acid batteries will only run maybe 100 miles before charge-ups, but these other kind, polymer

batteries—is that the word for them? But anyway, whatever they are, those things will go 200 to 300 miles per charge. These are all in these Japanese vehicles that are coming out, well, probably this year, 1997-98. Are you familiar with that class of vehicle then that the range is going to be double, and it is because they have scrapped the lead acid batteries, they are going with these new, improved batteries?

**Mr. Pitura:** I am advised that Fleet Vehicles is I do not think apprised of the detail that the honourable member would in terms of asking the question he is referring to. However, because of the fact that they deal within the North American car market as part of the fleet operations across the country, as well as in terms of the information that comes out, they are apprised of these types of innovations coming forward. But in terms of the detailed knowledge, I am advised that there is not.

Let me just spend a bit of time with the member on this whole area of electric vehicles, because the intent is good. It is an environmentally friendly way to have transportation. But I think as the honourable realizes—and he is not as old as I am. I do not remember those electric cars at the turn of the century being in the same numbers as the gasoline cars—

**An Honourable Member:** Or greater.

**Mr. Pitura:** Or greater numbers, but there have always been the inherent inefficiencies of the electrical cars. As the member pointed out, they are put into a power train that is made for a gasoline motor and hence, the efficiency of the battery is taken down, or the weight of the batteries are so heavy, that you need to have passengers in the front seat to keep the car from tipping over backwards.

Mr. Chairman, a number of these issues have come up, the expense, the cost. I can see that given the time and the involvement of the technology, I think that given the vision—and just to share with the member—of Fleet Vehicles is to provide complete vehicle management services to the broader public sector. The mission is that we are committed to provide our clients with a complete range of quality fleet management services to assist in the efficient delivery of public programs.

If you take the last part of that sentence, the efficient delivery of public programs, one always has to take into account, and the Fleet Vehicles does this, are these vehicles going to be able to provide their clients with the efficient delivery of public programs? If the delivery of those public programs are somehow put into jeopardy as a result of having a vehicle that either is going to leave you at the far end of your travel trip looking for a plug in, or cannot carry the merchandise that you would like to be able to transport, or, in terms of the cost for that particular department makes it uncompetitive, certainly then the more traditional sources of vehicles are going to be put into place.

If the technology is there that the member is talking about with the so-called future going to a type of battery that is lightweight, high-energy absorbing, maybe even solar powered, even solar-powered vehicles are being looked at. As those technologies are developed, and these vehicles become more efficient—and I know that the Chairperson here today is a qualified auto dealer as well, so I am sure that he has been adverse to many of these new technological advances in the auto industry—as all those developments take place, it becomes more and more a reality that an agency such as Fleet Vehicles would probably have a very serious look at using vehicles that are electrically powered.

Until such time as they can guarantee the efficient delivery of public programs by their customers, that comes first, so they have to take a look at how those vehicles can fulfill that demand.

**Mr. Maloway:** Would the minister endeavour to have Fleet Vehicles contact Toyota, Honda and Nissan, the Japanese manufacturers, who were coming out this year—I guess it is; yeah, sure, 1997-1998—with a production model vehicle? This is not just a single prototype. They are production-model vehicles and not just one of them. We are talking about more than one Japanese manufacturer, and the key was, they were not using lead acid batteries. They were using the new type batteries. It took GM six years to get this product on the market. The Japanese manufacturers held back a little bit, realized that it was going to take them another couple of years to get the market, so they would not beat GM out in the race to be first, but at the end of the

day they were going to have double the capacity for distance with these things when they did come out.

So, if the minister would endeavour to get on the mailing list of these companies and then perhaps get me on the list as well, or you can send stuff to me, I can keep up on this issue as well. It seems to me that we need—a lot of this is technology, of course, but there is a certain amount of political direction here too that is required, and until the minister starts, you know, cashes in his existing vehicle and starts riding a bicycle or driving an electric vehicle or a hydrogen cell powered vehicle, or whatever, that is the type of direction and leadership that people expect from their governments.

If the political leadership themselves are insular and closed and hankering back to the 1900s and have not looked at a new idea since the turn of the century, if the political leadership take that attitude, then how do you expect the public to move along? I am expecting that this minister is going to be a break from the past and going to be a bit of a change, and he is going to make an effort to promote this idea, recognizing that it may help Manitoba in other areas in terms of the Thompson test site and so on.

So unless the effort is made to talk to them—I mean, B.C. did not get on this program, they did not get on the program by sitting back and waiting until they were approached. They found out about it and they actively went out and sought a partnership with the company, and they grabbed B.C. Hydro and they got them all together and they said, you are going to retrofit this many houses to plug these things in; we are going to offer so many in the B.C. mainland for exchanges, so they exchanged so many vehicles. I do not know whether it was 50 or 100 of them or what number it was.

Anyway, this all happened last year, last summer, as a test program. Wherever this program has been tried—and I did have the list of all the different locations in the United States where this was tried—I mean, this program has gotten a tremendous amount of good public relations and publicity for the cause of the vehicle, but also for the people that were promoting it.

\* (1710)

I know that if I was a car company and I wanted the test in Thompson, I would be more encouraged if I thought the government was at least on the ball and willing to look at some other different areas as opposed to maybe being approached by Saskatchewan or being approached by B.C. Manitoba does have the power with Manitoba Hydro, so I would think Manitoba Hydro would be one of the first people that you would be approaching here, that Fleet Vehicles would be in touch with Manitoba Hydro and get in touch with one of these manufacturers and see what you can put together.

The minister may be, before the summer is out, driving a nice, new electric vehicle around the building here. So this is something that is not going to happen if we just sit back and do not make any efforts to push the idea.

Now, I want to ask the minister, what is going on over at Fleet Vehicles with respect to the purchase of new vehicles? I understand that the Fleet Vehicle changes out a number of vehicles every year. I had the figures for last year, so I would be looking for an update, and I wanted to know if the pattern of doing business with a certain car dealer in town has changed so that some other car dealers are getting a chance at some business.

I believe last year at about this time we did some checking and we found that, I think it was, Keystone Ford had the lion's share of business with Fleet Vehicles for that previous 12 months, and we were hoping that at least I think some of the other dealers were hoping that they could get involved in some of this as well and that it would be spread out, the business would be spread out a little more. So if you would like to update me on what you have been doing for the last year in this area, I would certainly like to hear about it.

**Mr. Pitura:** Mr. Chairperson, we would mention to the honourable member or at least indicate to the honourable member that Fleet is always interested in new ideas, new innovations, and that making contact with many of the Japanese manufacturers is not seen as a problem. That will be done. Probably, I could advise the member, he mentioned that he wanted to get onto the same list, that maybe he could pay for a

subscription. Anyway, no, we will, if the information is readily available for the member, get it to him so that he is aware of what is being offered in the Japanese market.

**Mr. Maloway:** It will not be up to speed next year when this happens.

**Mr. Pitura:** Well, the member makes the point about being up to speed next year on this area, and I do not think there is any problem with Fleet Vehicles making any kind of changes like that in terms of innovation, but they do have to follow the basic parameters in being able to provide a certain level of customer satisfaction because, as the member might remember, when we first started out in the Estimates process here we talked a bit about Fleet Vehicles that day and the fact that as a special operating agency they are open to competition, so that any department within the provincial government may seek to find a more competitive price outside of Fleet Vehicles. So it is one thing to say, yes, we have an environmentally friendly car, except that we have no customers to use these cars, because they are too expensive and they do not do what they are supposed to do.

So we always have to keep that in mind, that we are going to adhere to the principles that were laid out for Fleet Vehicles firstly. Secondly, the innovation part will come when it is presented as a real alternative. It will be, I am sure, jumped upon by Fleet Vehicles without any hesitation, because it will indeed give equal to or better service to each one of Fleet's customers.

Mr. Chairperson, the tendering process, the honourable member asked about how Fleet Vehicles tenders. Fleet tenders with the major North American automobile manufacturers and, as such, because it tenders with the manufacturers, it is up to the manufacturer then to decide what dealer they will deliver the cars through. So it is not a dealer being selected as part of the tendering process, it is the manufacturer winning the tender and then selecting the dealer through which a car or the cars will be delivered.

**Mr. Maloway:** So last year then or in the last 12 months, how many new cars were purchased and what were the brands of them or the companies that provided them?

**Mr. Pitura:** Mr. Chairperson, I am advised, and shown data here, that 286 new vehicles were purchased last year from Ford, GM, Chrysler and Red River Community College.

**Mr. Maloway:** What was the breakdown then of those 286 new vehicles between the three big manufacturers?

**Mr. Pitura:** I cannot give the member the breakdown by vehicle, but I can give him a breakdown in terms of dollar value.

**An Honourable Member:** How about manufacturer?

**Mr. Pitura:** By manufacturer. Dollar value by manufacturer. Sorry. Ford \$1.28 million; GM \$2.62 million; Chrysler \$2.19 million.

**An Honourable Member:** Two point what?

**Mr. Pitura:** \$2.19 million, and Red River Community College is almost an insignificant amount in that total. If you add them all up, it should be very close to \$6.14 million.

**An Honourable Member:** How much?

**Mr. Pitura:** \$6.14 million.

**Mr. Maloway:** Is that up or down over the previous year?

**Mr. Pitura:** That is down \$2.6 million roughly.

**Mr. Maloway:** Mr. Chairman, now of these 286 new cars, you do not know how many were split as between companies, just the dollar amount, right? You do not know how many vehicles were bought from Ford or bought from GM?

**Mr. Pitura:** I am advised that that information can be readily retrieved for the member. It is not here today, but it can be retrieved.

**Mr. Maloway:** Well, I thank the honourable minister for getting that information. I would like to ask him, though, whether this incentive program is still in place. Starting two or three years and certainly continuing to last year, the car companies, at least two of the three,

maybe three of the three, were offering an incentive to each dealer who was selected for their nameplate on the back of the car was given either a \$100 or \$150. It was the most bizarre little bit of information that I got from the previous minister. I think it was last year or the year before, and I just wondered who concocted this scheme and whether it is still operating.

Just so to tell the minister how it worked essentially is that they took the number of cars, and they spread them out among a certain amount of dealers. Each dealer who got allotted so many cars, say five or 10 cars, they got to put their nameplate on the back of the car. In addition to that, for popping their little nameplate in there, they got \$100 found money, or \$150 found money for this gluing on their nameplate. So I would like to know just where that program is at right now.

\* (1720)

**Mr. Pitura:** In response to the honourable member's question, the manufacturers who won the awards for cars in terms of the dealers throughout Manitoba, if a certain vehicle was being used in that part of the province, that dealer would like to have had some recognition for that car being out there.

So between the manufacturer and the dealer, they established this little program that when the car came into Fleet Vehicles, because the car was going to be routed out say near Russell or Roblin, that the dealer there could get his nametag put on the back of the car as a way of recognizing the fact that they are out there. Probably in a lot of cases the automobile would end up there for servicing as a result of being a GM or a Ford or what have you.

In regard to the specific detail, for this year I am advised that GM gives the individual dealer recognition for the sale. Ford gives the dealer \$100, plus recognition. Chrysler gives recognition for the sale. It is a case of having the respective dealer's decals on the back of the car and it is a deal that is made up between the manufacturer and the dealer and Fleet co-operates with the program.

**Mr. Maloway:** Well, last year somebody gave \$150? Who was it, and why did they stop doing it?

**Mr. Pitura:** I am advised that General Motors last year gave \$150 to the dealers and, just as a result of a policy change with GM, they have withdrawn that now with their dealers.

**Mr. Maloway:** So of these 286 cars, roughly how many of them are in the city of Winnipeg versus the rural areas?

**Mr. Pitura:** I am advised that overall fleet, okay, in terms of the breakdown is about two-thirds rural and one-third Winnipeg. If the member were to take that ratio and apply it to the new vehicles you would probably be relatively close on those numbers.

**Mr. Maloway:** So that would mean that roughly 100 vehicles would be in Winnipeg, I would think, new vehicles and, of those 100, they would be split. Ford would have about 30 of them maybe. Would that be reasonable?

**Mr. Pitura:** Actually, if you look at the numbers here, Mr. Chairperson, Ford would have approximately 20 percent; GM about 45 percent; and Chrysler probably about 40 percent, eyeballing it now, not guaranteed accurate.

**Mr. Maloway:** All right, well, let us just say that Ford had 20 of those sales and Ford is the one company that is left with paying out \$100 per vehicle. Now, how do you decide? I know we went through this last year and in the country it makes some sense. You probably could figure out which car belongs to which dealership. But in the city, how do you determine which vehicles—in this case, which ones are going to be given to each dealer? Do you take the total number of Ford dealers and divide by 20 and give out—I do not know, maybe there are four or five Ford dealers, so give them five cars apiece. Is that how you did it?

**Mr. Pitura:** It is basically up to the manufacturers as to how they want to move these vehicles through the dealers. They can choose to do them all through one or they can spread them out through five or six, whatever is available. That is their choice. Fleet has no role in that whatsoever.

**Mr. Maloway:** Then what about the warranty work and service work on these vehicles? Who decides how

they are spread out? Presumably Fleet has, I think it is 2,000 vehicles or something like that, on the road, then what percentage—well, if you could tell me how many you have on the road and how many of them would be Fords?

**Mr. Pitura:** With regard to warranty work on the Fleet vehicles—the last part of the member's question, I will get the information for as I am giving this answer—Fleet will call, not necessarily the dealer that has a decal on the back, but if it is a Ford dealer that can take them in at the earliest opportunity and perform the warranty work as quickly as possible for Fleet. Since Fleet has a large number of cars, it is desirable to go that way because of their ability to get good co-operation from these dealers.

Mr. Chairman, I think the member had a question about what percentage of the cars were Fords. I am advised that we would have to get that information for the member, and we probably will be able to get it and supply it.

**Mr. Maloway:** Well, if the minister could get that information for tomorrow, that would be fine, but let us assume that there are 2,000 Fleet vehicles on the road right now. Would that be reasonably close?

**Mr. Pitura:** Mr. Chairperson, 2,300 vehicles, according to the Supplementary Estimates.

**Mr. Maloway:** So I would guess, making the assumption that Ford has around 700 of them, that would be reasonably close?

**Mr. Pitura:** I guess for the honourable member's benefit, if it is an assumption that you are making, I am advised that you probably are pretty close.

\* (1730)

**Mr. Maloway:** We will have the correct information for tomorrow, but I just wanted a rough figure to work with right now. So let us say that we have 700 Ford vehicles on the road in Winnipeg. Now, how would we be deciding which Ford dealer gets to do the warranty work? I tell you in advance, last year when I asked the question, you guys were all over the map on this. The minister—well, you would have to read Hansard to see,

but for every question I asked there was another answer to be provided.

I would also like to know, can I have a breakdown for this past year, because I had before, of how much warranty work and how many of the new vehicles were assigned, how they were assigned by Ford dealers in Winnipeg? So I would like to know how many Ford vehicles were assigned per dealer in Winnipeg. It is just too complicated to try to extrapolate this across the province. Let us just keep it to Winnipeg, keep it to Ford dealers rather than GM and Chrysler, and just deal with this one component.

**Mr. Pitura:** Just wondering if the member for Elmwood might clarify his question just a little bit. Are you referring to the total number of Fords in the fleet with warranty work?

**Mr. Maloway:** Yes, Mr. Minister, I am referring to the total amount of warranty work that would be done last year for the Fords in the city of Winnipeg, and how they were apportioned. So dealership A got X amount; dealership B got X amount.

I mean, last year the minister thought I was asking quite a detailed question about the computer, or was it the question about the minister's travels? If he goes back to Hansard last year, you see I asked the minister to provide all sorts of information; and, to his credit, he was probably the first minister in this government's nine-year history that actually produced all the results, produced everything I asked for and did it in a fairly timely manner.

I am sorry, but I am used to dealing with other ministers whom you have to wait—a former Finance minister, you used to have to wait two or three years just to get a single question answered. So I was quite impressed with—see now I am impressed with him—the previous minister in that particular instance.

In that particular instance, because I will admit that he got the information pretty much everything he had promised, and there was quite a lot of stuff that he had promised to deliver. He got it for me, and he got it for me very quickly too. So last year this information was produced. What can we say about this without having to dig into all kinds of files and stuff?

**Mr. Pitura:** What I could advise the member is that we will certainly take a look at his requests from the standpoint of being able to glean the information out and probably provide him with an answer as to No. 1, how readily available the information can be for him; and, No. 2, if indeed the ability is there to be able to put it together in a reasonable period of time. What the member is asking for is a lot of research and certainly being able to exercise that kind of data is a nice thing to have, but you do not like to do it on a continual basis. With that in mind we can probably get an answer to the member tomorrow as to what the terms of reference would be on getting that information for the member.

**Mr. Maloway:** I really do not see where it would be that difficult at all. Last year we had information from Fleet Vehicles which indicated how much work each of the dealerships got from Fleet business. There was a breakdown, you would be familiar with it, last year it showed one car dealer in Manitoba, in Winnipeg, had the lion's share of Fleet business and had breakdowns right across the province. We were able to sit down and add up, you know, just what business Fleet did with each dealership, so it was very clear. One had a lion's share and, of course, once the others found out about it, they wanted to know why they did not get as much business as the big one.

**Mr. Pitura:** I can advise the member for Elmwood that with regard to vehicles and getting service at dealers in Winnipeg, that information is readily available, and I think the difficulty comes with the member asking for specific warranty work, because warranty—[interjection] Oh, you want just the total?

**Mr. Maloway:** We just wanted to know how much warranty work, on a dollar basis, was done at dealership A and dealership B and dealership C—exactly what I got last year.

**Mr. Pitura:** There should be no problem supplying that information to the member, because the original question was the warranty work and that was going to make it difficult, because we would have to go back in some cases with vehicles over a three-year period to find out where they had the warranty work. The member's question now makes it a lot easier to put that information together. So if the member is satisfied with that then—

**Mr. Maloway:** So what is it that you are going to produce now?

**Mr. Pitura:** We will be able to supply the member the dollar volume of the business with each dealership in Winnipeg.

**Mr. Maloway:** The other mystery that we could not sort out last year was how did we decide who got the warranty work—that was a real conundrum—and what is the criteria that you use to decide where the warranty work goes? Is it the person who is driving the vehicle? You know, because uncle Fred is in the business or whatever and decides he wants to go over to another place, or is it the dealership that is closest to where the driver lives, or is the dealership that is closest to where he works from, or is it none of the above?

\* (1740)

**Mr. Pitura:** I am advised that with the warranty work—I think I indicated earlier to the member that the warranty work is taken to the dealer that can provide the level of service to Fleet on a timely basis for fleet vehicles. There is also the tendency to spread some of the work around, but you would also have to take a look at the drivers of the vehicles in terms of what is convenient for them, that that is taken into account.

Especially in rural Manitoba, provincial government employees there who drive fleet vehicles may wish to have their warranty work done at a specific spot, but the member has to remember that because there are six Ford dealers in Winnipeg, not all six Ford dealers might be able to perform the work at a time convenient to Fleet Vehicles. So you have to remember that that is a factor of them being able to do business for Fleet. I am sure that, once they have the opportunity to be able to respond that they would, indeed, get the business. From that standpoint, I think Fleet is very fair in the way it gets its warranty work done on vehicles.

**Mr. Maloway:** It is still not clear as to what the order of authority is. Does somebody from Fleet Vehicles shop the warranty work around, find out who can do it the quickest, and then ship out the vehicle? Is that the way it works?

**Mr. Pitura:** The answer is yes.

**Mr. Maloway:** So the driver of the vehicle, then, just does not arbitrarily decide to take the vehicle in for warranty work to his or her favourite dealership.

**Mr. Pitura:** I think that, if I am correct in assessing this, when I lease a vehicle from a leasing company, my first recourse is to go back to my leasing company. They in turn take a look after all my needs, whether it be warranty work or repair work. So they would effectively look after the vehicle. I think on most occasions that would be done the same thing with Fleet Vehicles making those arrangements.

**Mr. Maloway:** Then how does Fleet, because that was by no means clear last year—given that Fleet Vehicles now are the ones that decide ultimately where this warranty work is done, what system do they have to get the work done?

**Mr. Pitura:** For the member for Elmwood (Mr. Maloway), it all boils down to who can do the work in a timely, efficient manner for Fleet Vehicles, is the way they choose to. That is the way they choose to get the warranty work done. That is, I guess, the main basis for them selecting people to do the warranty work.

**Mr. Maloway:** Would not a rotation basis work better to make certain that each dealership got exactly the same amount, at least maybe not in terms of dollar value of the work, but certainly in terms of number of cases?

**Mr. Pitura:** I am advised that the basic premise behind the Fleet Vehicles and getting the warranty work done is to be able to get the vehicle in and get it fixed and get it back on the road as quickly as possible so that the client can continue to deliver the efficient delivery of public programs.

**Mr. Maloway:** So what the minister is saying, then, is that you could have some pretty lopsided results then. You could have maybe 10 pieces of warranty work going to one dealer and another dealer getting zero because they could not do the work as quickly or did not have the time or were too far away from where the car was.

**Mr. Pitura:** I might remind the member here that it would be speculative on our part to be able to say

anything that all the business goes one way and zero goes the other way until we wait for the numbers to come forth, and then you would have a better idea of what the balance is like between the various dealerships.

**Mr. Maloway:** Then why does Fleet not develop some sort of rotation system? I am sure distance would not be a problem. I can understand that, if the car is head-quartered in Transcona, taking it out to Charleswood or something might be quite a bit of a distance, but the car dealers, at least my experience has been, seem to be more than willing to please. You take your car in for some work, and they will drive you to your job or wherever you have to go.

Would it not make sense to have some sort of a rotation system whereby they would all be relatively assured that they were getting equal amounts of the work no matter how maybe inconvenient their locations are, because I mean some of them are more convenient than others?

There are dealerships just close to the Legislative Building here, I am sure, that, because of their proximity, might justify most of the warranty work to be done than dealerships way out on the periphery where it would be, in a way, an imposition to take the vehicle out there. But I am just wondering, are the dealers all basically understanding, and are they apprised of the situation so that, if they understood that they were going to get every fifth or every sixth piece of warranty work, would they not accommodate Fleet and pick the vehicle up or do whatever was necessary to accommodate the situation just so that they did get the work?

**Mr. Pitura:** I think I have to make it clear with the honourable member for Elmwood that Fleet's first responsibility is to the people who drive their cars. As such, it is not Fleet's responsibility to ensure that every dealer in Winnipeg gets the right number of service calls for their vehicles, but rather to make sure that the customer is able to efficiently deliver public programs when they have a car that requires warranty work.

I can go back, and here again I go with my age thing again with the honourable member, but I can remember there was a time when I was a civil servant in the

province and I had a government vehicle that when I brought it into central provincial garage my interests were not put in front in terms of getting the car fixed. Like, it would not have mattered whether I was in there for the whole day or half a day or two days to get a minor repair done, that was not the important aspect of it. Today it is quite a bit different where we have the ability to have good customer service and keeping our customers up and going so that they can fulfill the roles that they have been hired to perform.

\* (1750)

So Fleet's basic objective is to have the turnaround time on that car go as fast as possible, and when push comes to shove you pick the dealer that is going to give you the work done as quickly as possible. I think that if you wanted to have that spread out, what you are doing is reverting back to the system that we once had, that if you cannot get the warranty work done today but the dealer can do it tomorrow, are we going to make the driver of that car wait for a day for that vehicle to come back? Whereas another dealer will fix it that morning. So we have to always keep that in mind in terms of being able to keep satisfied customers driving Fleet vehicles. Again, I would mention to the honourable member that if we do not keep satisfied customers in Fleet Vehicles, they are going to shop elsewhere to get their vehicles where they get good service. So service is a very important part of the whole scheme of the Fleet Vehicles Agency.

**Mr. Maloway:** Mr. Chairman, has there been any representations by any private interests of the minister or Fleet Vehicles in terms of privatizing some or all of the functions of Fleet Vehicles Agency?

**Mr. Pitura:** The answer is no.

**Mr. Maloway:** Perhaps we could pursue more questions about Fleet Vehicles tomorrow when we start again.

I did want to ask a few questions on another area before we finish for the day, and that is this whole question of the cleaning staff in this building and some of the other buildings. What precisely has been going on here and is going on with regard to cleaning staff in these buildings?

**Mr. Pitura:** Mr. Chairperson, one of the areas that government has been moving to, and not only government but the private industry, is a methodology of having a different system of cleaning buildings. The member quizzed me on this on the first day about the study that was being done on public buildings, and for the purposes, that study in turn produces information which we can use to more effectively manage public buildings.

But I would share with the member that since 1991 something like 14 public buildings within the province's responsibility have gone and moved over to cycle cleaning. Cycle cleaning is just a new approach to keeping buildings clean, and it has worked very effectively in the 14 other buildings, and it was gleaned that within the Legislature and the Law Courts building that this type of cleaning could also work as well.

**Mr. Maloway:** The minister, though, indicated that none of these cleaning staff would lose their jobs, but my information is that is not true, that cleaning staff did lose their jobs and were not reassigned.

In other words, Mr. Chairman, we were assured in the beginning that these positions, the people would be taken care of in terms of given re-employment somewhere else, but the truth of the matter evidently is somewhat different in that the people were not given jobs somewhere else, that they were let go and that was the end of it. They ended up on the unemployment insurance lines.

**Mr. Pitura:** I just want to inform the member that the detail that he is requesting we will be able to supply that for him tomorrow. But I would like to indicate to the member that with regard to cycle cleaning that in terms of the ability to maintain the cleanliness of a building, especially a building that is in the public domain, has certainly been verified and attested to by the number of buildings that are already on cycle cleaning. In fact, I would dare say that probably most people working in this building probably did not notice when the cycle cleaning changed.

I would also like to share with the member the fact that with the impact on the staff with the result of cycle cleaning that our Human Resources division within Government Services has been working very hard and

very diligently on behalf of the workers that are impacted. In some cases we will be able to work with them in terms of training, so that they can actually contract for some services in terms of cleaning, i.e., being trained as entrepreneurs.

Secondly, they are on the redeployment list within the provincial government. Again, there would be a possibility for redeployment within government, but every effort is being made by the Human Resources area of our department to reduce the impact on the employees and to actually help them make the adjustment whether it be from government to the private sector or from government into running their own business, so that those kinds of programs are an ongoing effort by Human Resources within our department.

**Mr. Maloway:** Could the minister tell us then how many of these staff are laid off?

**Mr. Pitura:** I am advised that it probably would be agreeable, I think, from our standpoint to be able to get back on this topic tomorrow to go through it in full detail when we have the resource people here to be able to help us out.

**Mr. Maloway:** So, at this point then, the minister is unable to tell us how many people were laid off.

**Mr. Pitura:** Very quickly, what I would like to share with the member for Elmwood is an accurate detail, because there are stages to this whole thing. So I would like to provide the member with facts.

**The Acting Chairperson (Mr. Tweed):** The hour now being six o'clock, committee rise.

## JUSTICE

**Mr. Chairperson (Marcel Laurendeau):** Good afternoon. Would the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Justice. Would the minister's staff please enter the Chamber at this time. We are on Resolution 4.1 Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$406,200. It is on page 92 of the Estimates book.

Victor, do you have some new staff that you want to introduce today, or is it the same staff from Friday? I think there is a new face here, is there not? Wait until I recognize you on the mike.

**Hon. Vic Toews (Minister of Justice and Attorney General):** A couple of issues before we commence with any further questions. There might be a change in staff in terms of who are present in the Chamber today. Mr. Perozzo, the associate deputy minister, is here today, as well as Mr. MacFarlane, the deputy minister; Mr Pat Sinnott, of course, and Mr. Allen Fineblit who have been here previously.

As I recall, the point of our discussions last date was I was asked a question, and I am certainly prepared to answer that. That question came from the member for The Maples (Mr. Kowalski). The member for The Maples raised a very interesting question. It related to whether or not I would be prepared to instruct police officers to enforce the law.

The very short answer to that question, and I do not know whether the member for The Maples was being facetious or not, but certainly my obligations are clear, both from a constitutional and a statutory basis. The Constitution indicates that the province is responsible for the administration of justice. Certainly a large part of my responsibilities relate to the administration of justice. Insofar as police activities may fall within the scope of that constitutional head, certainly any obligations that I have vis-a-vis the police and the public, I will certainly endeavour to carry them out.

\* (1440)

Specifically, in respect of any statutory duties, I think it is very important to point out once again that the provincial Attorney General has a rather unique role vis-a-vis the federal Parliament and indeed the federal Attorney General. In many situations, the federal Parliament has seen fit to delegate responsibilities to provincial authorities. Whether that delegation is a constitutional matter or simply an acceptance by the provincial Attorney General is not the issue. I believe that Attorneys General in the past have, in fact, carried out their responsibilities, both constitutional and statutory, in an appropriate manner, and I see no reason why I would deviate from that.

The particular issue that gave rise to the member's question I think is very relevant to this discussion is back on the Firearms Act. The suggestion that the member attempted to leave with you on the past day was, whether or not the Attorney General of the Province of Manitoba had any statutory or constitutional obligation in respect to the Firearms Act. I want to, again, make it clear to the member for The Maples that that act does not require, either by operation of the Constitution or by operation of the specific provisions of that act, to have the provincial Attorney General administer the firearms registry or indeed to prosecute.

Looking at Section 2 of that Firearms Act, that act indicates that the minister defined in that act is the provincial minister designated by the Lieutenant Governor in Council. There is however a clear option provided. If the Lieutenant Governor in Council chooses not to appoint a minister, then the responsibilities for the administration of the registry system falls to the federal minister. It has been the position of this government and it has been made very, very clear by the past Attorney General to Minister Rock, the federal Minister of Justice, that this government would decline the option of entering into the administration of registering or administering the firearms registry. The statutory basis, as I have indicated, is very clear. There is no requirement for the Lieutenant Governor in Council to do that.

One of the policies, and I think the question that the member for The Maples (Mr. Kowalski) raises is really an issue of policy. It is not a question of statute or constitution at all, and the policy is this: Should it be the government that is responsible for enacting the legislation who should administer that legislation or should it be delegated to another government? In this particular case our government has said the appropriate government to administer this legislation, this registry, is in fact the federal Parliament.

I know the member for St. Johns (Mr. Mackintosh) raised the issue of whether we could enter into an agreement with the federal government and the federal government could pay 100 percent of the costs of the administration. Well, if one fundamentally disagrees with a piece of legislation in terms of its policy, how then can that government in all good conscience spend

its taxpayers' money, or failing this expenditure of monies use other resources to administer what in fact that other government should be administering? So in this particular case where we have said we believe in getting tough on crime, not simply taking an easy administrative route that appears to have some merit at face value, but indeed when one analyzes the statistics and the studies and the policy, there is in fact no justifiable basis. I would rather in fact have Justice Minister Rock justify his position to the farmers and hunters and the First Nations and aboriginal people of our province. I do not feel committed to doing that when I feel that the policy is fundamentally flawed.

So the question then that was raised: Would I then ask police officers to fulfill their duties? The answer of course is I am responsible for the administration of justice and of the administration of particular statutes within a particular context. Insofar as my constitutional responsibility lies, as far as my statutory obligations lie, I will enforce them.

The second point again for the member for The Maples that has to be made clear again is the legislation itself says that it is the Government of Canada, not the provincial government, that will be charged with a prosecution under that statute. So his question is better put to the federal Minister of Justice. What will you be telling the police in respect of their responsibilities under the Firearms Act both in respect of the administration and in respect of prosecutions? That is not an issue that I need address because I have other responsibilities.

Lest the member for The Maples in any way suggest that this is simply a dereliction of duty or an avoidance of responsibilities and that this is simply a political dispute, I want to indicate to that member that this Attorney General, as have past Attorneys General, has consistently enforced statutes that have been passed by the federal Parliament, specifically the Criminal Code and the Young Offenders Act. Other statutes based on criminal law powers in fact have not been enforced by past provincial Attorneys General, not because they are disobeying the law, but in fact because that was specifically assigned to the federal Attorney General, for example, the Narcotic Control Act.

I want to again, lest there be any confusion, indicate that the federal government has proceeded in this statute, the Firearms Act, on the basis it indicates, of its criminal law power. As I have indicated, if in fact that is the basis, that does not complicate this issue in any manner because the statute itself is very clear that the provincial Attorney General is not responsible for the administration where it does not designate a minister, and secondly because of the specific wording of Section 116. So I trust that satisfies the member for The Maples (Mr. Kowalski), and I would be prepared to answer any further questions, Mr. Chair.

**Mr. Gord Mackintosh (St. Johns):** Let us follow the questions on the issue of the opinion given by the Crown by the issue of the Friday book. This particular question also fits into the question raised in Oral Questions today. In what circumstances, according to protocol, do the police seek an opinion of the Crown before charges are laid?

\* (1450)

**Mr. Chairperson:** While the minister is thinking about the response to that, is there leave for the honourable member for Osborne (Ms. McGifford) to remain seated in the seat to the right of the honourable member to ask questions? [agreed]

**Mr. Toews:** Mr. Chairperson, the question, as I understood it, is: What protocol is there for the police in seeking opinions from the Attorney General's department in respect of possible prosecutions or other investigations? Again, it is very important to emphasize that the investigative body is not the Attorney General's department. The Attorney General's department does not investigate individual crimes. That, under our system of justice, remains with the police. So what the police do on a day-to-day basis is determine whether they have particular facts in a particular case to take a matter to prosecution. Where there is a doubt, they have a number of avenues open to them. This is not an avenue that is exercisable at the option of the Attorney General's department. These are avenues, or should I say resources available to the police because the Attorney General's department acts as a resource in the context of an investigation.

So, for example, if we go to an issue of a Highway Traffic Act case, a police officer may in fact issue summary conviction appearance notices—I forget the exact title—where an infraction of a highway traffic offence has been alleged, or are they called common offence notices? In any event, it is a very summary procedure. The police officer fills it out, ticks off appropriate circumstances and asks the accused person to appear at the appropriate place or indeed allows the accused to dispose of these matters on a more summary basis by mailing in the fine or otherwise.

What could happen over a series of cases is the police find that there are a number of not-guilty pleas, and even if the magistrate or the justice of the peace or the Provincial Court judge convicts, there may be a question of the legal basis upon which this conviction is achieved. It might be perceived to be a technicality, so even though there is an appropriate legal basis for a conviction, in certain types of cases the police may ask is this in the public interest to do so. So they may discuss this with their sergeant, they may discuss it with their chief or commissioner and deal with various avenues in terms of determining what is the appropriate thing to do.

One of the things that they are entitled to do is to consult with local Crowns. A Brandon city police officer or an RCMP officer stationed in the Brandon subdivision may well have a working relationship with a particular Crown attorney. A Crown attorney—the area that I am most familiar with is the Western Judicial District—may appear in certain courts on a regular basis so the police get to know this Crown attorney and rely on that Crown for advice from time to time. So it is not a question of a protocol, it is not the Crown saying I am sorry, this does not comply with the protocol, therefore, I will not speak with you. The Crown is expected to make him or herself available to answer legal questions of the police officer. This is done in a very informal way on many cases. So in that kind of a situation, no, there is not a protocol that would govern that kind of activity.

In other areas, perhaps more urban areas, the situation may be different, but a particular group of police officers, let us say the vice squad, would get a working relationship with a particular Crown attorney. That Crown attorney would, in fact, provide on an

occasional basis legal opinions as requested by the police officers, and so that continues. One of the situations, and there are a number of situations where I could outline areas where police are free to utilize the Attorney General's department as a resource in terms of receiving legal opinions. In some areas, the Attorney General may recognize that there is a specific, more general problem and wish to then bring it to the attention of the police and say, we have concerns in respect of this particular issue.

If we take, for example, the issue of domestic violence, I think this is an example where there are clear problems in how accused people were treated or not treated or indeed how victims of these crimes were treated. So the Attorney General's department could well begin discussions with the police to ensure that there is a particular protocol or a way to deal with a particular situation. The zero-tolerance policy, for example, I think is a good example of how the police, reacting to certain situations, consistently come up with certain problems and inconsistencies result in how those are handled. These then are considered by members of the Attorney General's department and a policy or protocol is in fact developed, and in respect of the zero tolerance, this government is very proud of the consistency that it has brought to the application of the law and dealing with potential accuse or indeed victims. One has to understand that in so doing, the policy can never be at odds with what the Criminal Code or other relevant statute says. That policy must always be consistent. But insofar as possible the Attorney General attempts to assist the police in providing a consistent basis on which to approach these matters.

So, generally speaking, police approach the Attorney General's department in order to obtain legal advice and subsequently advice on prosecutions, and indeed the Attorney General's department takes over the prosecution.

In other situations, the Attorney General's department, in response, to specific areas of concern, for example, domestic violence, will develop policies in consultation with law enforcement agencies, and then ask the police to administer their discretion in a manner consistent with the policy and subject to, of course, any specific statutory directions that might be inconsistent

with that policy. So the law is supreme. The policy attempts to bring a measure of consistency.

So, in response, then, under what circumstances are protocols developed? Protocols are developed in respect of general areas where concerns have been raised on an ongoing basis. We attempt to deal with the police on that, but this is never to limit police from approaching the Crowns on a day-to-day basis in terms of legal advice that they may require so that they can carry out their responsibilities.

\* (1500)

**Ms. Diane McGifford (Osborne):** I, too, would like to ask one or two questions about the seizure of Nancy Friday's book, *Women on Top: How Real Life Has Changed Women's Sexual Fantasies*. The last time I heard of this kind of censorship was when Salman Rushdie was threatened for writing *Satanic Verses* in another time and in another country. We have grown to expect something different here.

What I wanted to ask the minister is: My understanding is that the Crown attorney issued an order to seize the book without consultation with other members of his department, and I wonder if the minister could confirm whether my understanding is accurate or inaccurate.

**Mr. Toews:** Her understanding is inaccurate.

**Ms. McGifford:** Could the minister then outline the consultations for us, please?

**Mr. Toews:** Mr. Chairperson, this is a specific investigation. I will not go into the specifics of any investigation, but I am more than happy to repeat what I did the other day in respect of what happened in this particular case but without getting into any specific details of this case. One of the things that has to be mentioned is that, again, the Attorney General's office does not issue orders. The Attorney General's department looks at a request that may be given by a police department for a legal opinion.

In this particular case, as I understand it, police approached a particular Crown attorney whom they have received opinions from in the past and requested

his opinion in respect of a particular situation. An opinion is provided then by the Crown attorney. The opinion is exactly that. An opinion does not, in any way, bind the police. The police then choose, in conjunction with all the other facts that they have, what they are going to do.

In this particular case, again without getting into the details, an opinion was requested and an opinion was provided. What the police do with that opinion is then the responsibility of the police. The Attorney General does not become involved in respect of any particular investigation, only to the extent that the Attorney General is requested to become involved, and when I say the Attorney General I specifically refer to the staff.

We had a long discussion here the other day about the difficulties that an Attorney General, being a political person as well as the chief law enforcement officer, may find him or herself in. Therefore, it is very important that any decision that is made by the professional people in terms of what the opinion is going to be, it is important that this not be coloured by politics.

So the Crown attorney, if he or she is approached for an opinion, gives that opinion on the basis of legal principles. I might indicate that it is not unusual for the police, once they have received an opinion, to then go back and discuss that opinion with other experts, with community members or, indeed, with potential accused themselves; part of an ongoing process, and I think a very responsible process.

What happens if suddenly a police officer says, well, a Crown attorney has provided me with an opinion that appears that there is a prima facie basis upon which to lay a charge? If it were required that the police lay a charge, I think that there could be many injustices done if there was no discretion on the part of the police.

So our system very wisely takes into account the fact that investigations are an evolving matter, as in evolutionary. It is not a static process which one can simply follow in a numbered a,b,c,d way. It is an evolving process and so there may be further consultations, further considerations, and indeed it would not be uncommon in a complicated case to approach the Crown again in respect of a different

aspect of the case, the legal aspect of the case or the same issue.

So I hope that if police officers need that kind of assistance that they continue to feel that they are entitled to come back to the Attorney General's department and say, look, we understand that you have provided us with a particular opinion in respect of this aspect of the case. There is another aspect that concerns us. I would hope that all of my Crown attorneys would sit down with the police and state, well, tell me what the issue is and that they would consider it.

The other issue is, of course, that we are dealing with professional people when we are dealing with Crown attorneys, legally trained people. Many of these, such as a particular Crown counsel whose name has been mentioned in a recent article, Mr. Mahon, a very experienced Crown counsel, and yet even if this Crown counsel is an experienced counsel, there are times when that Crown counsel says, you know, I do not feel comfortable giving an opinion in respect of this issue or this new information or this additional set of facts that you have brought forward.

So that Crown attorney has then got the right and I would say professional obligation to go to his or her supervisor, for example, the Director of Prosecutions, Mr. Finlayson, or indeed to go to the assistant deputy minister responsible for Prosecutions and resolve some of these issues.

Sometimes the issue is not simply a matter of a particular case alone, but the Crown attorney might recognize that there is a larger issue that deals with a larger topic. So it is good not just to get opinions and input from colleagues, but indeed input from superior people in the department, superior in the sense of being administratively superior.

\* (1510)

We have to remember, of course, that the legal expertise though, the professionalism that we hire these Crown attorneys for must be respected. I think the assistant deputy ministers and the director of Prosecutions respects the individual strengths of various people and that they take these opinions in

mind when they are asked to comment perhaps on the same issue or when they comment on that issue in a broader context.

The practice of seeking further or even the second opinions is not something that is isolated to the practice of law. All professionals who are exercising their professional responsibilities should consult if there is a question of the propriety of what they are doing. In some cases they may feel that what they have done is correct, and indeed the police may be satisfied with what they have done is correct.

The one great check, which is a very important check and one which I think should give some comfort to the member opposite, is that it is not the Crown attorney and it is not the police who make decisions as to whether or not something can be brought forward and displayed in public or dealt with publicly. First of all, it is Parliament. Parliament has passed a law, and all opinions are then vetted with reference to the law and, secondly, with reference to cases that have developed under that law.

The Crown attorney then has what I would call an objective basis upon which to apply his or her legal skills and make a determination in a subjective context. That is very important. One cannot say in every particular case this is going to be a conclusion. For example, the area of pornography, if we want to deal with that. The issue of pornography is clearly influenced by community standards.

I would find it very hard to think of a community in Canada that would accept violence against children, that would accept violence against women for the sake of violence against women and see that there is no recourse under the law. I would find it difficult to think that our law has arrived at that situation. Yet the interpretation of that might vary from community to community, and that is something that the law has recognized and that the courts have recognized, whether or not I would agree with that.

Clearly, in the area of violence against women, gratuitous violence against women, I would hope that all members here would find that abhorrent. The exploitation of children for purely commercial purposes without, if there could be, socially redeeming factors in

that kind of a discussion or literary discussion or artistic display, I would find very difficult to accept personally. Yet the Crown attorneys make these decisions in terms of rendering an opinion and provide the opinion in that social context.

I dare say that we may have differing opinions among Crown attorneys about what is a particularly illegal act, or what is an illegal act or not. The safeguard though that I think above all of this is the fact that a charge goes to the courts, and ultimately then it is a judge who protects the interest of any accused. It is not an issue of censorship. Any accused or any potential accused can simply say to the police who wish to talk to them, no, I am sorry, we will not talk to you. Either charge us or go away. If the police then decide to pursue that activity, that charge, then it ultimately comes to the courts.

Again, it is not just the judge but it is the Crown who deals with the particular charge who will in fact have another opportunity to re-examine the case. One of the things that I have learned about the legal system is the ongoing examination of particular facts vis-a-vis the law or in relationship to the law. I think that is an important thing. We should never become so rigid in our approach to the enforcement of law that in the enforcement of law the injustice that could be avoided is in fact done.

**Ms. McGifford:** I thank the minister for correcting my language and educating me with regard to the law. I point out that I am a layperson with the interests of my community at heart and in mind. I do not always know the intricacies of the law, and I do not suppose my constituents really expect that from me. Nonetheless, I thank the minister for correcting me.

The minister has been speaking about his hopes. I hope that the opinions that he is talking about do not become thinly veiled instruments for censorship, unwittingly or otherwise.

We know the stories of James Joyce, D. H. Lawrence, Salman Rushdie has already been mentioned, Henry Miller, and closer to home we know about the scurrilous attacks on Canadian writers like Margaret Laurence and Timothy Findley. One of the things I wryly observe is apparently the number of

holds on Nancy Friday's book has gone up staggeringly since this public attention that the book received.

I suppose, I digress, Mr. Chair, really what I wanted to ask the minister is if he could tell me whether the opinion issued by the Crown attorney was a written opinion.

**Mr. Toews:** I think there is some of the preamble that has to be dealt with. It is very important. I appreciate the fact that the member is a layperson in terms of a legal person, but I know that the member is not an uneducated person, and that she in fact has many good skills. I am sure she will communicate what she has learned here today to her constituents in order to assure them of how the process works. Indeed, I think the comment of the member that this not be a thinly veiled instrument of censorship does require some address. That is, one has to understand, because I think the inference there was that government would somehow use the Criminal Code as its instrument to advance a particular policy. Perhaps, that was not the intent of the member. Indeed, knowing her as I do, I am sure she would not mean that kind of thing.

I think it is very clear that people who might read these transcripts understand that that was not the member's intent, and she can correct me if I am wrong in that respect. It is certainly not my intent. That is why it is important to reiterate this very important discussion about divorcing of the political figure and the legal figure in the Attorney General's office. What I have indicated on past days is that certain jurisdictions, Great Britain, indeed do not even have the Attorney General as a member of cabinet. Similarly, to the Office of Speaker, the Office of the Attorney General in Great Britain is separate and apart from cabinet. The problem there that they are trying to address is exactly the issue that the member has raised to ensure that legal decisions are not made on the basis of crass politics.

\* (1520)

So, whereas we are not quite as fortunate in this country to have that clear division, we have built other safeguards into the system to ensure that politics does not become the basis for the making of legal decisions. One of the things that I have been, I think, very

consistent on and I know other members have been very consistent, who have been and occupied the office of the Attorney General in the government of Manitoba, is that the professional legal decisions in respect of opinions for prosecution and otherwise are made by the experts—the Crown attorneys, the director of Prosecutions, the assistant deputy minister responsible for Prosecutions, the nonpolitical long-term civil servants—and that is very, very important, because these people do not act as simply an instrument of censorship. They act in accordance with their duty under the law to uphold the law.

(Mr. Edward Helwer, Acting Chairperson, in the Chair)

While the law is not always simple and easy to understand, the difficulty of the challenge does not make it any greater excuse to avoid that responsibility. I am very proud to say that the members of the Attorney General's department, the Crown prosecutors and others who exercise those types of legal functions, in my opinion, have done so on a consistently good basis. They are mindful of the admonition that the member raised or the concern that the member raised. So prosecutions in this province are not done on the basis of politics.

There is a very clear distinction between the political aspect of the Attorney General's function and the legal aspect of the Attorney General's function. There are cases, of course, where the Attorney General does provide advice and input in respect of the civil areas. The Attorney General is called upon to provide opinions either to cabinet or to others and express opinions in that respect. Again, there is nothing improper about that. Indeed, opinions in respect of constitutional matters an Attorney General may properly comment on. Indeed, an Attorney General may request his or her staff to ensure that appropriate policies are in place to deal with broad-ranging problems rather than specific prosecutions.

Now, having dealt with the preamble then, the issue is in this particular case, was the opinion provided by a Crown attorney a written one? The answer is yes.

**Ms. McGifford:** I see the Chairperson was just as surprised as I was that the minister had finished.

I want to agree with the minister. Certainly my suggestion was not to suggest that this government was interested in censorship. I see absolutely no advantage at all for the government to practise censorship, but I was, of course, upset that this whole process was initiated by a single complaint laid six years after this book had been on the best-seller list. So what I fear is not censorship by the government, but knee-jerk puritanism, and that is really why I am asking questions today. So the minister has assured us that this is a written opinion. I wonder if he could tell us, is this opinion reflected the various aspects of I think it is Section 163 of the Criminal Code. That is to say, was it a thorough opinion?

(Mr. Chairperson in the Chair)

**Mr. Toews:** I do not want to get into the specifics of any particular investigation, and when the member says, was this a thorough opinion, I think that is assuming a lot of things that I do not know, nor should I know, in particular situations. An opinion responds to a request, and when one looks at a particular opinion, is it thorough or not, depends on the nature of the request made and the circumstances that they were given in and the purpose for which the opinion was requested.

You know, I can envisage a situation, because I know it happened on many occasions when I was a Crown prosecutor and indeed when I served as a director of constitutional law, someone would phone me up and say, on a preliminary basis, could you give me a telephone opinion just on a particular issue? Are we going in the right direction? I know that is not the case in this particular case where there was a written opinion, but I am talking about a hypothetical where it would not be, so the police would pick up the phone and ask: This is the situation; you know the Criminal Code, what is your opinion about this situation? I would say, well, what purpose do you want this opinion for?

Well, the purpose for which the police officer wants the opinion may well affect how thorough an opinion it might be. For example, if a police officer simply wants to know is there a breach of the law in a general way, my opinion might differ than if the police officer said, I need an opinion for the basis of laying a charge under

the Criminal Code; I believe that there has been a breach of the Criminal Code and therefore I want an opinion. In that kind of situation, I would probably write a written opinion—not always, if it was a matter that I had dealt with many times, I was familiar with the law, I was satisfied that the law had not changed, but I imagine Crown attorneys are called on many, many times during the course of a month or the year to provide written opinions or oral opinions over the telephone.

So, depending upon the circumstances, a written opinion might be appropriate, an oral opinion might be appropriate, and a lengthy opinion might be appropriate. In certain situations, it might be totally inappropriate. So you ask me, in any particular case, was it thorough? What I can answer is, I trust that the opinion met the requirements that the police officer required for it at that time.

\* (1530)

**Ms. McGifford:** Mr. Chair, I want to return to the question again about this written opinion. I wonder if the minister could tell us—I will ask a few short questions and perhaps he could answer them in the same answer—the length of the opinion, i.e., how many pages this opinion is, and if he could tell us if it studied all aspects of the issues raised by Section 163 of the Criminal Code, and thirdly, I wonder if we could see this opinion.

**Mr. Toews:** This is an area that I have gone over once before in this House, but I am willing to proceed down that explanation once again. First of all, when the Attorney General's department and a specific prosecutor is requested for an opinion, that opinion is provided to the police. That is the police's opinion. In that sense, I hate to equate it with a normal solicitor-client relationship, but, generally speaking, when the Attorney General's department provides an opinion on a specific allegation. I am not going to get into any specific case any more than I have already that opinion, then, is provided to the police. That essentially becomes their property, and they discuss it and use it for their purposes.

One of the things that we have to be very, very careful about is simply providing opinions to the public

in respect of matters where an accused's liberty might be at stake. That is not an appropriate thing to do. We do not simply release police reports or opinions given to police. So I can only go back to the answer given, that I understand that the opinion in this particular case—and I will not go beyond that—the opinion that the member is referring to, Mr. Mahon's opinion, was a written opinion, and that was provided to the police. That, I understand, then forms the basis of further discussions.

**Ms. McGifford:** My question had two other parts. I wonder if the minister could tell us the length of the opinion, that is how many pages it was, and also if he could tell us whether it studied all the issues raised by Section 163 of the Criminal Code.

**Mr. Toews:** I can indicate that I have not reviewed that opinion, and I do not have any intention of reviewing that opinion. That is a legal issue that I leave with the prosecutors. I indicated to the member earlier that I do not have a copy of that opinion. I have never read that opinion, and I do not intend to involve politics in any investigation. So I do not have a copy of that opinion, and the police have been provided with a copy of that opinion, or that opinion has been provided to the police.

You know, the member seems to think, and again I have to go back to the explanation, that unless it is a 40-page document, it cannot be thorough. I do not know what that opinion was answering. What was the question that was provided? What was the nature in which that question was asked? What was the context? What was the purpose? I do not know, but what I can say is that, generally speaking, it is the policy of the Attorney General's department when requesting an opinion that they provide an opinion appropriate for the question asked. The opinion provided may not in fact be for an investigation or the laying of a charge. I am sorry, it is obviously provided for the purposes of an investigation, but there may then be, as a result of that opinion, certain further discussions and indeed certain further opinions.

**Ms. McGifford:** I quite agree with the minister that documents do not have to be 40 pages in order to be thorough, nor do speeches have to be half an hour in order to be thorough, as I am sure the minister knows.

I wonder if the minister could tell us exactly what questions the police asked the Crown attorney to provide an opinion on.

**Mr. Toews:** I cannot. That is part of the police investigation. I will not comment on a specific police investigation. The member knows that.

**Ms. McGifford:** I wonder if the minister could tell us whether the people at the Winnipeg Public Library, I believe the person who would be responsible—no, I am sorry I am not quite sure of the person's name. I wonder if the minister could tell us whether the Winnipeg Public Library officials, the appropriate officials, have received a copy of this opinion or this memo in order that they can be apprised of exactly in what way this literature may be offensive or may be obscene.

**Mr. Toews:** I am not going to get into the details of an investigation. We provide the police with appropriate resources. We do not do the investigation. If there has been anything improper in the course of that investigation, that is another issue and can be the subject of another complaint. For me as the Attorney General, as a political figure, to interfere in an investigation is just totally improper, and I will not interfere in an investigation.

I can only go back, because I certainly do want the member not to leave this Chamber thinking somehow that I have been remiss in any duties, or that members of my department have been remiss in any duties. Again, let us start out from the beginning. What is the role of a peace officer when he or she receives a complaint? The member says, it was only one complaint. Only one complaint. I am wondering what the member would say if there was a woman who had been beaten for six years and finally took the courage to call the police and only made one complaint. What would the police say? [interjection]

What would the member's reaction be if I were to stay in the House here and say, oh, I am sorry, that is just one complaint and that is not significant?

What we want to do is to ensure that the appropriate process is followed. There has to be respect for that process, even if it is, yes, only one complaint, if there

is a breach of the law involved. I hope that the member is not suggesting that somehow we can ignore the law.

I read over the comments of the member for Broadway (Mr. Santos), who stood up for a half an hour talking about how the Attorney General of this province was avoiding his responsibilities under the Firearms Act. The member for Broadway stood up and said, why will the Attorney General not prosecute under the act? Why will he not administer the registration if it is constitutional? Obviously, the member for Broadway had not read the act, had in fact relied on a newspaper article which was clearly erroneous in terms of the understanding of the act, because in that particular act there is an option. The provincial Attorney General is not required to register unless there is a specific action taken to overtake that registration.

So I find it odd that the member for Broadway would accuse the Attorney General of being remiss in duties when there was no requirement on the Attorney General to do anything. Then, on the other hand, the member for Osborne (Ms. McGifford) now says, well, there is only one complaint and so what if it involves a breach of the law. I say that if there is an alleged breach of the law, certainly there is an obligation on the part of police to investigate in an appropriate fashion.

So, getting back to the point then, the police receive a complaint. In some cases, Mr. Chairperson, they may never receive a complaint. They may in fact find a dead body. Nobody says anything. They come upon a dead body. Is the member saying, oh, there is not even one complaint here, we will just have to leave the body lie there? That is pure nonsense. The police react to facts. Those facts might include a complaint. They may include no complaint. So the numbers of complaints do not indicate whether there is a breach of the law or not. I think that is the first thing that has to be said.

Secondly, the police are the investigative body. Not only must that investigation be free of political interference from the Attorney General, it, in fact, must be free of improper interference by lawyers, generally in the Attorney General's department.

\* (1540)

They make the decision. They are the professionals. In the course of their investigation, they may think that they need additional assistance and for whatever reason. I am not going to comment on any particular case. In some cases, they may pick up the phone and say, we have a dead body here; we have a number of knife wounds in that body, and there is a person here who says he did it; should we charge them with something? Well, a Crown attorney may say, well, on a preliminary basis it looks like you have at least a manslaughter. How thorough of an opinion do you want in that type of a situation? Should it be written? The circumstances, of course, demand it.

So the investigator is the expert to determine the amount of assistance he or she requires. That assistance does not just come from the Attorney General's department. That assistance might come from independent laboratories. It might come from psychologists; it might come from sociologists; it may come from community leaders. The police are required on an ongoing basis to ensure that the investigation is appropriate for the circumstances. I can give another example just to make sure that the member understands that investigations are not done on a paint-by-number basis. There is almost a life of each investigation.

So, when the Attorney General's department is requested for an opinion, the police officers indicate the reasons why they need it and ask the opinion. The basis upon which that opinion or the manner in which that opinion is provided will vary from case to case. A preliminary opinion could be sought in one case, the investigation continues further, and the police might then say, there are now grounds to believe that maybe we should be looking at further evidence or opinions to buttress our position.

So, instead of going to the Attorney General's department, they may go to a private lawyer and say we have concerns about this. So they will go to a private lawyer, for example, in a very complex securities trial where they feel that that particular Crown attorney does not have the expertise to give the opinion or to prosecute that particular case. I know of a number of cases where private prosecutors have been hired by Attorney Generals' departments to give that kind of second opinion or further opinion.

Indeed, there are cases where there are second opinions given by the Attorney General's department in respect of the same issue, in respect of the same matter, on the same facts. That is nothing unusual. I think what needs to be said, though, is that in no case should it simply be a knee-jerk reaction but that these are the professional opinions provided by professionals in particular cases.

**Ms. McGifford:** The minister has brought up the question of domestic violence, and I would like to bring up the name of Lisa Drover who certainly is an example of the miscarriage of justice in this province. When we brought this to this minister's attention, he simply said that he was not going to get involved in the case, and, in fact, so often does the minister claim that he is not going to get involved, we wonder why he bothered to take the job that he has bothered to take. I think, too, that his comments on domestic violence and his comparing domestic violence to the seizure of books is just really fine evidence of the well-known adage that analogy is the least effective of rhetorical devices.

Having made those comments, I wonder if the minister, since the minister has told us that second opinions are not rare or at least second opinions are given, if the question of a second opinion is being contemplated with regard to the Nancy Friday book, *Women on Top*.

**Mr. Toews:** Well, Mr. Chair, I am glad the member raised that. I understand that a second opinion has been provided in this particular case subsequent to the first opinion.

**Ms. McGifford:** Does it concur with the first opinion?

**Mr. Toews:** I have not read that opinion. I understand that there is some divergence in the two opinions.

**Ms. McGifford:** I wonder if I could dwell in the world of speculation for a minute and ask the minister if the Winnipeg Public Library were in fact prosecuted, who would be prosecuted? Would it be the library? Would it be individuals within the library? Would it be the City of Winnipeg, which, I suppose, is ultimately responsible for the library?

**Mr. Toews:** I leave those types of technical questions to the professionals who in fact can answer them.

**Ms. McGifford:** I wonder if the minister could tell us if the two opinions were by the same person or by different persons.

**Mr. Toews:** I do not want to get too far into any particular investigation. I think, given that it is public knowledge that there was one opinion, there was nothing improper about me indicating that there has been a second opinion given, and I can indicate that there were a person or persons common to both opinions.

**Mr. Mackintosh:** I wonder if the minister can tell the committee when the second opinion was provided to the police.

**Mr. Toews:** I would be speculating. I understand that the opinion was prepared in the last number of days, but as to when it was provided to the police, whether it was yesterday or the day before or today, I do not know.

**Mr. Mackintosh:** Does the second opinion provide some relief for the libraries in particular? In other words, does the second opinion advise the police that there would not be a likelihood of conviction?

**Mr. Toews:** I will not get into the details of any opinion given to the police. One has to understand that the ultimate decision in any of these cases, whatever the decision, or shall I say, whatever the opinion of the Attorney General's department is, that the issue of a charge remains with the police. The opinions do not direct or order the police to do anything.

**Mr. Mackintosh:** Of course, my question does not involve the police. My question is simply whether the second opinion takes the view that the book should not or would not likely be subject to prosecution.

**Mr. Toews:** I am not prepared to disclose any opinions provided to police. If the police decide to release that opinion, that is their business. It is their opinion to deal with as they see appropriate.

**Mr. Mackintosh:** Was it the minister's general understanding then, given information that he has, that the second opinion, since it does have some divergence from the first opinion, mean that the second opinion does not advise the police to continue on the path they have by telling libraries to remove the book from their shelves?

**Mr. Toews:** For me to answer that question would be to improperly interfere with any investigation, and I will not answer that question.

**Mr. Mackintosh:** I have questions about the first opinion as to whether it was actually a memo of law or whether it was just a conclusion provided to police as to whether the book may be obscene under the Criminal Code.

I ask the minister if he can find out from his staff whether the initial memo was indeed a memo of law, in other words, a canvassing of the facts and the application of the Criminal Code section to the facts.

**Mr. Toews:** Even if I knew what the opinion specifically stated, I would not disclose that here, what facts were related to the police or, indeed, what opinion was ultimately rendered. I believe it is public knowledge. A newspaper article indicated that the opinion indicated the book was obscene, but that does not mean there is a basis to lay a charge or whether a charge should, in fact, proceed.

That, again, I have to indicate, remains with the police, and I will not discuss any further particulars about that opinion because it would be improper to do so.

**Mr. Mackintosh:** Would the minister at least comment as to whether the second opinion was as a result of public concern about what was taking place, or what fact situation may have changed to precipitate a second opinion which was divergent in its view?

**Mr. Toews:** All I can indicate is that the opinion did not come about as a result of anything I stated or directed any attorney to do.

**Mr. Mackintosh:** Can the minister tell the committee whether there have been legal opinions or memos or

law in other jurisdictions, particularly B.C., which diverged or were of a different view than the first memo from Manitoba Justice?

**Mr. Toews:** I do not know.

**Mr. Mackintosh:** I wonder if the minister can ask of his staff whether they received contrary opinions from other jurisdictions, particularly contrary to the first opinion provided by the department.

**Mr. Toews:** No, I will not ask the staff that. To do so would be to disclose what the second opinion might in fact state, and I am not prepared to state any more than I have, that there is a divergence between the two opinions. The issue is a police investigation. I am not going to get into a police investigation unless there has been any allegation of impropriety by the police.

**Mr. Mackintosh:** On Thursday, we asked the minister whether there was any vetting or approvals required of this legal opinion, which I think was thoroughly canvassed. I now ask the minister whether he can advise whether there is any vetting or approval, if you will, by the director, or another person in the department, of any legal opinions for other areas of law.

In other words, where the police have a question about a particular section of the Criminal Code, is there a formal requirement or protocol that before any opinion be given it be vetted by another individual in the Prosecutions Division or at the ADM's level?

**Mr. Toews:** I know I discussed extensively on Thursday the process by which decisions are made regarding any particular decision in respect of charges. This is, of course, constantly an evolving situation, and if there are appropriate changes that we need to make, and I do not want to limit it to the area of obscenity, but if there are appropriate changes that need to be made, they will be made.

If we talk outside of the area of obscenity, because I do not want to get into that particular discussion now given the fact that there is a particular investigation being referenced here, but I am not aware of any formal protocol outside of that area of obscenity that requires a formal vetting of charges.

**Mr. Chairperson:** Committee will recess for 5 minutes.

*The committee recessed at 3:58 p.m.*

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#### After Recess

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

**Mr. Chairperson:** The committee will come to order.

**Mr. Mackintosh:** Can the minister explain why there were no consultations with the Law Reform commissioners, the president of the Law Reform Commission or staff, regarding the possibility that there may be other options available to the government, if it was so inclined, to reduce expenditures for law reform in Manitoba?

**Mr. Toews:** The issue of the Law Reform Commission is not a question of being dissatisfied with some of the product that has been put out by that commission. It is simply a question of limited resources and where one puts the resources. It was a decision of this government that more money be directed to areas of community involvement and public safety, and in that context, the money had to come from somewhere, so we made certain decisions.

The decision then was that the money would come from the Law Reform Commission, and in order to free up money—I cannot say we traded dollars for dollars, but the emphasis was public safety. We wanted to ensure that more community involvement in public safety and the law was achieved, so that decision was made.

I might say that this government is open to any suggestions that the member might have in order to facilitate carrying on law reform here in Manitoba. If the member knows where that money could be received or gotten from, I would be more than happy to hear what suggestions he may have rather than the decision that we have made.

**Mr. Mackintosh:** Is the minister open to the suggestion made by organizations such as the Law

Society of Manitoba which supports as a last resort and a last resort only continuation of the Law Reform Commission on a reduced budget?

**Mr. Toews:** I am certainly open to any discussions within the fiscal framework that we have established, and, indeed, there are discussions that are continuing to this very day and will continue in respect of alternatives.

**Mr. Mackintosh:** Is the minister therefore prepared to abandon the government's plan to repeal The Law Reform Commission Act?

**Mr. Toews:** The government has brought forward a bill. Second reading has commenced. At this date, no firm reason has been given why government should discontinue that road. If there are other ways of proceeding, we will consider it.

**Mr. Mackintosh:** Has the minister met with representatives of the Law Society of Manitoba and the Bar Association on this issue?

**Mr. Toews:** Yes, I have.

**Mr. Mackintosh:** Can the minister tell the committee what the outcome of those discussions was in terms of the options that the government may be considering for law reform on a continual basis?

**Mr. Toews:** Well, I do not want to raise any hopes. I have indicated to a number of individuals that the government is prepared to consider alternatives if that can be accomplished within a specific fiscal framework. I have not closed the door to those discussions. Indeed, there are some aspects of those discussions that cause me some hope that law reform will continue in this province, perhaps not in the exact mechanism or through the same mechanism, but that it will continue.

I would like to say that I want to remind the honourable member for St. Johns (Mr. Mackintosh) that this was an issue, of course, that was raised back in 1988, '87, in that range, when the NDP fired all the independent members of the Law Reform Commission, and the response of the then NDP Attorney General stated, I agree with the member for River Heights, who

was then the honourable—or it is, I guess, the Honourable Sharon Carstairs now, with respect to the activities of the Law Reform Commission.

He continued on and stated that it is also a fact of life that these days when we look for funding for our health care system, which is so inadequately funded by the federal government which promised 50-50 funding beforehand, in these days when we are looking to find more revenue for job creation and industrial diversification in this province, all departments have to look at areas of saving money.

So the Attorney General at that time said, in reference to the Law Reform Commission, this was the area chosen in our particular department. He indicated it was a difficult choice, and I agree with the former Attorney General that it is a difficult situation. He indicated that those are the tough decisions you have to make when you are in government. There is a discussion in Hansard regarding the difficult choice, and it is essentially a monetary choice.

The present government took the position that we in fact could find money to save that commission for a number of years. Indeed, that has occurred. We did benefit from the Law Reform Commission for a number of years, and now with continued federal government cutbacks, we are constantly under pressure to find new areas of money and also find areas where higher needs are presenting themselves.

So we make that decision at this time. It is not an easy one. We want to continue to work with members of the legal community to see if there are alternatives, and there are a number of alternatives. I do not want to state that we have made any agreements, because we have not made any agreements, but certainly there are some discussions under way. Some are further along the road than others, but none of those alternatives would see a return to the level of funding that the Law Reform Commission had in the past year.

**Mr. Mackintosh:** Where is the money appropriated to the Law Reform Commission being directed to?

**Mr. Toews:** As the member knows, the money, and that is why I specifically said earlier on that it is not an even trade, but, generally speaking, we determine what

the priorities are in the context of the financial picture that we are faced with. In terms of this particular situation, as a government, we believe that issues regarding public safety should be given more emphasis than this particular commission. So I can indicate that it is matters like public safety, victims' assistance and others that we would like to see money expended and certainly not cut from that, if at all possible. Those are difficult choices. Sometimes even those have to be made, but at this particular time we felt that the best way to proceed was to enhance or maintain funding in areas of public safety and public protection.

\* (1620)

**Mr. Mackintosh:** The minister referenced victims. I do not see any increase. In fact, I see a decrease actually in the allocation for victims, and particularly the Criminal Injuries Compensation Board. I am just wondering where the approximately half million dollars from the Law Reform Commission has been redirected.

**Mr. Toews:** We make priorities based on the fiscal picture that we have, and money is allotted to the programs that remain.

**Mr. Mackintosh:** I would just like the minister to flesh out his argument that he has presented in public that the reason for the Law Reform Commission's death at the hands of this government is because money is going to be redirected to public safety. An argument, by the way, that we reject because the Law Reform Commission has looked at areas of public safety, and, in fact, I would say elder abuse is essentially, critically an issue of public safety. I just ask the minister, where in the Estimates book in front of me has that half million dollars been redirected?

**Mr. Toews:** I am indicating I never said it was redirected. That is our emphasis. That is our policy emphasis, and there may be additional money in certain other areas where they were not previously. I can point at the Justice Initiatives Fund, which used to be \$1 million and is now \$1.5 million, and there it is, there is \$500,000. But does that mean the money from the Law Reform Commission came from there? I do not know, but I can tell you that it is the priority of this government to try and find money for initiatives such as those.

**Mr. Mackintosh:** The description of the Aboriginal Justice Initiative is not public safety, and it is not described as public safety. It appears to me that the minister is not telling me where that money has gone. It is a simple question, just following up on what his advice to the public generally was: Where has the Law Reform Commission money gone?

**Mr. Toews:** If I can point the member to the Estimates of Expenditure, page 91, he can read for himself the fact that funding to the Attorney General's department has gone up \$1 million. So the total appropriations have, in fact, increased by \$1 million. He says, well, where did that money come from? It comes from the taxpayer. The suggestion in respect of the Justice Initiatives Fund that it is not going to deal with issues of public safety is wrong. One of the things that the department is developing or in fact—I do not know if they are completed in every respect—but is to ensure that the fund supports initiatives designed to prevent crime and improve the justice system in Manitoba.

Clearly, in my opinion, that would fall under public safety to prevent crime, and it would be used for initiating, piloting and evaluating and implementing new initiatives. Each of these proposals will be considered on its individual merits and on its relationships to other Justice initiatives, as well as stated government priorities and commitments.

I am very sensitive to the fact that money like this is not used simply as an expedient way of handling money. I am very mindful of my responsibilities to this Legislature. So I ask the department to establish criteria upon which these types of funds could be disbursed and, again, the money is to be used for essentially public safety matters, public safety criteria.

The department has come up with a set of criteria which I would like to share with the member to put him to some rest as to how these funds are being used and, indeed, answer the question, how does the \$1.5 million now in this Justice Initiatives Fund relate in any way to the reduction in expenditures by the Law Reform Commission. The issue of the Law Reform Commission, what it has and has not done to this date and what this government will continue to do in the area of law reform is something that I do wish to address as well.

(Mr. Peter Dyck, Acting Chairperson, in the Chair)

First, I will deal with the issue of the criteria, and these are essentially guidelines designed to assist the minister and cabinet in the expenditures of these monies. The criteria that the department have produced on an evolutionary basis and, indeed, I want to state that these are not necessarily fixed, but these are some of the criteria that are weighed in determining whether a proposal has the appropriate merits.

I want to say that the Executive Management Committee of the Attorney General's department came up with these criteria. They were not directed by me in that respect. It was recommended to me that we do develop criteria, and I agreed with them that there should be criteria. I was pleased to see that EMC took this task upon itself to develop criteria.

The first criterion developed by the departmental staff is, does the initiative have the potential to enhance public safety by deterring or preventing crime? Secondly, does the initiative have the potential to enhance public safety by improving the effectiveness and efficiency of the Criminal Justice system's treatment of offenders and of their victims?

Thirdly, does the initiative address aboriginal justice issues? Fourthly, will the initiative build on existing community organizations or mechanisms and will it be responsive to community input and direction? Number five, does the initiative respond to the recommendations of a public inquiry into the Justice system or an external review of the Department of Justice's operations?

Number six, does the initiative have the potential to improve the effectiveness or enhance the efficiency of the Department of Justice's noncriminal services areas? Number 7, will the initiative be cost shared with other levels of government, community organizations and/or private sector partners? Number 8, can the initiative be maintained in the long run without significantly increasing government expenditures?

\* (1630)

So I think these are prudent criteria developed by the bureaucracy with a view to assisting this Legislature in determining how monies are to be spent. If the member

has other ideas or concerns that these criteria are not responsive enough to issues that he may wish to see this money spent on, I would welcome his input in that respect.

So the issue then of where the money from the Law Reform Commission has gone, given that we have not decreased spending in the department of the Attorney General but have, in fact, increased spending by a million dollars, and given that we have specifically designed \$1.5 million in a Justice Initiatives Fund, I think, is very important and consistent with this government's stated public position that we want to see more initiatives in the area of public safety. It should also be pointed out that a number of other initiatives that used to be funded out of the aboriginal justice inquiry fund, which was only a million dollars, have now been put in directly into the department, either through courts or otherwise. The Hollow Water and St. Theresa Point projects are now a regular, ongoing, budgetary line in the department's Estimates.

So I think what we have seen, those two demonstrate or provide us with an example of how various initiatives can start out on a preliminary basis, that is, on a pilot basis, give us the opportunity to evaluate over a period of time, and then not only implement these new initiatives on a one-time basis but determine how they can, in fact, fit in on the regular lines of the department's Estimates.

I could say that some of the money that came from the Law Reform Commission has now directly gone into the area of these Aboriginal Justice Initiatives, and I think that is an excellent way to spend money if over time it has proven to be effective. Again, this is not to say that we are necessarily wedded for all time to any of these initiatives, but I think this is an indication of how matters can move simply from a preliminary fund to a more lengthy part of the department's service delivery.

The proposals I find that we would like to see brought to fruition, hopefully, he can comply with these criteria, but if the member has other projects that he feels should be more deserving or indeed address a certain issue, we should in fact be open to that and ensure that these criteria do not overly restrict otherwise good initiatives.

### Hansard Correction

**Mr. Mackintosh:** On a point of order, I just noticed that the Minister of Industry, Trade and Tourism (Mr. Downey) is in the Chamber, and going from the sublime to the ridiculous, I just want to note that for the Hansard for May 21, 1997, in answer to a question from the member for Elmwood (Mr. Maloway), the honourable minister had responded with the following words: "The member has a very short member."

**The Acting Chairperson (Mr. Dyck):** Order, please. The honourable minister, on a point of order.

**Mr. Toews:** I am just wondering what this has got to do with the Department of Justice Estimates.

**Mr. Mackintosh:** It is a point of order.

**The Acting Chairperson (Mr. Dyck):** I do not see the point of order on this one, I am sorry.

**Mr. Mackintosh:** My point of order is in the morning Hansard as distributed in the Chamber.

**The Acting Chairperson (Mr. Dyck):** I would ask the member for St. Johns to pose his question, please. I do not recognize this as a point of order.

**Mr. Mackintosh:** It is a point of order and a Hansard correction. Hansard just came out, and I am putting on the record a Hansard correction.

**The Acting Chairperson (Mr. Dyck):** All right. I understand you. The correction has been made.

**Mr. Mackintosh:** My point is, Mr. Chair, that the wording of the honourable minister at the time was "the member has a very short member," and it came out in Hansard as "the member has a very short memory." I just wanted, for the record, the correct words. I do not think that some of the colour in this Chamber should be set aside by what would otherwise be a good editing policy by Hansard. That is all.

**The Acting Chairperson (Mr. Dyck):** It was a Hansard correction; it was not a point of order. Thank you. If the honourable member for St. Johns could pose his question, please.

**Mr. Mackintosh:** My purpose in raising it, Mr. Chair, was to ensure that it was on the record and just to say so, we are aware of what is actually said in the House from time to time, that shows that you are human beings, and this place can be colourful from time to time.

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**The Acting Chairperson (Mr. Dyck):** The honourable member for St. Johns, to pose a question.

**Mr. Mackintosh:** Thank you, Mr. Chair.

I wonder if the minister can tell the committee whether there has been any action by the department in working toward what was described in the election campaign as a promised auto theft task force.

**Mr. Toews:** I thank the member for that question. I might indicate that, as the member has already stated, there was an election discussion in respect of this particular issue. It already commenced in the spring of 1995 in terms of the former Attorney General requesting that the department review the problem of auto theft and vandalism crimes occurring in the province.

\* (1640)

This, of course, is not an unusual problem nowadays, but it is a very serious problem. I know that British Columbia, which has the highest rate of auto theft in Canada, also faces various serious concerns and are moving to take steps in that particular province. Manitoba, in my opinion, has an unacceptably high level of auto theft, and we have to do something within our sphere of constitutional jurisdiction to reduce that unacceptably high level of crime. We want to look towards all provinces in seeing how they deal with the problem. I know that reading an article in a magazine not that long ago where Saskatchewan is now also receiving a number of complaints. The incidents of auto theft are skyrocketing in that province, and the authorities there are also looking very seriously at how to combat this.

In any event, whatever happens in British Columbia and Saskatchewan with their very, very serious problem

of auto thefts, I think that we can learn from whatever steps they take. But that does not prevent us from developing a made-in-Manitoba solution to the particular problem that we are facing in that respect.

Therefore, pursuant to the minister's request in September, or in the spring of 1995—and I do not know the exact date, whether it was at the time of the election or after the election, because, as I recall, the election occurred April 25, 1995—a committee at that time was struck, consisting of representatives of the Winnipeg and Brandon Police Services, the RCMP, the Manitoba Public Insurance Corporation and law enforcement services. Following numerous meetings and ongoing consultations, which continued throughout 1995 and 1996, the committee has now developed a number of recommendations. To be fully implemented, these recommendations will require the co-operation of various government departments, including Manitoba Justice and Manitoba Public Insurance and perhaps other departments as well as the police services in Manitoba.

I know from personal experience in dealing with various Justice problems, one always found that it was not simply a matter of changing statutes within the purview of the Justice department but in fact often involved other departments. The amendments to The Highway Traffic Act in 1989, dealing with drinking and .08, the administrative licence suspension, and the seizure of motor vehicles, while in many respects was a Justice initiative under the direction of the Minister of Justice, the member for Brandon West (Mr. McCrae), it involved Highways quite extensively. It involved quite a close co-operation, not just with Highways, but also members of the public, the trucking association and garage keepers, because legislation had to be changed with The Garage Keepers Act and the liens. So it is very important to get everyone involved. Well, similarly, these recommendations will require, not only the co-operation of government departments, but police services as well.

Because of the broad scope of the review and the ongoing developing subject matter, several of the committee's recommendations are close to implementation, and indeed, the matter is now being presented to a cabinet committee. I am not prepared to get into the specific recommendations other than to

indicate that a committee of cabinet will examine these recommendations. I know those recommendations have been vetted by me. I have raised some concerns. Those concerns have, I believe, basically been addressed, and now I feel comfortable in taking it on to a broader committee of cabinet. As I indicated, there are a number of recommendations, I think about 10 major recommendations, and I support all 10 recommendations, but I do not want to say publicly what those recommendations are.

I may not have fully appreciated the consequences for other departments, so that remains to be seen as to exactly what the final outcome will be. The people involved in this committee are quite extensive, and I think for the record these people should be noted and indeed thanked for their ongoing involvement in this.

Just to continue, the members of this committee are Deputy Chief Keith Buizer, from the Brandon City Police. That is B-U-I-Z-E-R. He is a great runner, a great marathoner. I used to know him when I was—indeed, I saw him this weekend. I do not know if he is still running, but he was certainly a great runner and certainly a great police officer. I knew him when he was a constable, and certainly he brings a lot of expertise to that kind of a committee. He is now one of the deputy chiefs. I believe Richard Bruce is another deputy chief in Brandon. I do not know who the other ones are, but only Keith Buizer is there on this particular committee.

Also from the Winnipeg Police Services is Inspector Al Brolly, and he is responsible for crimes against property and the Street Gang Unit, including intelligent gathering and enforcement. Now, he was a member, but he has just retired. So I do not know who the replacement is, but that does not mean we should not publicly acknowledge and thank the inspector for the work that he has done in this respect.

Just moving back to Deputy Chief Buizer, he is responsible for the Patrol division, including street level enforcement in the city of Brandon.

The third member is Dennis Toyne of the Manitoba Public Insurance. He is the manager of Special Investigation Unit, and that includes the gathering of intelligence, enforcement and support to police forces.

I think it should be also noted here that the MPI, as a corporate citizen, has been very, very supportive of police initiatives. Yes, they have a commercial interest in reducing crime and auto theft, but certainly the dedication of their staff and the contribution of their staff is subject, or should be subject, to praise. They certainly have done much to ensure that the public is aware of issues involving auto theft and others. Perhaps, Mr. Chair, you have seen some of the advertisements on television, not just only the auto theft but RoadWise generally. I think they have done a remarkably good job and should be commended.

From the RCMP on this committee is Corporal Joe Noel. He is the NCO in charge of the Auto Theft Unit for the Royal Canadian Mounted Police and that included intelligence, enforcement and support to the RCMP detachments and other police forces.

\* (1650)

The chairperson of this committee is Mr. Bob Chamberlain who is the director of Law Enforcement Services in the Department of Justice and also Mr. Bud McIvor. Mr. McIvor has just joined us here at the table. He is the policing services officer in Law Enforcement Services and has contributed in a very substantial way to the development of these recommendations.

Ms. Karen Lambert provides research and analysis and is also from the Law Enforcement Services, as well as, Jason Clouston, C-L-O-U-S-T-O-N, also providing research and analysis from Law Enforcement Services.

So these individuals then have developed these recommendations. Certainly, I have been impressed with the work that they have done, and indeed I understand some of these recommendations are—I could disclose to the member now what in fact we are doing.

Perhaps the best thing to do would be to talk about some of the matters that are in process. I do not want to say exactly what has and has not been done. They are still subject to some formal cabinet committee approval, but, for example, there was a recommendation that there be a uniform application of existing legislation across the province to enable the MPI to pursue cost recovery through civil legal action

against every person including young offenders who steal or vandalize a motor vehicle of any kind.

A working process is in place between the Winnipeg Police Services and MPI for the past two years, but there is a similar process which is not fully functional within the RCMP and other municipal police forces in Manitoba. So a proper standard form to facilitate police officers supplying the required minimal information to MPI has been developed and was recently distributed to all police agencies in Manitoba. Again very, very important to co-ordinate the activities of police forces in Manitoba.

I know the member from time to time feels that the department of the Attorney General is not doing enough. That is fair criticism, although it is not based on fact. I think it is incumbent upon me as the minister to point out that these are the kinds of things that the department is doing. The department assists in the facilitation of this kind of standardization of police reporting procedures. That then assists MPI on behalf of the public to recover costs that it may have expended pursuant to its obligations under the insurance plan in Manitoba.

Many of the things at the department of the Attorney General and other departments in government may not be obvious to the public, in a public sense, but yet the background administration that is so necessary to the successful handling of these types of programs have been provided by staff in the Department of Justice, whether it is on a research and analysis basis, whether it is on chairing these meetings and bringing specific expertise, but certainly they are moving ahead with these recommendations to the point that I will be able to bring these recommendations to the committee of cabinet in a fairly short period of time.

Perhaps I can leave it at that. The member may have other questions, and I have other things that I could share with him if he needs to.

**Mr. Mackintosh:** Does the minister have a time line within which he expects the accepted recommendations to be put in place?

**Mr. Toews:** Mr. Chairman, the nature of some of the recommendations are that they would be an ongoing

process. One could not say that today all of the recommendations are in place and have achieved their result. It is obviously not that type of a process. Some are more certain in terms of time; others require constant appraisal and communication with other departments to ensure that continuing effectiveness is achieved.

What I can indicate is that I will be bringing all of the recommendations as a package to a committee of cabinet in the next short while. I do not even know if it has been scheduled yet, but I do not know if there is any impediment to me bringing that to the next meeting of the appropriate committee of cabinet and dealing with it there. So the department, in conjunction with the other agencies and other departments, have done an excellent job in fulfilling this government's obligation to move in respect of this area.

I want to also say that this is not necessarily all that the department is involved in, in respect of auto theft. There are other initiatives that we have to look at and examine and encourage, and that is occurring on an ongoing basis. Some of those involve discussions between ministers. Some involve discussions between other people, other than ministers, or indeed others outside of government per se.

**Mr. Mackintosh:** Was this group that the minister described putting into place any changes regarding auto theft or was it simply making recommendations?

**Mr. Toews:** Some of the recommendations obviously involve implementation. The recommendations, if accepted by cabinet, will involve some, if not all of these people, in their implementation and that is the way it should be. There is, I think, a natural continuity that makes sense to have some of the same people who have been making the recommendations, then involved in the implementation in whole or in part of these recommendations. At this time, I cannot indicate, of course, what cabinet will eventually recommend.

Clearly, some of the things that we have been doing, the former minister, in terms of the recommendations made to the Young Offenders Act, of course very, very important and seems to have found some support from the federal government, but that kind of thing needs to be done on an ongoing basis. So simply because one

achieves success in one area does not necessarily mean that that is the end of government involvement. Related to this area, because the whole issue of car theft has a very close relationship to gang activity—so is there something that this committee can look at in terms of gang activity and cars? The new legislation that the federal government passed relating to gang activity, while it was brought about perhaps as a result of specific concerns that the federal government had in Quebec with particular types of criminals, we find that the legislation may well be applicable and be of assistance to us in this province. So I would not be opposed to this committee looking at particular recommendations related to the gang laws and activities, and so, as I say, it is always an evolving matter.

\* (1700)

That is one of the things about law enforcement, if you want to get historical about it, and it is quite important to emphasize it in the issue of auto theft. Well, during the 1930s when the Americans had a lot of problems with organized crime in various areas, the traditional methods of crime prevention were not working. So the federal government in that context developed new laws that responded to the evolving nature of crime at that time. One of the sort of responses was by the federal government prosecuting known criminals for income tax evasion rather than the specific substantive crimes which were very, very difficult to prove.

Again, our federal government with certainly the concurrence and encouragement of the provincial government has moved in that type of direction. So all of these recommendations have to be constantly examined in the light of ongoing criminal activity. We can never be complacent and say that, well, these recommendations are the be-all and end-all—I think it is something like that—and that we have to remain vigilant in that respect.

I noted with interest some of the NDP gang action plan in respect of various issues, and I take some comfort in the fact that their plan is consistent with our philosophy in some respects. So we look at not just internal recommendations, but also what do other people have to say about it, not necessarily people just

who agree with this government's policies in every respect. So we want to continue to make initiatives, recommendations in that respect, and I will certainly bring these forward to cabinet or to the committee of cabinet.

I hope in the near future I will be able to share these in a more detailed way with the member from St. Johns (Mr. Mackintosh). One of my staff members, Mr. McIvor, drew to my attention a statistic which may not be very well known in the city of Winnipeg, but approximately 85 percent of the auto thefts are gang related, and so clearly we see here how policies related to gangs may well be related to auto theft, and we have to work together with all relevant organizations or agencies to ensure that our approach to crime is effective.

If British Columbia, which now leads the nation in auto thefts on a per capita basis, has some success in reducing their very, very serious problem, I, for one, would encourage my staff to find out what they are doing, how they are approaching it and try to implement some of those in this province as well. I have never been shy of accepting good ideas no matter what source they come from.

**Mr. Mackintosh:** The member references B.C. as the highest rate of motor vehicle theft. I am wondering, it is my recollection that in 1995, the last year for which Canada-wide statistics were available, the Canadian Centre for Justice Statistics noted clearly Manitoba leads of all the provinces. I think that was actually a trend over about three years. I wonder if the minister can tell me where he possibly gets B.C. as having the highest rate.

**Mr. Toews:** My information came from an article in *The Globe and Mail* when the B.C. Attorney General was being interviewed in respect of an issue on the funding of police forces by the ICBC, the British Columbia insurance corporation, of police forces, and the justification was not that they were creating a private police force but in view of the very high rate of auto theft. Now my understanding of that article, it was clear that B.C. was the highest, but if it is not I think I could be corrected if the member has other information that he wishes to draw to my attention. I think the point is not so much that B.C. has or does not have the

highest rate; the point is that as provinces we all share this particular problem.

I know that in the magazine article that I was referring to earlier about Saskatchewan, where in a city of 150,000 people in Regina, they had an inordinately high rate of auto thefts in that city in a particular period of time. Whether that means now that Saskatchewan has got the highest rate, I do not know, but the point is Saskatchewan has a very serious problem with auto thefts, and I believe that they are taking steps to address that. The point then is that we have to learn from the other provinces and not only rely on what our experience is.

**Mr. Mackintosh:** The point I will leave is that I always try to be very careful with my crime statistics because there is no single measurement of crime; there are only indicators. I certainly would hope that Manitoba would not be the worst, but it is. I just used the figures to show that Manitoba suffers a disproportionate challenge in dealing with auto theft, and even if it were not the highest, we nonetheless have a very serious problem here.

Can the minister tell the committee if the government has made any moves in following its election promise to establish a crime prevention registry for the province?

**Mr. Toews:** I am sorry. If the member could repeat that, I would—

**The Acting Chairperson (Mr. Dyck):** The honourable member for St. Johns, if you could repeat the question.

**Mr. Mackintosh:** Have there been any steps made by the government to follow up on the promise from the election campaign that the government will establish a crime prevention registry?

**Mr. Toews:** I understand that in fact has been completed and distributed throughout the province, and I was just seeing if I had a copy of it here for the member.

I have a photocopy of that particular report, but I can see that the member gets a more professionally printed copy for his records and for his reading.

\* (1710)

**Mr. Mackintosh:** Does the minister have in his hand what comprises the registry?

**Mr. Toews:** Perhaps the best way to talk about that is to quote very, very briefly from that book. What is stated in the introduction of that book is that there are a variety of crime prevention programs operating through partnerships involving government law enforcement agencies and community-based groups. So this book or registry is an overview of the initiatives available in the province, and there are essentially three sections in the book.

The first section outlines programs offered through provincial government departments. The second focuses on programs offered through the province's law enforcement agencies, and the third looks at the efforts of community-based organizations. It was the intention of the publication of this registry that sharing this information should help trigger new ideas and help other communities enhance their own efforts.

Certainly citizens are encouraged to read and review this and indeed to contact law enforcement services to see if there can be any improvements in these particular programs. So the addition of this registry to the information available to our citizens, I think, is commendable and we trust will assist as one of the tools that we can use to approach the issue of public safety in a systemic way.

**Mr. Mackintosh:** To clarify: Is the minister saying that document now has been distributed in a final form throughout the province and, if so, who has received a copy?

**Mr. Toews:** I do not have a list of people who may have received this document at this time, but I can make that list available to the member. I know that it has been distributed throughout the province to, I believe, selected agencies; essentially police services at this time. The intention then is to distribute it on a further basis.

That, I understand, is being done through Mr. Sangster's branch. So, perhaps, Mr. Sangster, when he is called down here or is required down here, could

advise me of that or I can get that later for the member. It depends on the detail that the member wants to go into. I would just indicate that these are fully available now and so it is just a question of what further distribution needs to be done.

**Mr. Mackintosh:** Has the government done anything following up on its promise from the election campaign to establish a first-time young offenders counselling program?

**Mr. Toews:** The government is, and I will have to ask my staff to look at some of the issues involved in that.

I know that there are a number or at least one application to initiate that type of a program under the Justice Initiatives Fund and that is something that we will then look at. There are, in fact, existing resources that may well accomplish that end, and I think one of the things that it is incumbent upon us to do at a time when there is, frankly, a shortage of money—we do not always have as much money as we want—areas such as the youth justice committees which I know the member for St. Johns (Mr. Mackintosh) is very interested in, and indeed which I am very, very interested in. But this mechanism under the Young Offenders Act provides what I would consider an appropriate area to engage in counselling or alternative diversion.

One of the things that has to also be remembered is that the Probation Services does provide that on a regular basis. Certainly some of the probation officers, if not all of them, who are dealing with first offenders, young offenders who make it into that aspect of the justice system would be dealt with by probation officers.

I think one of the things though that needs to be stated is that we need to get the community more involved in this particular issue, that we divert people from crime, and especially first-time young offenders, so we will evaluate any proposals that are made in that respect and look at existing programs to determine whether they can be strengthened to ensure that our young offenders can be diverted from the criminal justice system by the effective use of existing resources. Not simply diverted for the sake of diversion, but diverted and provided appropriate assistance, including counselling.

**Mr. Mackintosh:** In the same election campaign the government was going to recommend to the MPIC that there be more favourable treatment by MPIC for those who use theft prevention devices on their vehicles. I wonder what came of that.

**Mr. Toews:** That issue is under active consideration at this time, and I might indicate that is one of the recommendations that is going to the committee of cabinet.

**Mr. Mackintosh:** Last year, following I think what was some significant embarrassment to the government on what they were doing with regard to those convicted of drinking and driving, the Minister of Justice in a very short time made announcements that they were going to change the drinking and driving regime in the province to lower particularly the blood alcohol level that would be permissible under law. The minister at the time said that the legislative changes would be introduced in April. I wonder what happened to that, given that we are now into the at least halfway or later stages perhaps of the legislative session.

**Mr. Toews:** These in fact are measures that will be the subject of a bill that will be introduced in this House. There is some community consultation, initial community consultation has been done with various groups, and indeed I will be meeting with one final group, and we trust that legislation can be brought in in very, very short order.

The basic principles that we have already discussed with some of these individuals who are interested in this I think are reflected in the bill now, but I want to ensure, when we bring this into law, that we in fact have an effective program.

One of the difficulties, as the member for St. Johns would realize, being a lawyer, is the issue of the constitutional jurisdiction of the province in the area of impaired driving. As he will recall, back in 1989 when this province and this government initiated the administrative licence suspension in Manitoba, the Winnipeg Free Press specifically and continuously called that legislation unconstitutional and fought very hard to see that that legislation was not implemented in this province. I found it very surprising for a newspaper to take that kind of position when the loss of

so many lives can be directly attributable to drinking and driving.

One of the most startling articles that I ever read was when the Winnipeg Free Press quoted the fact that there was a tremendous burden now on dialysis, because there were not that many young people being killed anymore and there were not organs available for transplant. I could not at all seriously believe that a newspaper would actually print that kind of an article, saying that we need young people dying so that there could be people off of dialysis machines.

\* (1720)

Well, whether one agrees with the Free Press in that particular respect, they were proven wrong in respect of the constitutionality. I know the Liberals strenuously opposed the administrative licence suspension law. Paul Edwards in fact stated to anyone who would listen at the time that it was unconstitutional, that he would see to it that legislation did not see the light of day.

To give the NDP credit—I remember I was a civil servant at the time, and I talked to one of their members; I cannot exactly remember who it was—the NDP, I think, begrudgingly supported it. They felt that the cause was a good one, but they did not know whether the means was acceptable. Unfortunately, in this case, I would have thought the Liberals would have at least come along that far. I know the member for The Maples (Mr. Kowalski) would have, but unfortunately, the Liberals did not support it at that time. That was during the minority government days, so the government here, the PC government, needed the support of the NDP members, and the NDP members did provide that support.

So I want to give credit where credit is due. In spite of the fact that every lawyer in this province outside of a few lawyers said it was unconstitutional, Jim McCrae, who was not a lawyer, or the member for Brandon West (Mr. McCrae) who was the Attorney General, was not a lawyer, felt it was the right thing to do. So we had to be very careful in implementing a particular program.

Similarly, with the .05 issue, we have to make sure that we stay within our area of constitutional jurisdiction and that we not simply just pull licences for

the sake of pulling licences but that this goes to a better and a greater end. One of the things that I think really made the .08 administrative licence suspension so successful—and I understand that literally it has cut the number of deaths related to drunken driving in this province by 30 or 40 percent, which is a remarkable statistic, and despite the Free Press lamenting the fact that now young bodies were not available for organ donation. Well, we also have to consider it in this context.

What I was going to say is what made that program so very successful was the educational component. So, when people lost their licences under the administrative licence suspension, we did not approach it in a punitive fashion and apply principles of criminal law, which in fact we really could not, but what we attempted to do through that program is to ensure that those individuals who are caught driving over .08 were required to take an educational program, and that educational program is still carried on by the Addictions Foundation of Manitoba. I do not remember exactly what the fee for that is, but it could be about \$270 at that time. I do not know what it is now. But the wonderful thing about that is that it does not cost the taxpayer money. These programs are funded by the people who need the help and are in a position to pay for it, and at the same time remove a great danger from our highways.

In respect of the .05, it is clear and the expert evidence is undeniably clear, that everyone driving a motor vehicle with more than .04 in his or her system is impaired in their ability to drive a motor vehicle. I recall when I was a prosecutor bringing out expert evidence, and it was Kathy Purchase at that time who would always come out, who is still associated with the RCMP. Indeed, I had occasion to see her at a function Friday. She was a really credible witness and a scientific witness, who said it does not matter how many years you have been driving, the alcohol does not make a difference. If you are over .04, you are still physically impaired in your ability to drive a motor vehicle. Over the years, you may have learned to compensate for some of that impairment, but that does not mean that you still are not impaired. So that is an important point to remember.

So we have, in effect, an issue of safety on the highway, and how does one address that. At present,

there are certain, shall I say, sanctions, because there are essentially licensing actions that can be taken against people at .05, and what I would like to see is build on that to incorporate some of the success that has been made under the .08 law. I would like to see and, hopefully, the ultimate bill will reflect this, is the educational component and also a recognition that people driving motor vehicles over .05 are impaired in their ability to drive a motor vehicle.

Just one of the things that I would like to see—and, again, I am speaking in a hypothetical way because I do not want to talk about the bill itself—I do not think it is proper to talk about the bill—is that we want to look at increasing some of the fees to ensure that the program is paying for itself, because it should not be the ordinary taxpayer who funds this type of program. If you are a licensed driver, if you are out there on the road and you are driving over .05, if education is the answer and a program is offered, in my opinion it should be the people who need the program who should pay for that program. If they have the money to get in a motor vehicle and drive that car, they should also be required to pay for the program to alert them to the dangers of that program. I think we can approach this from an educational basis. So I will leave that until we actually submit the bill.

**Mr. Mackintosh:** During the election campaign that we are talking about, the government also promised that the province would move for the provincial seizure of vehicles of those who solicit sex from prostitutes and require permanent forfeiture of the vehicles on conviction. When we last raised this issue with the minister, the former minister, she said that she responded by writing a letter to Allan Rock asking that the federal government do this when in fact the election promise was very clearly for provincial action. Has the minister taken action subsequent to the action of the former minister of writing to the federal counterpart?

**Mr. Toews:** This is an issue again which is similar to the administrative licence suspension issue and the seizure of motor vehicle issue. How close can you get to the criminal law power before the provincial program is unconstitutional?

So what we have to do is develop a program that meets the spirit of our election promise—I believe that is

very, very important to do—and yet make sure that it is effective. Clearly the member for St. Johns (Mr. Mackintosh) and I, and the member for The Maples (Mr. Kowalski) and I know that the best way of dealing with this is through amendments to the Criminal Code.

Unfortunately we in this Legislature do not have that jurisdiction, but we can take certain steps. I think that when the member sees the bill, and the bill is in I think 99 percent shape, if not 100 percent ready to go, that while it may not be exactly what he envisaged as being perhaps the best way of approaching it, I believe it is the best way from a constitutional sense and also in a practical sense.

\* (1730)

There was an initiative, I can indicate to the member, that had been developed, and it was felt that the initiative bordered too close on the area of the criminal law of power. So one of the things that we had to do other than consult with the member for Gladstone (Mr. Rocan) is ensure that we are within our constitutional jurisdiction. When we raised our proposal with the police, the police gave us some very, very good advice. What we see the proposal now is not exactly what I might have wanted if I was in charge of amending the Criminal Code, but it has some very interesting aspects and very, I think, positive aspects and aspects that are supported by the police.

So we essentially took our election promise, put it into a statutory form that falls within our jurisdiction, consulted with the police, and I think the result of it deals not just with the seizure of Johns' cars, but also some steps to deal with the social issues of prostitution.

I have to thank the Chief of Police and his staff for the input that they made in that respect and the real enthusiasm that the Winnipeg city police made in respect of this particular plan.

They felt that the approach that we had approached them with was good, but that it could be improved and failing the ability of us to change the Criminal Code here, I think this is one of the best statutory devices that we can use without infringing on the division of powers in the Constitution Act, 1867. So that bill is almost ready to go and the member will get a chance to see it.

**Mr. Mackintosh:** Is it the government's intention to introduce that bill this session?

**Mr. Toews:** Yes, it is. I should be introducing it, barring any unforeseen circumstances, within a week.

**Mr. Mackintosh:** There has been some discussion here and elsewhere about whether those who solicit sex from minors could be found guilty of child abuse. I know the province has looked at ways of getting those individuals on the Child Abuse Registry or getting treatment somewhere to child abusers, but I am wondering about the actual conviction and whether there could be something done there. Has the minister looked at that issue?

**Mr. Toews:** I am glad the member brought that question forward. It is something that I have certainly seen recommended in other provinces, but I have not yet seen any draft legislation from other provinces.

It is a very difficult issue. It is essentially creating a summary conviction offence for child abuse where one solicited prostitutes under the age. There are all kinds of legal and evidentiary problems with that, but even overcoming those evidentiary problems, the situation reminds me very, very similar to the situation where the provinces, very frustrated with the federal government's inaction in the area of prostitution, enacted certain by-laws. Some of the communities enacted by-laws. Certain provinces passed almost summary conviction laws, and the case is called Westendorf, I believe it is, where it declared that prostitution was essentially a matter of a federal jurisdiction and that the province did not have the jurisdiction that it sought in that Westendorf case.

That is the issue. I would look forward to discussing that particular solution with my colleagues from provinces where that has been recommended. I believe the provinces which are looking at that are Alberta and Saskatchewan, and, frankly, I would like to see how the case would be proven because when you are looking at a criminal law offence, you have to basically prove that the person knew that the person being solicited was or thought that the person was under the age of 14. Now, that is very difficult for police operations to get that type of information, and on what type of evidentiary basis do you infer that type of knowledge?

I know during the early 1990s, '90 and '91, there were a tremendous amount of cases on the issue of reverse onus. There are about four or five different types of reverse onuses, some being constitutional, some being unconstitutional.

Frankly, I do not know what kind of reverse onus you could create in this kind of situation to create that kind of a summary conviction offence. I remain open to it. I think if we can do it, that is something that we should seriously look at, and when I say when we can do it, that it be on a constitutional basis.

Frankly, I think the better method is to do it through the Code, but, again, even under the Code, given our Charter of Rights, there are some serious, serious evidentiary concerns.

**Mr. Mackintosh:** There are two issues I just want to revisit before leaving this line. I understand that the department now has a new policy that when the police make requests for opinions to the Crown before laying a charge, that all opinions are to go through the director of Prosecutions. Is my understanding accurate?

**Mr. Toews:** That is not correct.

(Mr. Chairperson in the Chair)

**Mr. Mackintosh:** I wonder if the minister then can tell the committee what the change of policy is in terms of how the police can obtain legal opinions from Prosecutions.

**Mr. Toews:** As I indicated in my earlier answer, outside of the area of obscenity, there is no protocol that requires a person to go to the director of Prosecutions or to go anywhere. There is no fixed protocol.

I am very concerned about fixing methods of obtaining legal advice from the Crown. In the area of obscenity, and if that is what my learned friend is referring to, I can indicate that departmental officials have stated that where these types of requests are going to be made, there is a protocol that will be or is developed to deal with the particular sensitivities of this situation. This is a response by the department to a particular situation that they feel will assist the police

and indeed the citizens of Manitoba in ensuring that appropriate decisions can be reached.

\* (1740)

**Mr. Mackintosh:** Just to make it clear, is the minister saying that the new policy, which I understand has just been announced, is that in the case of a request for opinion as to whether material is obscene under the Criminal Code, those requests must go through the director of Prosecutions and those requests alone?

**Mr. Toews:** Yes, Mr. Chairperson, this is a working policy designed to assist the Crowns in achieving appropriate opinions of the law in this area.

**Mr. Mackintosh:** Is it the position of the department that in fact a mistake was made with regard to the opinion about the Friday book?

**Mr. Toews:** Without getting into the details of this specific case, because I do not know what stage that investigation is at—it is a police investigation, it is not an investigation by the Attorney General's department as I have indicated earlier—I understand that the second opinion that was rendered was done with the consultation of the Crown attorney who rendered the first, and I do not know what circumstances changed or what in fact changed, but that the Crown attorney agrees with the opinion that was given.

So I do not know whether it is an issue of the discussions that took place. I do not know whether it is an issue of additional facts being brought to the attention of the Crown attorney, but without—I just do not want to go into the issue, other than saying I think it is perfectly consistent with the way investigations are handled. They go in a progressive way: the police ask for these opinions, opinions are provided, discussions take place, new facts come to light, and a second or other opinion can be obtained which may or may not agree in every respect with the first opinion.

I do not know whether a mistake was made in the first situation. We will never know that until a court rules on the situation because the Crown attorney who made the first opinion may well be right. We do not know that, and that is not our role. Our role in the Attorney General's department is twofold when

examining a matter that comes to prosecution. This is subsequent to the delivery of any opinion and, that is, is there a reasonable likelihood of prosecution or of success of a prosecution and, secondly, is it in the public interest to do so.

I do not know if those questions have been re-examined, whether they are now being examined in the second opinion that might make a difference in the opinion rendered. I do not know, and this is an issue that I think is appropriately left to the staff to make that professional type of opinion.

Frankly, I have not looked at either opinion, and unless there is any specific need for me to do so, I will not. I leave that to the professionals who make these decisions on an ongoing basis.

The department, as a working policy, I understand have implemented this particular process, and if there was a defect in the process, which I cannot say now because I do not know, and indeed no one knows because we do not know the ultimate result of what any prosecution would be or will be or could have been. I am not prepared to say.

**Mr. Mackintosh:** It appears that the concerns we have been expressing in this committee are being borne out, and yet the minister responded by defending all the existing protocol and actions in the particular circumstances as just fine. I think it raises a serious concern about whether the minister is going to be dealing with these concerns that we raise on a constructive basis or whether he is simply going to rise to the defence of what appears to be a loose procedure in the department. Would the minister not now retract his emphatic defence of the system that he brought into this House on Thursday and admit that there were shortcomings on how opinions on the most difficult, and perhaps the most difficult subjective area of criminal law is in Manitoba?

**Mr. Toews:** I do not know if the member is categorically saying there is some kind of a deficiency in a systemic problem in the way that charges are dealt with. One of the concerns that I have and, clearly, I want to ensure that we are sensitive to that, is that our resources must be available to the police on a basis where they can access those resources, that we can

provide them with the best support that we can provide them with and ensure that we assist them in their investigation as much as possible. I do not know why the member thinks that what I have indicated in terms of process is in any way erroneous or indeed misstates a fundamental principle of law. I can only repeat again, the police provide the investigation. The police then determine what in fact they should be doing in terms of ensuring they have all the necessary evidence. They have to take a look at what facts are available to them. They, too, have to read the Criminal Code, and police do this on a constant basis. There are times when the police look at a particular fact, situation and look at the Criminal Code and see that they do not understand something and they need assistance. The Attorney General's department will provide them with that assistance.

If there is a mistake in the rendering of any opinion—and I am not prepared to state that here because I do not know if there is a mistake and I do not think we will ever know—then there are a number of mechanisms which ensure that there are safeguards, including the judge's decision at the end of the day, because a judge is the only one who is ever going to be able to tell us was this decision the appropriate one. I can indicate that the police have expressed to the assistant deputy attorney general today continuing confidence in the department and in the Crown who provided the initial opinion, so it is not a question that the police here have any question about their confidence in the Crown attorney.

\* (1750)

If the member is asking are there ways of improving the system, I think there are. Clearly there are. We can always seek to improve the system. What we do not want to do is overburden the system with administrative and legalistic technicalities that in fact divert issues and ensure that justice is not done. I can only pose the question of what would the member say if, in fact, in every case where a woman or a child were abused, no police officer could lay a charge until that was reviewed by the director of Prosecutions.

Frankly, I for one would have a lot of difficulty with that situation. I would think that we would not want to set up administrative barriers to ensure that abuse cases

are heard. We would want those dealt with in an expeditious way.

While I admit there are differences between, let us say, a charge of obscenity and an assault case, assaults are sometimes very, very complicated in terms of things like motivation. Was there self-defence? Was there provocation? Was there any type of factor which would indicate that in fact this was not a criminal action? I need only point out the situation where you have a consensual dispute, usually not between domestic partners but two individuals who in a very friendly way decide that they are going to find out who is tougher than the other person and they go to it. Now, is that an assault? I mean, on the face of it, if an officer pulls up and two people are pummelling each other, it may well appear that there is an assault going on, but this could well be a consensual situation.

Now, clearly, in the domestic area, that is not what I am talking about, but there are complicating factors which one could manufacture then in a legal sense and say, well, all of these matters should go to the director of Prosecutions. Well, I can understand the director of Prosecutions setting up a working policy to deal with obscenity cases. I would have a very great deal of difficulty in the setting up of a policy that would require that kind of administrative screening in the cases of assault.

Well, one could then say, well, let us do that for only indictable offences rather than summary offences, and I think what we do is get into an overly legalistic situation that does not take into account the safeguards that already exist in the system. So the department's action in this respect is, I think, proactive, but again I would always indicate with a measure of caution that we want to ensure that our decisions are dealt with by professional people, professional lawyers, professional Crown attorneys rather than complicating the issue with politics.

Without taking away from the importance of the freedom of speech, which of course is a very, very important issue, Crown attorneys hundreds of times a day make decisions as to whether someone may go to jail and lose their liberty, sometimes for the rest of their lives. Again, what I must emphasize is that there are all types of safeguards built into the system to ensure that

the Crown attorneys are responsible and responsive to the justice system.

So the member may say, well, in the area of impaired driving, it is not that important. Why take that to the director of Prosecutions, because what are the consequences? Somebody loses their licence? Well, licence could be the lifeblood of a person's economic activity, and to take away a licence by doing an administrative licence suspension or a Criminal Code charge, there are very, very serious consequences.

I think that, without belabouring the point, there are forms of screening that are recognized by the law for special types of cases, and the law has specifically recognized those particular cases. Those are not in the area of obscenity, but I would point out that the Criminal Code requires the Attorney General's consent for several types of offences. So there are specifically legislated screening devices in the Criminal Code for particular offences. In the area of Section 163, that is not there, and I think it is recognition by Parliament that one does not want to overburden these formalities and thereby defeat any eventual prosecution.

I think what is being done here by the assistant deputy minister is simply putting into place administratively what the Criminal Code recognizes statutorily in certain other situations. Again, this is something that on a professional basis the Crown attorneys should be looking at from time to time. There will be other issues that they want to look at from time to time, and they may want to review the whole area, but I think that to come out and specifically state, we will set up screening devices for every charge, we may as well double the staff in the Attorney General's department, and I think to no demonstrable good end.

The member has asked, was there a mistake made? All I can say is that the police have expressed their continuing confidence in the department and in the Crown who provided the initial opinion. I think, by and large, that has answered the question, but if in fact the member has any concerns about the department's approach to freedom of speech, I would be pleased to discuss that further.

**Mr. Chairperson:** Order, please. The hour now six o'clock, committee rise.

Call in the Speaker.

**IN SESSION**

**Mr. Deputy Speaker (Marcel Laurendeau):** The hour being six o'clock, this House is now adjourned and stands adjourned until tomorrow (Tuesday) at 1:30 p.m.

# LEGISLATIVE ASSEMBLY OF MANITOBA

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of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
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Speaker*



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**Thirty-Sixth Legislature**

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**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Monday, May 26, 1997**

**Supplementary Note: Due to an error in pagination, pages 3297 to 3996 are blank.**