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First Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

39 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, November 6, 1990

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Mr. Speaker: I have reviewed the petition of the Honourable Member for Thompson (Mr. Ashton), and it does not conform with the privileges and practices of this House and our rules.

I regret having to rule the petition out of order for it is indeed the right of any and all citizens to petition this Legislative Assembly. However, our Rule 81, which deals with petitions, clearly indicates that every petition must contain a prayer. The petition presented by the Honourable Member for Thompson does not.

It is also worded in the form of a resolution or a motion, and I would encourage all Honourable Members when they are drafting petitions or assisting other persons to do so to conform to the standard format and wording for a petition to be presented to the Legislature of the Province of Manitoba.

Point of Order

Mr. Steve Ashton (Thompson): Respecting your ruling and recognizing that the wording was drafted by the firefighters themselves, I would ask if the petition could be returned. I would like to deliver it personally to the Minister responsible for Workers Compensation (Mr. Connery) in the hopes that he will listen to the 17,000 Manitobans—

Mr. Speaker: Order, please. The petition is out of order and it will be returned to the Honourable Member.

PRESENTING REPORTS BY

STANDING AND SPECIAL COMMITTEES

Mrs. Louise Dacquay (Chairman of Committees): Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the Honourable Member for La Verendrye (Mr. Sveinson), that the report of the committee be received.

Motion agreed to.

* (1335)

TABLING OF REPORTS

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): I would like to table, Mr. Speaker, the Supplementary Estimates for the Department of Industry, Trade and Tourism.

Hon. Albert Driedger (Minister of Government Services): Mr. Speaker, I would like to table the Supplementary Information for Legislative Review of the Department of Government Services.

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, I would like to table the Supplementary Information for Legislative Review of the Manitoba Department of Labour.

Hon. Bonnie Mitchelson (Minister responsible for the Status of Women): Mr. Speaker, it is my pleasure to table the Supplementary Information for Legislative Review of the Status of Women.

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, in a further display of open Government I also wish to table the Supplementary Information for Legislative Review for the Department of Natural Resources.

Hon. Edward Connery (Minister of Co-operative, Consumer and Corporate Affairs): I also want to table the Supplementary Information for Legislative Review for the Department of Co-operative, Consumer and Corporate Affairs.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions, may I direct the attention of Honourable Members to the gallery, where we have from the St. John's-Ravenscourt School twenty-five Grade 9 students. They are under the direction of Wendy Owen. This school is located in the constituency of the Honourable Member for Fort Garry (Mrs. Vodrey).

On behalf of all Honourable Members, I welcome you here this afternoon.

Also with us this afternoon in the gallery, we have the spouses of the elected delegates of the Manitoba Pool Elevators. They are under the direction of Mrs. Jean Strath.

On behalf of all Honourable Members, I welcome you here this afternoon.

ORAL QUESTION PERIOD

Labour Laws Notwithstanding Clause

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, again we were very surprised yesterday in the Premier's Estimates to hear that he would contemplate using the notwithstanding clause. Of course the example he used was against working people, workers in the Province of Manitoba in terms of the province.

Having lectured the Premier of Quebec during a lengthy period of time over Meech Lake, we were absolutely shocked to see the Premier threaten to use the notwithstanding clause with workers in this province.

My question to the Premier is: Given the fact that in his own budget Manitoba brags about the days lost per thousand workers in the province, outlining how good that is for investment—five days compared to the national average of 320 days per thousand-day workers—is the Premier repealing the labour laws in this province on the basis of his ideology and bias or on the basis of scientific and research evidence about how well our labour laws are actually working in this province?

* (1340)

Hon. Gary Filmon (Premier): Mr. Speaker, I noted with interest that the Leader of the Opposition also did not confirm that he would never use the notwithstanding clause. He indicated that he would leave it in place, and that is what I have always said, that we would leave it in place.

I also said during my Estimates debate that I saw no reason that I would want to use it, but that I would keep it in reserve in case of some unusual circumstance. Never at any time did I refer to nurses. Never at any time did I refer to anything specific, Mr. Speaker, other than leaving it in reserve so that if we needed it to protect life, to protect people's health

because of some unusual decision that was unexpected, that it would be there, and that is exactly the circumstance.

Our moves are never made on ideology. They are made based on common-sense needs of the people of this province, and I would continue to keep it that way.

As I also said during the Estimates debate, the comment that we made at the time of Premier Bourassa's decision was that he went a step further, saying he would not have had to use the notwithstanding clause if Meech Lake had been—

Mr. Speaker: Order, please.

Mr. Doer: Mr. Speaker, the Premier should read the comments. We never committed ourself to use the notwithstanding clause. We said we would watch the court decisions over the next 10 years, but we would not use the notwithstanding clause. Let us make that very clear.

The Premier never answered the question. The question was, Manitoba had the lowest days lost per strike and lockout in the Government's own budget document, is the Premier proceeding to amend and repeal labour laws based on his bias, which he demonstrated yesterday, his ideology, his extreme ideology, rather than the facts that substantiate and support the fact that we have good labour-management relations in this province? It should not be changed by the extremists in the Conservative Party.

Mr. Filmon: Mr. Speaker, it is a repetitive question. I will repeat the answer.

Our moves are not based on ideology. It is only the New Democrats who are hidebound, narrow-minded and ideologically committed. Our moves are based on common sense and the best interests of the people in the Province of Manitoba, period.

Mr. Doer: Mr. Speaker, well, if the Premier reads, the days lost per strike and lockout from January to April have even gone down further to 1.3, even below where their budget was in 1990.

Now I would ask the Premier, will he use common sense—I know the word is foreign to the Premier—will he use common sense and not repeal the labour relations laws in Manitoba based on the evidence, or will he continue in his ideological and extreme way and his anti-worker bias that he has

demonstrated again yesterday in his comments about the notwithstanding clause?

Mr. Filmon: Yes, Mr. Speaker. I will repeat for the third time. We will use common sense. We will act only in what is in the best interests of the people in the Province of Manitoba, no ideology, no hidebound old ideas that are based on some 18th Century philosophies that are espoused by all of the backbenchers of the New Democratic Party. A common-sense approach to common-sense problems, that will always be our approach to solving the problems in the best interests of the people of Manitoba.

Labour Negotiations Premier's Statement Withdrawal

Mr. Steve Ashton (Thompson): Mr. Speaker, my question is to the Premier. The Premier has indicated that this Tory Government is not following an ideological position with regard to labour relations. This First Minister has already threatened to shut down operations if workers do not like the offers of Governments. This Premier has indicated that he is going to be reviewing the labour law, looking at major rollbacks, not just in terms of final offer selection, and now yesterday has indicated that while it is not okay for the Premier of Quebec to use the notwithstanding clause it is okay for this Premier to keep that as a club to use against the working people of this province if the Premier decides it is necessary.

I would like to ask the Premier, will he not withdraw the statement he made yesterday, given the fact that he is now entering very sensitive negotiations with the nurses? Will he not withdraw that club that is being held over the heads of people who are negotiating in good faith and try and get back to proper negotiations in terms of that very important labour negotiation?

Hon. Gary Filmon (Premier): Mr. Speaker, I find it very interesting that the ideologues in the New Democratic Party cannot see the difference between using the notwithstanding clause merely to protect the use of language on a sign versus using it to protect life and limb when they are under threat and that people may die or suffer as a result. That to me makes a big, big difference.

If the Member opposite cannot see that difference then I say that he is blinkered with his own ideology.

The fact of the matter is, there is no threat, there is no club and there never will be from this Government. We will act in good faith at all times in the open free collective bargaining process with all of the employees with whom we have to negotiate.

* (1345)

Mr. Ashton: Mr. Speaker, I have a supplementary to the First Minister. Why is he holding out the possibility of using the notwithstanding clause when in fact there currently is an Essential Services Agreement with health care professionals? Why is he holding that out? Why will he not withdraw the comments he made yesterday and the implied threat to the health care workers of Manitoba?

Mr. Filmon: Mr. Speaker, because there was no implied threat, absolutely none whatsoever. I am well aware of the Essential Services Agreement that exists with approximately a hundred health care facilities in this province. It is a very responsible agreement. It is an agreement that I support and that I believe health care workers ought to be complimented for. I say to you that if there were circumstances that threatened the life or the health of the people of this province I would consider using that, but I see no foreseeable reason in the future why I would.

Labour Relations Provincial Status

Mr. Steve Ashton (Thompson): As a final supplementary, given the success that Manitoba has had in terms of labour relations in the last number of years because of the kind of legislation brought in by the previous New Democratic Party Government, will the First Minister now withdraw his statements that this Government will be reviewing labour law not just in terms of final offer selection, but other issues such as first contract? Will he now admit that here in Manitoba our labour relations and our labour relations legislation is working?

Hon. Gary Filmon (Premier): We have indicated that there are many aspects of positive relationship and good workings in labour legislation in this province; that does not mean that they are perfect. I think every Government has an obligation to continue to review its legislation in all fields. That is living, evolving Government that responds to the changing needs of a society. So for us to say we will review it does not imply threat to anybody. It does not imply that we are going to make any changes

that would be not in the best interests of the people and the Government of Manitoba. It implies quite the reverse, that as you have an opportunity for experience you learn by that experience; at least we do. I know New Democrats probably do not learn by experience. They want to go back to the bad old ways. They want to go back into their ideology and put the blinkers on.

We do not want that, Mr. Speaker. We want to be very, very practical and very common sense in our approach.

Crown Corporations Council Conawapa Dam Project

Mr. James Carr (Crescentwood): Mr. Speaker, we all remember of course that the Government of Saskatchewan used the notwithstanding clause on a labour issue, so we will be watching this one carefully.

Mr. Speaker, my question is to the Minister responsible for the Crown Corporations Council. The Crown Corporations Public Review and Accountability Act states that the duties of the council include, and I am quoting now, to review long-term corporate plans and capital expenditure proposals of Crown corporations.

Can the Minister tell us what conclusions the council has made on the proposed Conawapa development?

Hon. Clayton Manness (Minister responsible for the administration of The Crown Corporation Accountability Act): The question is fair. I say to the Member that the Crown Corporations Council has been put in place as a quasi-Treasury Board system to look at the capital plans of Crowns, but indeed the question the Member asks is basically academic at this point in time, because the Public Utilities Board has not provided, to my understanding at least, a public determination as to their recommendations, indeed their conclusions with respect to their own review under the capital plans for Manitoba Hydro.

Mr. Carr: Mr. Speaker, the council was set up a year and a half ago, and the Conawapa deal was signed 11 months ago. One of the major purposes of the council is to review capital plans of Crown corporations. Conawapa represents the single largest investment in Manitoba history.

Does the Minister intend to send these plans to the council, and if not, why did we set it up in the first place?

Mr. Manness: If the Member wants a response as to why we set it up in the first place, I refer him to basically pages of debate in this House when we brought in the new Act. Mr. Speaker, we brought it in as a control measure with respect to Crowns and also a resource area where they could access as certain problems arise. With respect specifically to the capital plans of Manitoba Hydro, I can assure the Member that the Council will be given an opportunity to review those capital plans and will make some judgment in reference of that judgment to the Government.

Mr. Carr: The deadline for this contract is December 31, 1990. Is the Minister then telling us on the floor of the House today that the Crown Corporations Council will review the Conawapa project before December 31, 1990?

Mr. Manness: Mr. Chairman, I am not saying that at all. I am saying that the Crown Corporations Council will have an opportunity to review and to make recommendations to the Government some time before ultimately that development project begins.

* (1350)

Royal Commission Aboriginal Concerns Establishment

Mr. Oscar Lathlin (The Pas): My question is directed to the First Minister.

Last week the Prime Minister rolled the dice again, once more, and struck a committee that he calls the Citizens Forum on Canada's Future. Mr. Speaker, the timing, the lack of structure and direction of that committee means that it will not be able to solve basic problems that demand action right now. In fact on Friday Senator Lowell Murray clearly stated that he was using the creation of this commission as an excuse to postpone indefinitely the proposed Royal Commission on Aboriginal Concerns. I think that is unrealistic and unfair to expect aboriginal people to simply wait another eight months.

My question is for the First Minister. Has he written or contacted the Prime Minister and asked him to initiate the Royal Commission immediately, as there is no reason why both initiatives cannot be occurring at the same time?

Hon. Gary Filmon (Premier): I indicated that I thought the initiative of going out and listening to the public with a citizens committee of distinguished people from across the country was indeed an appropriate way to begin again reviewing constitutional matters rather than the closed door, behind-the-scenes situation that led to the Meech Lake Accord as we knew it and disliked it, Mr. Speaker.

The fact of the matter is that this was a step in the right direction, that this was a recognition of one of the principal areas of failure of Meech Lake. I believe that the commission does have on it at least one aboriginal representative, from British Columbia. I believe that the attempt is for people to put on the table their concerns of issues, constitutional matters that must be dealt with on a whole range of issues including, I would hope, aboriginal issues.

Senator Lowell Murray Replacement

Mr. Oscar Lathlin (The Pas): Mr. Speaker, we all know that this commission is timed to address Quebec issues and the Senate, and it will not be dealing with aboriginal issues. Will the First Minister ask the Prime Minister to immediately replace Senator Lowell Murray as Minister responsible for federal relations as a sign that the Prime Minister is truly committed to ending the present tactic, style of the Meech Lake Accord which was so divisive, as we all saw, and did nothing to enhance or strengthen national unity?

Hon. Gary Filmon (Premier): I think I called for Senator Murray's replacement about 15 or 16 months ago, Mr. Speaker. The fact of the matter is that if we are to influence the federal agenda, then I believe that we have to encourage people who have various viewpoints and all manner of concerns about constitutional matters to go and be heard by that citizens task force, to go and ensure that aboriginal issues are on the agenda.

That is I think first and foremost the responsibility that I would recommend to the Member for The Pas and that I would recommend to any people who are concerned about issues affecting the Constitution, whether they be aboriginal, whether they be constitutional reform in the area of Senate reform or Quebec or any other numbers of issues, Charter of Rights, whatever have you. This is the time. There

is a citizens group going across the country. Those issues ought to be put on the table for discussion.

Treaty Land Entitlements Negotiations

Mr. Oscar Lathlin (The Pas): My final supplementary is again directed to the First Minister, Mr. Speaker.

Just by the fact that we have many outstanding treaty land entitlement claims in this province and other negotiations that have been outstanding for so long, to me that is a sign that aboriginal people have a special relationship with the Crown by virtue of treaties, the Constitution and so on. No other group has that.

I ask the Premier, will he commit himself and the Government today to accelerating those negotiations regardless of the progress or proposals of the Citizens Forum, because we all know that the Citizens Forum will take a long time and will water down aboriginal concerns?

* (1355)

Hon. Gary Filmon (Premier): As the Member has well expressed, our aboriginal people have a number of outstanding issues that must be resolved that affect Governments at all levels. Even aside from the primary constitutional responsibility of the federal Government, there is of course the responsibility of the provincial Government with respect to issues such as Northern Flood Agreement, land claims and all of that.

We have made a commitment consistently to do our level best to try and resolve those outstanding disputes. We had all but one of the bands in the Northern Flood Agreement agree to the basis of settlement prior to the election.

With respect to treaty land claims and entitlements, the Minister of Northern Affairs (Mr. Downey) has a meeting shortly with the federal Minister of Northern Affairs and Indian Affairs, Mr. Siddon, and that is one of the topics on the agenda for that meeting.

GATT Negotiations Removal of John Crosble

Mr. John Plohman (Dauphin): Mr. Speaker, I have a question for the Minister of Agriculture. It has become clear that if agriculture talks fail at GATT, Canada should not agree to settle the other issues

but should in fact pull out in order to maintain leverage in agriculture.

The Cairns Group, of which Canada is a member, is now supporting this position. Yet Canada's senior negotiating Minister, John Crosbie, says that Canada will not withdraw under any circumstances. He shows his lack of knowledge with regard to agriculture by saying that Canada is spending \$8.8 billion a year on agriculture. He says that Mazankowski should be ashamed about this spending.

I ask the Minister, since he is a Member of Canada's delegation at the GATT talks when they resume, will he now demand that the Prime Minister remove John Crosbie as Canada's senior negotiating Minister at the GATT talks since he is not representing the interests of western Canada agriculture?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, the GATT round of discussions, the Uruguay Round, which began in 1986, some four years ago, are reaching the end of their period of discussion in December of 1990.

The events that have occurred in the past few weeks in Europe are exceedingly discouraging with regard to our desire to have export subsidies first and foremost removed because of the trade distortion they are causing for small exporting countries like Canada and Australia and New Zealand. There is no question we have some severe difficulty.

Our Premier has said, and other Members across this country have said that if we do not get resolution of export subsidies we would be better off to walk away from the table. That is the position that many other countries are now starting to realize, that the European community has to have some pressure put on them if they are going to bring any meaningful resolution to the table, and that process of discussion must continue.

Canada is taking a very strong position in that series of discussions. We are working with other countries around the world to be sure that everybody comes to the table with a willingness to negotiate, particularly in the area of export subsidies, where Europe is the greatest offender in terms of the trade practice they presently have in place.

Government Withdrawal

Mr. John Plohman (Dauphin): Mr. Speaker, just in the Globe and Mail today it is reported that John Crosbie says that he will not pull out under any circumstances. How can this Minister have any confidence in the Minister John Crosbie leading our delegation when in fact he does not agree with this position that he is putting forward?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, I can assure the Member that I and any other Members of the western Canadian delegation will put extreme pressure on Mr. Crosbie that if we do not get a positive resolution or a meaningful proposal from the European community, we will have no alternative in the agricultural area but to say we must withdraw from these talks.

I will tell the Member that I think it is important that we as a country, since we have so much to gain from those talks, stay at the table as long as we can, because the minute you walk away from the table you are giving up. I do not intend to give up early. I intend to go there and be part of the resolution of this process of reducing export trade subsidies.

Agricultural Community Farm Bill

Mr. John Plohman (Dauphin): Mr. Speaker, the negotiating Minister for Canada is splitting from the Cairns Group, and I want to ask this Minister, in view of the fact that the U.S. is now increasing its export enhancement program in the farm Bill by a minimum of \$500 million for each year of that five-year Bill and the fact that will have a negative effect on Canada's grain producers and due to the fact that the safety net program in terms of negotiations is failing at the present time, I ask this Minister, will he now commit to a major farm Bill dealing with cost-of-production pricing for farmers across Canada?

Hon. Glen Findlay (Minister of Agriculture): Well, Mr. Speaker, the Member has just put on the record exactly the reason why we must stay at the table and negotiate, because if we do not negotiate a settlement countries with big treasuries will carry on a trade subsidy war that we cannot compete with, that our treasury is not strong enough to compete with. The Member has indicated exactly why we have to stay at the table and negotiate right down to the final hour, but if at the final hour there is not a resolution that is constructive to western Canadian agriculture then we have to withdraw, but we cannot

withdraw at this point in time and say that we will take on the treasuries of Europe or the United States, because we do not have enough taxpayers or enough tax dollars to carry that on to keep the farmers on the land in western Canada. There must be a resolution at the GATT round of discussions at the negotiating table.

* (1400)

Winnipeg Police Department Minority Representation

Mr. Paul Edwards (St. James): Mr. Speaker, my question is for the Minister of Justice. This Minister is Manitoba's chief law enforcement officer and as such has a responsibility to use his authority to ensure that minority representation on the City of Winnipeg Police force is seriously and conscientiously pursued. It appears now that the spoken commitments of the police to hire and train visible minority police officers which we have been hearing for at least two years both at this level and at the city level have not been followed through in action.

Can the Minister advise Members what view he takes of the reasons given by the City of Winnipeg Police for the lack of real success in getting visible minority members on the force and what he is prepared to do to change it?

Hon. James McCrae (Minister of Justice and Attorney General): I, Mr. Speaker, had a discussion last week with Chief Stephen of the Winnipeg Police Department and was impressed with the number of recruits in this year's class. However, the item the Honourable Member is referring to is I think one that is dealt with in today's press and is something I will follow up.

Mr. Edwards: Mr. Speaker, we have been told at length about recruits. It is a fact that they are not making it to the front line duties where they are needed that is the issue.

For the same Minister, will the Minister find out—I know he meets regularly with the chief—will he find out why the RCMP, the City of Calgary and the City of Toronto Police forces, to name a few, have had so much more success than the City of Winnipeg Police and report to the House on that investigation?

Mr. McCrae: I will take the Honourable Member's question and deal with the question raised by him with representatives of the Winnipeg City Police and get back to the Honourable Member.

Mr. Edwards: Mr. Speaker, finally for the same Minister, and I appreciate that response. Is the Minister willing to use the meetings he has and the leverage he has as the chief law enforcement officer for this province to insist on a pro-active approach by the City of Winnipeg Police so that some progress is made which other forces have proven can be made but which so far have eluded our urban police forces in Manitoba? It is going to require a pro-active approach not just with respect to the recruiting, but with respect to the actual employment on the job.

Mr. McCrae: I do not believe anybody disagrees with what the Honourable Member is saying, including Chief Stephen and -(interjection)- the Honourable Member for Fort Osborne has asked me to sit down, Mr. Speaker, so I will.

U of M - Faculty of Management Inquiry

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, on Friday last three questions were taken as notice from the Member for Kildonan (Mr. Chomiak) to which I would like to respond at this time.

The first question, Mr. Speaker, dealt with the protection of funds that have been invested by the Government and others into the Faculty of Management developmental program, and I would like to indicate to the Member opposite that in 1989 Dean Mackness submitted a faculty development plan to the University of Manitoba and to the faculty associates, the students and to Government, which after some discussion and negotiation was accepted. Indeed there was participation financially from the associates of the faculty, the students, the University of Manitoba and also of Government.

Mr. Speaker, I would like to indicate to the Member that the program is now being implemented. We have a Ph.D. program being offered at the university, or begun at the university. Six new staff members have been hired for that program.

The second question dealt, Mr. Speaker, with the fact whether or not we would look into the matter of—

Mr. Speaker: Order, please.

Point of Order

Mr. Kevin Lamoureux (Second Opposition House Leader): Mr. Speaker, on a point of order, the Minister of Education is going into the Education Estimates right after Question Period. The amount of time allocated for Question Period is somewhat limited and maybe the Minister of Education can table it if all of his answers are at that length.

Mr. Steve Ashton (Opposition House Leader): I do believe it is appropriate that the Minister is responding to questions asked during Question Period, but I do believe the Liberal House Leader has a good suggestion. I would suggest that if there are detailed answers the Minister give a brief summary of those answers and table any accompanying documents. The same rules apply to questions that are taken as notice as apply to questions that are answered directly in Question Period, and that is that answers should be brief.

Hon. Clayton Manness (Government House Leader): On the same point of order, I agree in part with the representations made by both of the House Leaders of the other Parties but, Mr. Speaker, I have listened very carefully to the response and the Member spoke very clearly. Every part of that response was dealing with the question at hand. The fact that he has three questions to respond to is because there were three questions posed.

Mr. Speaker, there is no way that the Minister is in any way abusing the rules.

Mr. Speaker: Order, please. The Honourable Member did not have a point of order. He had a good suggestion.

Human Rights Commission Referral

Mr. Speaker: The Honourable Minister of Education, to finish his response.

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, I will try to be very brief, but I will provide a more elaborate answer in written form to the Members for their edification, but I might say that with regard to referring the matter to the Human Rights Commission, the Member should know full well that this is a matter that is in the realm of the University of Manitoba, and indeed the Board of Governors is the appropriate body that would deal with it.

Assessment Report

Hon. Leonard Derkach (Minister of Education and Training): In terms of tabling the report that was done by the American accreditation body, Mr. Speaker, I would have to indicate that once again, it is not my responsibility to release this document since it was done for the university. I do not have any document of that nature, but I would suggest that he apply to the university to get that kind of a document. Thank you.

City of Winnipeg - Heritage Buildings Minister's Response

Ms. Jean Friesen (Wolseley): Mr. Speaker, my question is for the Minister of Culture, Heritage and Recreation.

The Minister has been advised for several months now that we are in danger of losing a number of significant buildings, the heritage fabric of downtown Winnipeg. Heritage Canada, Heritage Winnipeg, the Manitoba Historical Society, have all met with the Minister in the last month to express the very deep concerns about this.

Can the Minister tell us now what her response has been to these community groups?

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): I have been in fact trying to get up for the last three days to answer those questions that were taken as notice last week.

I am pleased to have the opportunity today to indicate that for two years now the City of Winnipeg has made it public knowledge that they were going to close the Amy Street steam plant. In fact the City of Winnipeg did have the option or the alternative to provide alternate heating sources for those heritage buildings that were going to be shut down as a result of the steam plant closing.

We, as the Province of Manitoba, do give the City of Winnipeg block funding, and if they wanted to make preservation of those heritage buildings one of their priorities they could have done that within the money that they are allocated from the Province of Manitoba.

Minister's Responsibility

Ms. Jean Friesen (Wolseley): I have a supplementary, Mr. Speaker, to the Minister of Culture, Heritage and Recreation.

This is an emergency situation. The unheated buildings are in danger. What responsibility is the Minister going to assume? Can she tell us what measures she will put in place for this winter so that the buildings can be preserved?

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): I do want to indicate that over the last three years this provincial Government has put \$1.3 million into support for preservation of heritage buildings throughout the Province of Manitoba.

Mr. Speaker, there are 12 heritage buildings that were designated properties who have already installed their own heating system, because they acted responsibly and they had a use for those buildings. I want to commend those people, but it is clearly a city responsibility to deal with those people that they are cutting the heat off to.

City of Winnipeg - Heritage Buildings Government Initiatives

Ms. Jean Friesen (Wolseley): My final supplementary, Mr. Speaker, is to the Minister of Industry, Trade and Tourism (Mr. Ernst).

Recent Canadian studies show that 25 percent of Canadian tourists are in search of a cultural and heritage experience. One of the attractions of downtown Winnipeg is its cultural and historical fabric.

What measures does he have to put in place to ensure that this fabric survives?

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Mr. Speaker, I concur with the Member for Wolseley (Ms. Friesen) that in fact the preservation of heritage buildings in downtown Winnipeg in particular have proven to be a significant tourist attraction for the city and for the province.

As my colleague, the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson), indicated the City of Winnipeg cut off the heat to those buildings. It is the City of Winnipeg's historic by-law that will have to apply, and the City of Winnipeg taxpayer will have to bear the cost.

* (1410)

Pritchard Place Drop In Centre Government Funding

Mr. Doug Martindale (Burrows): Mr. Speaker, my question is for the Minister of Family Services.

Pritchard Place Drop-In Centre has been offered City of Winnipeg funding if they can obtain funding from the Family Services Department. Since police statistics show decreased crime in the north end, since the centre has the support of correctional services and youth along with 25 other organizations and individuals, including his predecessor, and since they have a letter from his ADM, dated January 1989, indicating that serious consideration would be given to funding in the 1990-91 fiscal year, can the Minister explain to the House why Pritchard Place Drop-In Centre received no funding from his department in the 1990-91 fiscal year?

Hon. Harold Gillehammer (Minister of Family Services): The Opposition continues to encourage us to take on new initiatives in a time when we have to make difficult decisions in difficult times.

I appreciate that Members opposite have urged me to get money from Environment to spend in this department or from Natural Resources to spend in this department, and we did receive the largest increase across the board in funding in this budget. We are very pleased that we did receive 8.2 percent in new funding.

Mr. Martindale: Mr. Speaker, will the Minister assure the House that Pritchard Place Drop-In Centre, which is keeping children and youth off the street and which is reducing crime in the north end, will receive funding in the '91-92 fiscal year?

Mr. Gillehammer: Mr. Speaker, I believe the Honourable Member realizes that we are dealing with this year's budget. We will soon be into Estimates, and we are not at a position in time where we can project into the next two or three years with this department. We are going to very actively work with groups in society, volunteers who are working very diligently in many communities, school communities, church communities who provide many of these services, and we would encourage them to continue to do so.

Ministerial Meeting Request

Mr. Doug Martindale (Burrows): My supplementary is: Since the Minister's office has

told the staff at Pritchard Place that he is unable to meet with them until after Christmas, will the Minister show that he cares about youth, that he cares about reducing crime and that he believes in prevention? If so, what is he going to do about it? Will he meet with the staff from Pritchard Place?

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, in the short time I have been in office I have had the opportunity to visit many of the service providers that my department comes in contact with. I will continue to do so as time permits.

Multicultural Appointments Government Policy

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the First Minister. It is regarding multiculturalism and the disservice this Government is doing to the fabric of our multicultural society here in Manitoba. We have recently seen the appointments and hiring of Tories from David Langtry, a defeated Conservative candidate in the last election, to Arnold Eddy, a campaign worker for the current Premier, to Alice Kirkland, who is the campaign manager of David Langtry.

My question to the First Minister is: Is it Government policy in this department to appoint or hire people based solely on their past involvement with the Conservative Party?

Point of Order

Hon. Clayton Manness (Government House Leader): Mr. Speaker, there is some incumbency on an Honourable Member of this House not to berate an individual who is not part of it, to throw innuendo, indeed spurious allegations as to that person and go on and on and on. I ask the Member to apologize or state his case, because to this point he has not.

Mr. Speaker: Order, please; order, please. The Honourable Minister did not have a point of order. The question has been put.

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Mr. Speaker, I find it absolutely appalling—absolutely appalling—that the Member for Inkster would stand up and ask questions like that. I make absolutely no apologies

for getting our multicultural secretariat up and running with a very qualified person in the person of David Langtry.

I think if Members opposite looked at his volunteer commitment to the multicultural community over the last number of years, they would have difficulty finding anyone in that community who would not feel that he is quite adequately able to meet the needs of the job that he has taken as the executive director of the multicultural secretariat.

Mr. Speaker, there were three people that the Member for Inkster dealt with in his question and maligned, and I would like to respond to each and every one of those people.

Mr. Speaker: Briefly.

Mrs. Mitchelson: Mr. Speaker, Alice Kirkland, who was a five-year employee of the Folk Arts Council of the City of Winnipeg whose primary functions were to deal with communications of all of the pavilions that represent Folklorama and to be sensitive to the community needs, is a very capable person to deal with the outreach.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, on a point of order, I believe this indicates some of the difficulty we run into when perhaps questions do lead to potential debate and also when answers are more lengthy. Those of us, by the way, who sat in this House when the Conservatives were in Opposition I think will find some amusement at their talk about personal attacks, because we remember on a daily basis when they were involved in that. Despite that fact, they do not have the right and this Minister does not have the right, to extend her answers in Question Period in contravention of our rules, and I would ask you to call her to order.

Mr. Speaker: Order, please. The Honourable Member does not have a point of order. Order, please. I would remind Honourable Members a multipart question does tend to lead to a long answer. The Honourable Minister was just about to complete her answer.

Mrs. Mitchelson: Thank you, Mr. Speaker, and I do want to indicate that Alice Kirkland has the qualifications and already has the network

established in the multicultural community and has the ability to do the job as an outreach officer who is going to deal with communications and that networking throughout the multicultural community to serve them better. The multicultural community will be the benefactors of that. Just let me deal for one moment -(interjection)-

Mr. Lamoureux: Mr. Speaker, how can this Government expect to have people make application to appointed positions or hired positions when they know full well if they do not have a PC card they cannot get an appointment or be hired with this Government?

Point of Order

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I ask you to call the Member to order. That question is so much out of order, it really does not even deserve a response. Rule 409 of Beauchesne's says that a question ought not to suggest its own answer, be argumentative or make representation, and I say that question did all three and therefore is out of order.

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, if the Government House Leader would care to consult Beauchesne's, I think he would find too that Beauchesne's cautions that if we followed all of our rules in regard to what may and may not be asked in terms of questions or given in an answer, there would be no Question Period. I would suggest that -(interjection)- I can understand why they do not want to have to answer questions every day. I can understand that, but in defence of the Member for Inkster (Mr. Lamoureux), the kind of question that he just asked is the kind of question that they asked when they were in Opposition and I would suggest to you is totally in order.

* (1420)

Mr. Speaker: Order, please. The Honourable Government House Leader did not have a point of order, but I would remind all Honourable Members to pick and choose your words very carefully.

Mrs. Mitchelson: Contrary to what the Opposition might think, we are the Government that brought in the first multicultural policy in the Province of Manitoba -(interjection)-

Mr. Speaker: Order, please; order, please. The Honourable Madam Minister, to finish her response.

Mrs. Mitchelson: I believe, Mr. Speaker, that it is a policy that the multicultural community applauds, because we have had many, many people—and we have had very little criticism from the Opposition about our policy.

We are moving in the right direction. The multicultural community are going to be the benefactors of that policy, as are they going to be the benefactors of the multicultural secretariat, which we have put in place to serve the community.

Mr. Lamoureux: Mr. Speaker, why then has this Minister not opened up the positions for competition if she feels that the individuals were so qualified to fill the position? Why was she—

Mr. Speaker: Order, please. The question has been put.

Mrs. Mitchelson: I am certainly glad we had time in Question Period for me to answer the third question and to deal with the third person that the Member brought up in his first question, and that is Arnold Eddy.

I make absolutely no apologies for appointing and giving the opportunity to a very well deserving Manitoban who has spent his whole life serving the people of Manitoba through the social services system and who happens to be a visible minority.

Radon Gas Levels Public Schools

Mr. Dave Chomlak (Kildonan): Mr. Speaker, my question is directed to the Minister of Education (Mr. Derkach).

In light of the fact that the Environmental Protection Agency of the United States has cited the fact that one in five classrooms may have elevated levels of radon gas and that radioactive gas may be more harmful to children than adults, what steps and measures is this Government taking to ensure that the radon gas levels in our 700 public schools are at acceptable levels?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I am pleased to report to the Member that we have been doing a considerable amount of work in the area of gathering information on what is happening in terms of radon gas across the province.

The Manitoba Association of School Trustees has been very active in pursuing the issue, and that information is being compiled and will be made available.

Public Schools Testing

Mr. Dave Chomlak (Kildonan): In October of 1989 the Government published a booklet entitled, Radon, An Interim Guide, and in that booklet indicated the Government would be undertaking measurements of public schools. Has this started?

Hon. Glen Cummings (Minister of Environment): I think it is just about complete or is complete at this time.

Mr. Speaker: Time for Oral Questions has expired.

Committee Changes

Mr. Edward Helwer (Gimli): Mr. Speaker, do I have leave to make some changes to the committee?

Mr. Speaker: The Honourable Member for Gimli, does he have leave—yes.

The Honourable Member for Gimli, with committee changes.

Mr. Helwer: Mr. Speaker, I move, seconded by the Member for Niakwa (Mr. Reimer), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: Render for Cummings, and McCrae for Findlay.

Mr. George Hickes (Point Douglas): Mr. Speaker, do I have leave to make a committee change?

Mr. Speaker: Does the Honourable Member have leave?

Mr. Hickes: Moved by George Hickes, seconded by Rosann Wowchuk, that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: Burrows (Martindale) for Selkirk (Dewar), and a second change, Mr. Speaker, moved by George Hickes, seconded by Rosann Wowchuk, that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: the MLA for Interlake (Clif Evans) for the MLA for Burrows (Mr. Martindale).

NON-POLITICAL STATEMENTS

Ms. Rosann Wowchuk (Swan River): May I have leave of the House to make a non-political statement?

Mr. Speaker: Does the Honourable Member have unanimous consent to make a non-political statement?

An Honourable Member: Leave.

Ms. Wowchuk: Mr. Speaker, I am proud today to stand during 4-H Week to speak about the 4-H movement in Manitoba.

Throughout rural Manitoba, young people have been given a wide range of opportunities, through 4-H Clubs, to develop skills which they have used throughout their lives. In fact, many of us here today began our public involvement as 4-H members and leaders. I was a 4-H leader for many years, and my children have experienced many of the benefits of belonging to a 4-H Club.

Members of 4-H Clubs learn to do by doing, through participating in public speaking, home economics, woodworking and other clubs, or simply through their club's commitment to community involvement. During the past few years, 4-H has changed to reflect the changes needed, needs and interests of those involved. This means that the motto in 1990, "4-H is more than beef and clothing," is particularly appropriate.

I would like to recognize the accomplishments of both young people of 4-H Clubs across Manitoba and the efforts of men and women who act as 4-H leaders. The dedication and countless hours of time by these volunteers is surely one of the reasons why 4-H continues to provide excellent opportunities for rural youth after more than 75 years. When Manitoba became the first province to establish a boys' and girls' club in 1939, it began a proud tradition across Canada. The accomplishments that have been made over the years by those involved in 4-H and youth programs should make everyone who has been involved very proud of the movement.

I would like to commend the Minister of Agriculture (Mr. Findlay) for recognizing the value of the 4-H program by dedicating November 5 to 11 as 4-H Week. Finally, let me add, that all Members of this Chamber should share the sentiments of the motto of the 4-H members: "I pledge my head to clearer thinking, my heart to greater loyalty, my

hands to larger services, my health to better living, for my club, my community and my country.”

Hon. Glen Findlay (Minister of Agriculture): May I have leave to make a non-political statement?

Mr. Speaker: Does the Honourable Minister have unanimous consent?

An Honourable Member: Leave.

Mr. Findlay: Mr. Speaker, it is indeed a pleasure for me to rise also and pay tribute to the 4-H people of this province.

This is the 78th year of 4-H in Manitoba. We have over 5,000 members—around 5,500—and my indication is that the number of members is growing this year, is certainly going to be a record over the past three or four years. We have about 2,000 people involved in leadership, some 300 clubs in the Province of Manitoba. Clearly, it is a very good program to help young people learn citizenship, trades, learn leadership. It has led to many young people moving through that program and into places like this. I was a 4-H member, as I well know many Members of this side and all sides of the House have been 4-H members.

The 4-H program is as good as the volunteer leadership that comes from the adults of our rural communities. I have been very proud to see the number of adults who spent 15, 20 and 25 years as 4-H leaders. They have done a very significant contribution to helping young people in both rural and now urban parts of Manitoba to become leaders of the future.

I thank the Member for opening up this opportunity to make this statement, because 4-H is a very significant program for the young people of Manitoba.

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): Mr. Speaker, on House Business. As next Sunday is November 11, the Remembrance Day holiday is being observed within Government and elsewhere on Monday, November 12. Therefore, I would appreciate if you would ask if there is unanimous consent of the House to observe the holiday on Monday, November 12, and for the House to sit Monday hours on Tuesday, November 13.

Mr. Speaker: Would there be unanimous consent? It is agreed? Agreed.

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

Motion agreed to, and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Finance; and the Honourable Member for Seine River (Mrs. Dacquay) in the Chair for Executive Council, and the Department of Education and Training.

* (1430)

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—FINANCE

Mr. Deputy Chairman (Marcel Laurendeau): Order, please. Will the Committee of Supply please come to order this afternoon. We will be resuming considering of the Estimates of the Department of Finance. We will commence consideration of item 5. Federal-Provincial Relations and Research Division; 5.(a) Economic and Federal-Provincial Relations Branch; 5.(a)(i) Salaries \$902,800.00.

Point of Order

Hon. Clayton Manness (Government House Leader): Mr. Deputy Chairman, before we go to the process of Estimates review, under the precedent of this House and rules of this House, I feel obliged to ask that this committee consider a motion I am about to raise with respect to certain events that happened last night with respect to a vote.

I think they are very much precedent setting. I sense they spell a great degree of trouble possibly in the future for committees such as this, and I think it is very important. Under the rules of the House, we are told that this committee itself has to undo, in its wisdom at least, if it sees that there has been an error made in process.

I sense that a very serious error in process was made last night, and I think that it is very important that this committee deal with it. Mr. Deputy Chairman, I would like to explain further if I might.

Manitoba Rule 65.(9) says that where two Members demand that a formal vote be taken, the Chairman or Deputy Chairman of the committee

shall defer the vote on the motion until the next sitting of the Committee of Supply in the Chamber.

Mr. Deputy Chairman, I would submit that this rule clearly outlines what procedures must be followed in Committee of Supply should it sit after 10 p.m., and I would say that was not followed last night.

This rule does not indicate that only certain motions apply to this rule. Subsections (a), (b), (c) and (d), also in accordance with Rule 65, are separate points and should not be read as being interrelated. The rule is clear, and no other understanding can be made of it.

Further, Mr. Deputy Chairman, the House of Commons procedure does not apply in this case, as our rules cover motions presented to the Committees of Supply after 10 p.m. Our Rule 1.(2) states in part, "In all cases not provided for in these rules . . ." Then we look to the House of Commons of Canada, but where our rules cover a particular matter, we must look to them first.

I say to you, Mr. Deputy Chairman, that Rule 65.(9)(b) certainly lays out clearly the status of how votes are not to be taken in this committee after 10 p.m. I think that hopefully all Members see that a dangerous precedent has been created, and I would explain further.

Just imagine if the Government and its majority, having won the vote like it did last night in committee, if indeed the very same motion were presented to rise by an Opposition Member. In theory, the bells then could continue to ring every hour on the hour and the Government's will would be thwarted.

So, Mr. Deputy Chairman, I am saying to you, and I sense, at least I hope that other Members of the committee will see that a dangerous precedent has been created, and before I move my motion, Mr. Deputy Chairman, I think that the Rules 65.(7.1), (7.2), (7.3) and (7.4) clearly outline what happens in a count-out prior to 10 p.m. I believe that these rules were used in support of the decision made by the Chair last night. I would submit that those rules are in place properly, in support of a count-out before the ten o'clock adjournment, but the motion to adjourn came after ten o'clock.

Let me further say, Mr. Deputy Chairman, never in the history of my being in this House has a dilatory motion, a motion to adjourn, ever been required to be put formally to paper. Indeed if a motion were made in the House that the House do now adjourn,

which I make on a daily occasion, I am not asked to make that motion on paper. I question why indeed that was asked of the Member for Brandon East (Mr. Leonard Evans) yesterday.

I say to you, Mr. Deputy Chairman, and I say to Members of the committee, I think an awful precedent was set here last night. I think we can correct it. Therefore I would move that the vote taken by the Committee of Supply on November 5, 1990, following 10 p.m., not be considered a precedent of the Legislative Assembly of Manitoba, and that the Chairman of the Committee of Supply be instructed to report this matter to the House.

Mr. Deputy Chairman: The Member has raised a matter of privilege to the effect that the vote taken by the Committee of Supply on November 5, 1990, following 10 p.m., not be considered a precedent of the Legislative Assembly of Manitoba, and that the Chairman of the Committee of Supply be instructed to report this matter to the House.

Mr. Minister, is this a privilege or—

An Honourable Member: Point of proceedings, point of order.

Mr. Deputy Chairman: Point of order? This will be a point of order then. This motion will be debatable.

The Honourable Member for Thompson.

* (1440)

Mr. Steve Ashton (Opposition House Leader): Well, the Member had a question, I can defer—

Mr. Leonard Evans (Brandon East): I just want to ask the Minister a question just to get it clear in my mind. What would he envisage should have happened after 10? I may agree with him on this matter, but what would have happened—what does he envisage should have happened if a Member moved that the committee rise? How would that be dealt with?

Mr. Manness: Mr. Deputy Chairman, the precedent of this House—and I know the Member would know this probably better than I would—that indeed right at that point the Chairman would be requested to make a count-out vote by pointing. If the Government did not have their Members in place, the vote accordingly would be lost to the Government, and the committee would rise.

I am led to believe that because of significant rule changes, after the language issue of '82, '83, '84, there were some changes. I would say that rules that are now written in here, never ever meant to address

a dilatory motion, that being a motion to adjourn or a committee to rise.

That is what we are dealing with. We are not dealing about a substantive motion, and they should be classified into two different areas.

Mr. Reg Alcock (Osborne): I am still not clear though what the Minister would envision happening should the situation which occurred last night repeat itself. If he reads 65.(9)(b) it suggests that the vote on the motion will be deferred until the next day.

Mr. Manness: Mr. Deputy Chairman, that is why there are two types of motions. There are substantive motions and dilatory motions. They are designed—and I am reading from Beauchesne's, page 173, Rule 559 (b)(ii): Dilatory motions are designed to dispose of the original question either for the time being or permanently. They are usually of the following type: that the Orders of the Day be now read; that the House do now proceed to order; that the House proceed to the next order of business; that the debate be now adjourned; that the House do now adjourn.

I submit, Mr. Deputy Chairman, that the motion that the committee rise is akin to that the House do now adjourn. In essence it is the same motion.

Mr. Ashton: Yes, first of all, dealing with the question of whether the motion should have been written or not, I agree with the Government House Leader (Mr. Manness). That is not standard practice in terms of adjournment motions. It is indeed for substantive motions, but is not the case for a motion that committee rise, and I would agree.

In terms of the general question, I share some of the views expressed by the Government House Leader, because I think what we are dealing with here is a situation in which our practice has been fairly clear. The practice is, as the Government House Leader outlined should have taken place, in that our rules are quite clear on page 44, when we are dealing with the rule in regard to Committee of Supply after ten o'clock.

It is very clear that the committee shall continue to sit, "and shall rise at its own discretion." That indeed is the Committee of Supply. It has always been practice, as far as I have been here, that it is the section of the Committee of Supply after ten o'clock that has control over whether it sits or not. What should have happened yesterday according to our practice is that after the vote was taken, after I had requested a counted vote, I do not believe the

procedures for substantive votes which were in place would have applied, but instead, the standard practice would have been for the Chair to seek a counted vote from individual Members of the House who were in the committee at the time, part of that section of the committee, and the question would have been disposed of at that point in time.

Now I do recognize there are some gray areas, and I suspect that this is probably part of the problem. It did arise in 1985, and I do know that there was some discussion at that time, but whatever the intent was, whatever the intent of 9.(d) and various other items that relate to the ringing of the bells, the bottom line is that the practice has been clear.

What I would suggest is that this diversion from our practice be reported to the House, that we seek a ruling from the Speaker in terms of the ambiguity between the different rules and that we look at perhaps some changes in the Rules Committee, because in defence of the staff of the Chair, there are sections of our rules that could have been read to apply to this case. My interpretation is that they should not have been, but there are sections that relate to the fact that, for example, if you have two sections of the committee sitting concurrently and a formal vote is requested that the bells ring and the Members are summoned. In fact, it is either to the Chamber or to the committee itself.

Our general practice though has been to summon Members into the Chamber, even though this is not what is stated in our rules. That is I think important, because the real difference that we are dealing with here is the distinction between the substantive motions which are clearly identified in 9.(a)(1) and (2) as not being put to a formal vote at that time, after ten o'clock, and procedural matters that are within the discretion of the committee.

I think what we have to recognize, too, is that we have particularly different rules after ten o'clock sittings, because we end up in the situation where we have in our rules provisions that allow us to bend the rules, not to break the rules, but to bend the rules if you like. Normally we go until ten o'clock, but our rules allow us to sit later, but the intent was clearly not that this be treated as a formal motion and really be at the discretion of any section of the committee.

What I would hope we could do with this is get a clear ruling from the Speaker, and if there is a diversion in his interpretation from what has been the practice, then I believe we will have to change

the rules, because I do not believe it is in the best interest of the committee Members to end up with lengthy bell ringing sessions on procedural matters after ten o'clock.

Hon. Donald Orchard (Minister of Health): Mr. Deputy Chairman, I think we are really agreeing on what has to happen after ten o'clock. The option is there for this committee to sit, and certainly everybody recognizes that maybe some people are not going to want to sit. Last night's circumstance ought not to have gone to a formal vote. It should have been taken immediately as has been mentioned already, and in that case the committee would have adjourned, because I think those wishing to adjourn had a greater number in the committee at that time.

* (1450)

How we got into the formal vote was not appropriate, because the precedent that could be set, and this may be joyous for those in Opposition today, but everybody aspires to be Government, and it would not be joyous. You could have, for instance a Minister by himself in committee at eleven o'clock, and a motion come up to reduce the salary to a buck and pass it.

That is a substantive motion that has to be dealt with by all Members of the House and cannot be dealt with after 10 p.m., so that motions on adjournment, or committee rise, and others which are not in any way taking away from the Estimate process in terms of process dollars or policy, can be dealt with by a simple show of hands. It is incumbent on those who wish to make a point to be here, and that is only fair.

Mr. Leonard Evans: Where do we go from here then? Does the MLA for Thompson's (Mr. Ashton) suggestion, is this in addition to passing this motion? I was not sure whether this was another procedure, rather than passing the motion.

Mr. Manness: Mr. Deputy Chairman, my greater concern is that if we do not undo what we did last night, that it in essence can become precedent setting, and that is why I am asking the Members to pass this motion. It is a substantive motion, it has had its own debate, and that we pass it and we refer it back to the House for greater House consideration, and ultimately if we want to add to it—I mean referring it back to the House is like referring it to the Speaker. So I think that the motion

is, in referral, does everything that the Member for Thompson had asked.

Mr. Ashton: I am not sure if we really have the ability to say as a committee that what happened did not happen or we can say it should not have happened, but it did. So I am not sure if certain aspects of the motion will be applicable, and quite frankly, in terms of precedent, if we decide as a Legislature and we change the rules, what happened yesterday is meaningless. I think that is the next step, but I am willing to support the motion. Our caucus is willing to support the motion as an expression of the general consensus that what happened last night, while it may have been and I believe it was a legitimate interpretation, I am not blaming staff whatsoever. I believe it was a legitimate interpretation of the rules. What we are essentially saying is it has not been the practice and we want a clear ruling, and then we can decide where to go from there.

Mr. Deputy Chairman: Will it be the will of the committee that this be reported to the House immediately? I have to read the motion first.

That the vote taken by Committee of Supply November 5, 1990, following 10 p.m., not be considered a precedent of the Legislative Assembly of Manitoba, and that the Chairman of the Committee of Supply be instructed to report this matter to the House.

All those in favour. Opposed, if any. Motion carried.

We are going to recess to report it to the House.

An Honourable Member: Right now.

Mr. Deputy Chairman: Right now. That is what I asked and you said immediately.

An Honourable Member: Who said immediately?

Mr. Deputy Chairman: That is what I asked.

Mr. Ashton: The intent I believe, the normal practice would be that any report made would be at the next report given by the Chair to the House, which would be tomorrow. I realize you had stated that, but the intent of the motion I think was fairly clear.

Mr. Deputy Chairman: Is that the will of the committee that this be reported tomorrow? Agreed.

Mr. Deputy Chairman: Okay, on with the business. I will start this all over again.

Will the Committee of Supply please come to order. This afternoon we will be resuming consideration of the Estimates of the Department of Finance. We will commence considerations of item 5, Federal-Provincial Relations and Research Division, (a) Economic and Federal-Provincial Relationship Branch: (1) Salaries \$902,800.00. Does the Honourable Minister wish to introduce his staff? I believe they are new.

Hon. Clayton Manness (Minister of Finance): Mr. Deputy Chairman, I would like to introduce another Assistant Deputy Minister of Finance, Pat Gannon, of this particular division. Ewald Boschmann, involved in taxation policy, and Ron Neumann who is very much involved in understanding transfers. I know he has a more formal title, but certainly I understand was the man who really understands the whole area of transfers, a very crucial important area to this province.

Mr. Leonard Evans: I had expressed an interest in the GST as a question last night. It was suggested that this would be the more appropriate place to ask it, because it involved policy consideration and so forth and also that the people in the division here had been the lead area of the department in discussions with the federal Government on the matter.

So I guess my first question is generally a broad one. What is the current status of our relationship with the federal Government on the matter of the GST? I appreciate that is a very broad question. I know what the Minister has told us in the budget speech, that we are not piggybacking—or cascading is the term used by the Member for Osborne (Mr. Alcock). I appreciate that, and I appreciate there is some loss of revenue also, but generally, what arrangements do we have with the federal Government, if any, about the GST?

Mr. Manness: Mr. Deputy Chairman, the question is extremely broad. We must remember we have a lot of technical areas where, indeed, there has to be consultation between our Government and the federal Government. There are other areas of rulings where as the lead Government department we have to seek opinions for other areas of Government. Thirdly, you have a situation where we are trying to decide what type of information we should put out so that there is a clear distinction as to our role versus the federal Government, given that now they are moving into a major new taxation field.

So I say to you and to the Member, that there are three or four major areas. I will try and cover them without taking too much time, but trying to provide the information sought.

Mr. Deputy Chairman, there continues to be ongoing dialogue with respect to interpretation of certain sections. I think mainly it is in the area of Government-to-Government relationships as to how it is that we may, in this case, not tax each other seeing that the reciprocal tax agreements in the past have sort of broken down.

Whereas we used to tax each other and then look at the net at the end, now—because we are both senior Governments—are agreeing not to tax each other, but then that leaves in question this whole problem of Government entities, or quasi-Government entities, and to use examples, MPIC; to use other examples, Lotteries, and I could go on and on and on.

There is no solid book of rules as against the decision that the federal Government will take as to whether or not they are exempt from taxation. So there is and continues to be dialogue in those areas. For instance, MPIC has to know whether or not it is subject to this tax, that there are implications of this tax which will be imposed upon it. Because there is some room for an interpretation, the Government has a role to play in that, because we want to save harmless our motorist to the degree that we can, so we do have a role in that area.

Mr. Deputy Chairman, there are other areas of concern. One has to look at whether or not the Government, given that we are a provider of services and I can think, to use an example, park fees. We are selling a service and to the extent that we may or may not, and using that as an example, I guess we are expected to impose the GST on that type of fee.

Then there is dialogue between ourselves and the federal Government as to how it is that we would be a collector of the GST, because indeed if we agree to collect that tax, and we are not saying we are, but if we do then we have to know the rules as a collector. Thirdly, you have an informational side, because we have to prepare ourselves if the GST comes into place, and there are those businesses who now are paying retail sales tax on business inputs in the Manitoba context who will be coming to us for a clear demarcation as to our spheres of responsibility, because they would probably prefer

that there would be a system in place something similar to the federal system where indeed they gain credit on those inputs.

* (1500)

We have to prepare ourselves on that front and there has to be some dialogue. You also have a situation whereby if a corporation has difficulty, and we were talking about arrears for some time yesterday, who has first claim to the assets? Do we rank equally? There is dialogue on that basis with the federal Government. I want to indicate to the Member there is a dialogue on a number of technical aspects. There is some informational and indeed there is still the critical areas though unquestionably in the gray areas as to whether or not the GST is to be applied to, for instance, those motorists insured under MPIC.

Mr. Leonard Evans: I thank the Minister for that answer, for the information he shared with us. He makes reference to the whole topic of reciprocal tax agreements. Have we signed anything with the federal Government with regard to some of these elements of the GST that the Minister has referred to? I know some are still in discussion stages. They are up in the air and so on, but have we signed anything? Is there any agreement whatsoever between the Province of Manitoba and the federal Government?

Mr. Manness: The answer straightforwardly is no, there has been no signed agreement with respect to any aspect of the GST.

Mr. Leonard Evans: You made reference to taxation of different agencies and so on, including MPIC. When would the decision be forthcoming? You said some of these things were not decided. When will they be decided?

Mr. Manness: Mr. Deputy Chairman, it ultimately—some of these very weighty decisions may not be decided, they may ultimately be decided in court. I mean you have a situation where, for instance, MPIC, you have a situation there where under the early indications provided to us by officials of the federal Government, they deemed that it was in essence a full Crown corporation and therefore would be zero rated. The technical terms is between zero rated and tax exempt, to have great meaning and impact and weight, and in the first indication from the federal Government, that our Crown corporation MPIC would be zero rated.

Subsequently over the last month, month and a half, or two months, the federal Government has taken a little different approach on that. They sense that maybe motorists should be exempt. There is quite a difference of the impact on the rate structure of MPIC, whether one goes one way or the other, and we are saying that we will honour the first indication by the federal Government.

Mr. Leonard Evans: When does the Minister then envisage going to court? Does he think that, not only on this, but some other items, that we will be employing a lot of lawyers for some time to fight Manitoba's case?

Mr. Manness: Well, Mr. Deputy Chairman, I do not envisage going to court on any specific area. Certainly though I can see if the GST receives the parliamentary support necessary to make it law, that you will be in a period of several months bordering on two years if not longer, of major challenges. I would think that if not this province, certainly some of our Crowns, and failing that certainly some Crown somewhere will be in court challenging the federal Government with respect to the application of the GST.

I cannot say specifically yes in any area, but I think generally I can answer yes to the question. It will not be ourselves taking the federal Government to court that I can foresee so much as vice versa, that the federal Government will take us if indeed, for instance, using MPIC as an example, we do not build into that rate structure some offset as against the GST application.

Mr. Leonard Evans: At any rate, the GST is creating a lot of headaches not only for consumers, but obviously for Governments.

The Minister I think made reference to the discussions specifically about MPIC. I presume there is correspondence on it. Could he share that correspondence with the committee?

Mr. Manness: Mr. Deputy Chairman, it may disappoint the Member to find out that there is no specific correspondence using MPIC as an example, that is between the federal Government and ourselves. There has been a lot of correspondence seeking interpretation as between the department and the federal Government covering a host of issues. I would say quite often as many as six or seven or eight major groupings and within those groupings are several detailed questions.

There has been a whole host of information and requests for interpretation that has traded hands. The example that I cite with respect to MPIC has just arisen over the last several weeks and there is no specific correspondence on file with respect to it, more of I think what we hear by word of mouth as we dialogue with officials and indeed as we talk to other provincial officials, so it is sort of in a rumour fashion right now.

Mr. Leonard Evans: Really we are dealing with impressions and sort of interpretations that are strictly based on verbal dialogue.

Mr. Manness: That is fair, but we found out through this exercise that when we hear something from a counterpart in another provincial jurisdiction it is matter of time that it ends up coming in to represent itself in paper in some fashion.

Mr. Leonard Evans: Normally when you ask for a ruling—and maybe we are too advanced here—but when you ask for a ruling usually it is put in writing, but I guess you are not in a position to ask for rulings because the legislation has not been passed and so on. It is technically theoretical at this point, I suppose.

Mr. Manness: Mr. Deputy Chairman, the Member answered his question in part. We have nothing to refer to in a legislative form. What we have to refer to are minutes, hand minutes of discussions that took place early on, whereby we have our notes. When we asked specific questions, we were given specific answers by officials. Those are not recorded by way of correspondence, but they are certainly well recorded in note form and in the basis in which we take some of the decisions we do, political decisions in support of the people of this province.

Mr. Leonard Evans: The Minister also made reference to the fact that the province would get involved because it is in the process—it does among other things collect fees for services rendered. I think, if I heard him properly, he used the example of provincial parks where people have to pay to go into the park. Therefore, did I understand him properly then that this has not been resolved, whether the federal Government can require the Province of Manitoba to collect 7 percent on top of the normal entrance fee, let us say, to a provincial park? Just where do we stand on that? Are we being told that they are going to require us to do that?

Mr. Manness: Mr. Deputy Chairman, there is still an awful lot of uncertainty in this area, but different provinces are looking at it, I suppose, differently. There are some provinces that are saying there is no way one Government can expect them to collect the tax or can force them to collect another Government's tax, in this case the GST. Yet some of those same provinces are prepared to collect and put it to trust while, of course, obviously there will be some judgment rendered in a court case.

We have not indicated formally to the federal Government that Manitoba is prepared to collect or not collect. However, given that there are being requests made of our departments who do provide services and there is being some pressure exerted upon them that they begin to implement a system of collection, we feel where we have no alternative but to at least explore the ramifications of setting into place a process even though we may not adopt it. When I say, setting into process, I mean building theoretically a process even though a decision to implement has not been made. Certainly no commitment has been made to the federal Government.

Mr. Leonard Evans: When one thinks about this, there is an enormous array of fees that the Manitoba Government levies—-(interjection)-

Mr. Deputy Chairman: Order, please. Could the Honourable Members please take their conversation out in the hallway. We are having trouble hearing. Thank you very much.

Mr. Leonard Evans:—all kinds of fees, you know, Land Title Office fees. The fees—

Mr. Deputy Chairman: The Honourable Member for Brandon East, could you bring the mike a little closer. We are really having trouble hearing you.

Mr. Leonard Evans: Yes, Mr. Deputy Chairman, there are a whole host of fees and charges levied by the Manitoba Government from day to day in the normal course of its business. You go to the Land Titles Office, you are required to pay a fee for various services. In the mining field obviously there are all kinds of fees—drivers' licences, for example, various licences for hunting or fishing or trapping, and I am sure there are all kinds of licences in the field of health. I cannot think of all the examples, but the question is, are we entirely up in the air with all of these? I would imagine the answer is yes, we are up in the air with all of these. So again, this is a hypothetical question. If the legislation should pass

the Parliament of Canada through all the stages that it has to, which means the Senate and then approval by the Governor General, and it comes into effect at the beginning of the year, then are we prepared to collect on behalf of the federal Government the 7 percent on all these provincial fees and charges?

* (1510)

Mr. Manness: Mr. Deputy Chairman, we are moving down to that final point of decision. We have not made any decision at this point. I guess at this point we are building the case to prepare for that policy decision. We are building the case as we try to get a better understanding of what is exempt, for instance, drivers' licences and land titles, to use the examples, are exempt, so we will not have to collect. But the Member is right, there are a whole host of other areas under the legislation as we understand it now that somebody has to collect. We are trying, firstly, to put at ease the departments as to their responsibilities in this area. We are trying to gain a better understanding of how a collection system may work. We will bring all that information forward and ultimately decide whether or not we will collect, on behalf of the federal Government, the GST.

(Mr. Eric Stefanson, The Acting Chairman, in the Chair)

Mr. Leonard Evans: Mr. Acting Chairman, has the Minister considered the possibility of refusing to collect the 7 percent on these various provincial fees and charges, and has he thought out whether there would be any legal consequences? In other words, if the Province of Manitoba refused, for example, to collect 7 percent on say a hunting licence would it be subject to legal action by the federal Government?

Mr. Manness: Mr. Acting Chairman, we have not, I guess, looked at it in that fashion. We have not made the decision to collect. Ultimately, we will, as a policy decision, be forced to make the decision one way or another. I can assure the Member that the decision not to collect is not so simple and certainly is not an isolated decision. Because if we are not prepared to collect, I am sure the federal Government will extract some measure of equal treatment with respect to transfers in another area.

The simple decision whether to collect or not is not a simple decision; it is one that is just steeped with other political considerations and indeed revenue considerations as to what is in the best well being of the province.

Mr. Leonard Evans: Certainly it is a horrendously complicated issue and, as the Minister suggests, there are obviously a lot of political ramifications in the whole area and whether politically it would be wise to refuse to collect the 7 percent tax and let the Government of Canada do what they will then that Government would have to suffer the political consequences. I guess the province would be losing some revenue then because the 7 percent would be coming from the consumer, from the citizens, not from the Government of Manitoba, whereas if they extracted it in terms of a deduction from some kind of a transfer payment then it would come directly from the revenue, so the Government would be the loser.

At any rate, I do not envy anyone who has to administer the matter. I hope—and I am sure the Minister shares this—it comes to pass that the GST disappears, but I am not that optimistic. So there is a great deal of uncertainty.

On the informational side, again, the question arises: What about getting ready to advise the people of Manitoba who are affected in all of these areas, not only the departments, but what about all the people out there, all the businesses out there? Is the Government of Manitoba preparing pamphlets and leaflets and information sheets, et cetera, to hand out to the affected citizens and affected businesses?

Mr. Manness: Mr. Acting Chairman, this again, provides another difficult decision to Government. Obviously it is the federal Government tax, and obviously it is their job to send out all the information circulars. The judgment that we have to make is to what extent are our retail sales tax filers going to be requiring additional information to safeguard the integrity in the amount of retail sales tax that comes to us? That is a judgment call. Because if we believe that there is going to be confusion and conflict, and that we are not protected in our side and, clearly the retail sales tax revenue field is not protected because of the overlap of uncertainty and bad mistakes and errors that may be made, and the retail sales tax ends up losing, then we all lose.

So we have a role in here, we just cannot hold our hands over our eyes and say to the federal Government: You do it all. They will do what they want, we could care less, but what I am saying is that we may very well have to decide to build information that will safeguard the integrity of our retail sales tax.

Mr. Leonard Evans: Well, I can imagine that it would be very, very difficult for the federal Government to collect certain taxes if the Province of Manitoba refused to, for example, hunting licences. I cannot imagine how the federal Government can go about doing that. However, this is something for speculation.

I believe the Member for Crescentwood (Mr. Carr) wishes to ask some questions because he has to leave thereafter, so I am quite prepared to yield the floor to him. I have questions later, more or less of a more general nature, as opposed to administrative.

Mr. James Carr (Crescentwood): Let me first ask if it is appropriate that I ask the Minister questions on the Crown Corporation Council at this stage of his Estimates?

Mr. Manness: Mr. Acting Chairman, I see the Member for Osborne (Mr. Alcock) wanting to refer to some line in the Estimates and it touches with that. I was not aware that there would be any dollar commitment in my estimates that would in any way approach the consideration, or the expenditures of the Crown Corporation Council.

Mr. Alcock: Just on that matter, Mr. Acting Chairman, there was a discussion yesterday that we would leave matters of policy to this division. This is the Provincial Relations and Research Division and there was considerable discussion as we went through line-by-line and when we came to global issues the policy questions were best left to this division.

Mr. Manness: Mr. Acting Chairman, if the Member is talking about general, I mean, cover-the-waterfront type of policy questions with respect to the Government, those questions, in that free-for-all, would have to be directed toward the Premier and myself on this particular area, Crown Corporation Council once that Crown comes before a standing committee, and we are prepared to bring that Crown before a standing committee if it has been inadvertently, and it probably has been, left off that list. It should be on it and I have no problem in bringing it before a standing committee of the Legislature because that is the proper place. There is absolutely no connection as between the Department of Finance, either in a line-by-line activity or indeed by way of policy. The only connection is that I happen to be the Minister of both; they are really basically two worlds apart.

Mr. Alcock: The Minister also does sign some considerable loans that are done on behalf of organizations under the scrutiny of the Crown Council.

Mr. Manness: Mr. Acting Chairman, that is drawing an awfully long bow. The Member can put those questions in Loan Act, he can put his questions in any standing committee dealing with an annual report of a Crown, at which time, if I am in attendance, I will be more than happy to respond.

Mr. Alcock: If the Minister is afraid to answer those questions now we could leave them to another period. I would like an undertaking from him as to when he will call that Council before a Committee of the House?

* (1520)

Mr. Manness: Mr. Acting Chairman, I do not like the words the Member has used. I am not afraid of answering questions; I think I have demonstrated adequately to Members of this House I have never feared answering questions and for the Member to say that I am afraid to— If there are a couple of questions, and if it is the will of this committee that we digress, I have no problem, but if it is going to get into long drawn-out specific questions, all the Finance officials are here and not one of them is in a position to deal with specifics, policy specifics, policy questions dealing with the Crown Corporation Council; that is the only point I am trying to make.

The Acting Chairman (Mr. Stefanson): My interpretation would be that under this section we stick with the basics of what is detailed on page 71 of the Estimates. The Honourable Member for Osborne.

Mr. Alcock: Okay, now perhaps I can continue with the line of questioning that the Member for Brandon East (Mr. Evans) was undertaking. This division, as I understand the functions that this division carries out, in addition to the federal-provincial negotiations, there is also an element of research looking at the impact, looking at some of the policy implications of certain decisions that might be taken. I note that the Province of Quebec has moved to broaden its provincial sales tax base to merge it with the GST as it is being proposed. Has that possibility, and I know the Minister has answered the question that is not a policy decision of this Government by any means, I am just asking has research been done to estimate the impact of that on Manitoba?

Mr. Manness: Mr. Acting Chairman, yes and no. I will say no from the perspective of hard, hard research looking in detail at the service industry, which is now included in the federal base and the impacts thereon in a revenue sense on the province were it to adopt the total federal base, I would say no. From the perspective of broad, very broad numbers, yes. Long before, I would say back when this talk on the national sales tax was first initiated, basically through '88 and part of '89, but certainly not over the last year or year and a half.

(Mr. Deputy Chairman in the Chair)

Mr. Alcock: I note, I believe I am correct, that the Province of Quebec has reduced its provincial sales tax by some 2 percent as a result of this move. I am wondering if there is a sense of what a comparable move would be here in Manitoba.

Mr. Manness: Mr. Deputy Chairman, again I would give some indication to the Member that we have not done the analysis in that type of detail which would ever allow us to come out and say what might be the case if we were to harmonize bases. I can indicate to the Member that I know enough about Quebec's existing base as compared to Manitoba's that using Quebec as a measuring stick, and for what we know, and we do not claim to know everything as to the agreement between Quebec and Ottawa, because there are an awful lot of unknowns. What we do know basically about the Quebec base as compared to our own, and using the same methodology in place, I would have to think that if we harmonized the reduction in our provincial sales tax would not be in the 2 percent magnitude, it would be a number somewhat less.

Mr. Alcock: How much less?

Mr. Manness: Mr. Deputy Chairman, I will not put a number to that, because again the analysis has not been done in detail. I think that once I even speculated, that then would become a number that would possibly be on the street, and I would then have to spend countless hours trying to defend a number that I really have no confidence in, so I refuse to even speculate on that number.

Mr. Alcock: The Minister, if I understood him correctly when he was talking about the general ongoing discussions between the federal Department of Finance and our own, mentioned a desire on the part of business to receive credits for inputs. I believe he was saying inputs that would be subject to PST, that there was some interest in

receiving tax credits relative to provincial sales tax. What is the status of those discussions?

Mr. Manness: Mr. Deputy Chairman, I brought it up because I see it as being a point of discussion over the years to come, and there is no doubt that as a province we determine a significant portion of our sales tax revenue as a result of the application of our retail sales tax on production machinery, and indeed far beyond that, on all input costs.

There are two issues here. There is the application of the retail sales tax on production machinery and the other issue is that under proposed GST, entities, corporate or non-profit for that matter, will be able to apply for a credit as against all input purchases.

We are talking about two different issues, but certainly in the sense that businesses and non-profit organizations were wanting to apply for a credit as against their input purchases similar to the proposed GST and bring that back to a provincial system, it would have significant impact on the revenues we attain under retail sales tax.

Mr. Alcock: One of the concerns that has been raised by small business as well as larger corporations, but certainly in the small business community, is the complexity of the two tax system. I know the Minister has shared concerns about that with the House both publicly and privately in the past.

Given that they are not going to create a single tax—that appears to be the policy decision the Government has taken—what actions are they taking to minimize the compliance cost to business?

Mr. Manness: Well, Mr. Deputy Chairman, given that some Members opposite would highly chastise us for even trying to enter into a dialogue with the federal Government to try and remove any area as a redundancy, we still are doing it.

As I have said on many, many cases, if we can find an area, in spite of our opposition to some of the basic principles of the GST, if we can still find an area that is going to reduce the costs to our businesses, we will take the political heat from Members opposite. We will try and expose that and see it removed as an additional cost of doing business.

Specifically, we sense that even applying our retail sales tax alongside the GST, listening to the representation made by the Canadian Federation of Independent Business, that we are helping, just

taxing alongside in some cases, remove some of the confusion and, therefore, some of the paperwork. Beyond that, we are still trying to clear out these rules of who has first claim to securities.

Indeed, if there are arrears, it is another element of again trying to reduce cost and uncertainty. There are probably many more. If the Member wants more examples, I will try and attain that for him. But you know, we are trying to do what we can to remove complexity.

Mr. Alcock: I should say I would not be one of those who would be quick to criticize the Minister for looking at ways to solve this problem. I think, should this tax come in, there is going to be a significant burden on small business in this province.

Let us just for a moment talk about the tax credits under the proposal. People will begin to, if the Government proceeds, receive the tax credit payments, I believe, in the latter half of December. That is when the first ones are to be paid?

Mr. Manness: Mr. Deputy Chairman, what we know is what we hear on the public media, just like the Member opposite. We have not been given advance warning as to when these monies may flow, if they flow.

Mr. Alcock: I see today through a copy of an Order-in-Council that there has been a decision made of how to treat that credit as far as income security programs calculations of income go.

I am wondering, if there have been other decisions made as to how that payment will be treated?

* (1530)

Mr. Manness: I know what you mean, Mr. Deputy Chairman. Other decisions, yes, we have made the decision in Order-in-Council, because under the strict accounting, under the strict provisions of the Act dealing with social security, we have indicated that these credits can be received and not attached or attacked. I do not know if that was the request that emanated out of Ottawa or where that came, but certainly Executive Council has adopted that approach, given that the GST comes to be.

Mr. Alcock: I think that was a very good decision. I think it was an important decision, given who those tax credits get paid for. As you get up the ladder, for those people who are the working poor who will still receive those, depending on the amount of income, will there be any exemption for this additional

income or will it be treated within the taxable income of people who receive them?

Mr. Manness: Mr. Deputy Chairman, the Member is asking me to break down the income tax system, which says, as you receive, you shall pay. It is income to be treated no differently from remuneration from wages or commissions or profit or interest. I do not know how one can discern. It is a source of income. -(interjection)- That is right.

I am reminded these are tax credits, so they will flow through the tax form, and they are only received if indeed the level of income is at a certain level. If the federal Government, in their wisdom, decides that they want to raise the level or drop the level, then their greater benefit—raise the level before it starts to be eaten away by the tax rate, then they will make that as their policy decision.

Mr. Jerry Storie (Flin Flon): Mr. Deputy Chairperson, I apologize for not being here earlier. I was in the other set of Estimates. I am wondering if we could just move back, with the Minister's permission, to the mining tax area. I am wondering whether the Minister can indicate—

Mr. Deputy Chairman: He will need the wish of the committee. What is the wish of the committee? Agreed.

Mr. Storie: This is sometimes a flexible process and Members' questions generally get asked when they can make themselves available and if not, they get asked under the Minister's Salary. So they are asked sooner or later.

In terms of mining tax in the province, can the Minister indicate whether he has any revised numbers in terms of the anticipated revenue from mining tax in the Province of Manitoba?

Mr. Manness: Mr. Deputy Chairman, the latest numbers I believe are those that I published in the budget and I forget what that number is—118 or I wish it were 118, pardon me—\$43.5 million.

Mr. Storie: Mr. Deputy Chairman, the Minister I believe has at his discretion the right obligation to set aside as much as 3 percent of the mining taxes into the Mining Community Reserve Fund. Can the Minister indicate in the last three years how much has been set aside, and whether in fact the 3 percent will be set aside this year?

Mr. Manness: Mr. Deputy Chairman, I do not think the decision has been made for this year yet. Maybe my colleague, the Minister of Energy and Mines (Mr.

Neufeld), who brings forward that request to Cabinet, could help us somewhat. Certainly the year we had the massive amount that did come in ultimately—we were shooting for 180 and I do not know what came in—120 or 130?—we certainly allocated 3 percent of that total in that year, so this year I imagine it will be considered on its own once this year closes, and that will not be until, of course, after March 31, 1991.

Mr. Storie: Mr. Deputy Chairman, the Minister will recall that in the budget that was defeated in 1988 there was provision for a Mining Community Development Fund that would have seen 5 percent of mining taxes go toward this fund to assist mining communities in trouble. It was introduced at a time when, as the Minister well knows, mining communities were experiencing substantial increases in base metal prices and the Minister at that time, in his wisdom, I guess, voted against the establishment of that kind of a fund.

Subsequently, of course, two mining communities closed, the community of Sherridon and Lynn Lake and those communities were left without I guess adequate protection, either for the workers or for the investment of people in the communities. I am wondering whether the Minister can indicate whether the Government's policy has changed in terms of developing programs to protect single industry towns?

Mr. Manness: Well, Mr. Deputy Chairman, I would ask that the Member pose this question also to the Minister of Mines and Energy (Mr. Neufeld) in his Estimates because he probably is a little closer to it. I am well aware of the amount of money that is in the account right now; I believe it is upwards of \$10 million. I am aware that there are many applications that come in that money be spent out of it and this Government has taken the approach that if they are legitimate economic development we would be more than happy to spend it.

If the applications are coming in for the sole support to maintain infrastructure, or just to maintain the status quo, without any thought of how it is that the community and/or a proponent therein or indeed the Government, is going to work toward a new initiative, then the money is not forthcoming. There are a million ways of spending that money, I can tell you. Whether or not quite often there are three or four good ones that will cause wealth to be created is always the question and we have taken a pretty firm approach on that. I guess we do not apologize

to anybody, but the decisions that are made around money spent out of that fund are made basically on pure economic development, and we are looking for proponents to come forward. If the Member is saying, well Government is the one that should develop the thought process around that, that is where we differ philosophically because we do not claim to have a monopoly around that area.

Mr. Storie: We are certainly not talking about a monopoly, Mr. Deputy Chairman. My question, however, is that if the Minister can put himself in the shoes of the people in Lynn Lake, as an example, who have watched the coffers of Government increase by hundreds of millions of dollars and at the same time requests to stabilize the community, to help support economic development, to offset the damages that are being felt by individual families, individual workers, I guess they have a lot of difficulty with the suggestion that this fund, the Reserve Fund, can only be used for economic development. Where is it written that is all it can be used for?

Mr. Manness: Mr. Deputy Chairman, that was the basis on which it was sold to me principally when we were in the House I believe when we discussed it. It is easy to rush out and support infrastructure, but there are other departments of Government who rightfully are to be there during difficult times. To say that the proceeds of the mining company belong purely to those who have done the mining in a certain town is not correct; they belong to all of the people of the Province of Manitoba.

* (1540)

Although I know it is hard, it is cold comfort to those who have experienced a change because of the economics of an industry, and who have seen some personal loss with respect to some of their own equity investment. Still, as I understand that account, if it is not put to the use of creation of additional wealth for those people who choose to remain and/or those who are coming, then indeed it will be spent, and there will be nothing to show for it. So I think that is the general approach. I know my colleague might like to comment on this, as is his right.

Hon. Harold Neufeld (Minister of Energy and Mines): The Member for Flin Flon (Mr. Storie) is aware that considerable monies were spent from the mining reserve for the assistance for miners who wished to relocate. There was a considerable

number of dollars spent on aiding the town or the LGD and for the support of 1990 infrastructure. I think there is a promise for an additional support of some \$80,000 for 1991 if memory serves me correctly. So there have been a considerable number of dollars spent.

I would like to repeat what the Minister of Finance (Mr. Manness) has already said, that if the monies to be spent are to bridge a gap that will permit the town to continue as before, that is one thing, but to finance infrastructure or finance town spending or LGD expenditures with no hope of economic improvement in the future, I think is quite another.

Mr. Storle: Mr. Deputy Chairman, yes, just so the Minister understands my position and the position of the New Democratic Party, no one was suggesting that somehow all of the revenues that were raised through mining taxes were to be somehow funnelled back into northern Manitoba. What we are saying is that the Mining Community Reserve Fund, which comes from mining taxes, was set up specifically to assist mining communities.

If the Minister or the Minister of Energy and Mines (Mr. Neufeld) had cared to check the record of expenditures from the mining community reserve fund, they would have found that, yes indeed, funds have been used for very diverse purposes. They include support for housing, infrastructure, community works, many different kinds of projects over the years. It is expected of course that there will always be additional funds used from mining taxes to replenish the fund and to increase it.

What is disconcerting is that we have had, in the last couple of years, rather traumatic experiences in two communities where it does not appear that any real initiative was undertaken to either support the communities or the individuals. The Minister mentioned some support for relocation. The community now is faced with the dilemma of whether or not to close the recreation complex simply because there are no funds. The community was promised \$100,000 for economic development more than a year ago now. None of that money has been forthcoming.

The point I am making, Mr. Deputy Chairman, is that if the Minister of Finance has any say in how or whether proposals that come from mining communities are supported, then I suggest that he had better visit the communities in question to ask

them whether they believe that there is need for support from this program.

The community of Snow Lake, which very nearly was a disaster site in the fires of 1989 is still seeking a way out of the community other than the single road access. They are waiting for the completion of their airstrip. A community where 85 percent of the people gain their employment from a mine where there could be a significant disaster, has no means of evacuating the people quickly. They believe that the Mining Community Reserve Fund may be a source, is a source, of money for the completion of the airstrip.

In Sherridon they are suffering from the remains of a mine that ceased to operate in Sherridon in 1952. Their water is becoming polluted. They are waiting for some mitigating measures to stop the pollution and make sure that they have safe drinking water.

The Minister asked what we did. Yes, we did spend some money from the mining community reserve, some \$93,000 to begin the process, attempted to stem the problem by constructing a dike. It did alleviate some of the problem, but there is another step that needs to be undertaken.

Mr. Deputy Chairman, the point I am making is that this fund was established not for the sole purpose of providing incentives for some other mining company, it was there to support mining communities and the individuals in those communities. The people in northern Manitoba are extremely frustrated at being denied access to a fund that exists for the purposes that I have talked about.

I would encourage the Minister to perhaps first visit the communities and talk to the mayor and council at Sherridon, the mayor and council in Lynn Lake, about what they expect from this fund and from the Government in terms of utilizing mining taxes. The North feels quite often that it is being abused in terms of the wealth that it has created and the money that comes back.

Mr. Neufeld: I would like to respond to the three areas that the Member for Flin Flon has mentioned. Firstly, he mentioned the hundred thousand dollars promised to the LGD of Lynn Lake for economic development. That hundred thousand dollars has indeed been transferred to the Minister of Rural Development (Mr. Penner), as the LGD of Lynn Lake falls under his jurisdiction. He is the one that

will be accepting proposals from people within Lynn Lake for economic development. I would have to ask him to see if any proposals have come forward.

As far as Snow Lake is concerned, I do not believe it is within the authority of the Minister of Energy and Mines to decide whether or not a landing strip is necessary. I think, first of all, it falls under the jurisdiction of the Minister of Highways and Transportation (Mr. Driedger). It could well be that if the Minister of Highways and Transportation decides that a strip is necessary the funds could be obtained from the mining reserve, if it is deemed appropriate by Cabinet.

As far as Sherridon is concerned, we too have spent some money, I believe, out of the mining reserve, since we took office, for the tailing problem. Sherridon is not in the same, and should not be spoken of in the same context as Lynn Lake. Sherridon was a mining town that ceased operations back in 1952, I believe, and then started up again in about 1987, and operated for a year, possibly. It was never really revitalized so I do not think we should think of it in the same terms as Lynn Lake.

Mr. Storie: The Minister may not want to look at it in the same light as Lynn Lake, but if the Minister had been involved and had discussions with community representatives prior to the opening of the Puffy Lake mine, which was a gold mine, he would have known what that meant to the community. If the Minister would talk to the business people who built new facilities in anticipation of influx of people, a steady work force; if he talked to the people who built in the community or moved to the community, he would perhaps look at this somewhat differently.

My final question is to the Minister. Is it the Minister's intention to move 3 percent as is allowed under The Mining Tax Act to the mining community reserve fund?

Mr. Manness: We take our recommendation from the Minister of Energy and Mines (Mr. Neufeld) and Executive Council.

I can tell you to this point in time, as we have discussed this matter over two years now, it has never been a long discussion. We have always seen the wisdom of making that allocation. I cannot foresee a reason why we would not the next time it comes around.

Let me say though to the Member—and I do not want to prolong this debate, and just talking probably will. I guess we all put different—using his examples, he could take those examples, he could expand them a thousandfold.

* (1550)

What we found out for instance was that there was something—to use another example, there was the Co-operative Trust monies account or something. It was left over from the Canadian Wheat Board days. It was purely an agricultural funding, a fund that occurred when the pools wound down and/or there were some monies left over and was set up by the Canadian Wheat Board or something. I do not know. The Government of Manitoba has been asked to administer that for 50 years.

I could not help but notice that the former Government decided to take the Co-operative principal—and the source of that money was the Co-operative principal rural farm. They decided to take the proceeds—I think there was a third of a million dollars in the account and it pays off a little bit of dividends. The Government of the Day decided to take and divert that funding into the promotion of co-operative housing. Now that is drawing an awfully long bow, and I am saying Governments do that.

If Governments wanted to do that with respect to the Mining Reserve Fund, I would say to the Member for Flin Flon (Mr. Storie), that \$10 million could be spent in one Cabinet meeting, because the needs are up there and the needs are in the North. They are genuine and they are real, but that is how quickly the \$10 million could be spent.

I would have no argument with him that it would not be spent well in most cases. I mean, if you do not put some self-discipline on yourself, then you know there is no fund to draw from when there is a legitimate proposal come forward to provide another activity to a mining community which no longer has a source of ore or whatever.

Mr. Storie: Mr. Deputy Chairman, no one is asking the Minister to spend the \$10 million. In fact the three projects I just referenced would not spend the interest on the \$10 million, and those projects have been on hold now for two and a half years.

An Honourable Member: We did not have \$10 million in that two and a half years.

Mr. Storie: Well, the projects have been on hold and are being considered by the Government.

The fact is that the interest on the fund would more than adequately cover the projects that we are talking about. I am not asking the Minister to go out and frivolously spend \$10 million. I am saying that there are at least three projects that this Government has been sitting on that could be funded legitimately by this fund. I would ask the Government to spend wisely and to meet with the communities and decide when those projects are going to be funded.

Moving along, Mr. Deputy Chairperson, can the Minister indicate whether any provision has been made in this year's Estimates for the funding of the Hudson Bay Mining and Smelting modernization?

Mr. Manness: Certainly not in my Estimates, and I do not believe in any Estimates. If I am wrong, Mr. Deputy Chairman, I will bring the word back, because it is certainly not in these Estimates.

Mr. Storie: Might it be, or would it be normally under The Loan Authority Act? Would that normally be where you would find that kind of funding?

Mr. Manness: Well, Mr. Deputy Chairman, it depends on the form of the agreement. Certainly if a loan guarantee of some sort is required, then, yes, it would have to come under a commitment authority in the first case, and then it is transferred over to loan authority.

Mr. Deputy Chairman: We are dealing with item 5.(a)(1) Salaries \$902,800.00. Shall the item pass?

Mr. Storie: Those were the only questions I had on the mining tax. The Member for—

An Honourable Member: If you are talking about the mining tax, that is already passed. So we are going back to—

Mr. Deputy Chairman: That is already passed. We are going back to Salaries.

Mr. Leonard Evans: Mr. Deputy Chairman, we were talking about the GST previously under the Federal-Provincial Relations and Research Division. I had a couple of more general questions which I think are appropriate for this area, and that is: Has the Minister any study, any report on the economic impact of the GST, the 7 percent tax that is supposedly coming in on January 1? I would think that would be some kind of research that would have to be engaged in, even as part of a budget preparation process.

Mr. Manness: Mr. Deputy Chairman, I just wanted to make sure that I revisited my own understanding.

I want to indicate to the Member that the big hit is on the fiscal side on the provincial Government, and there we sensed that the loss is certainly in the \$80 million range.

As far as the impact on the economy, we do not accept the federal Government analysis which shows—it seems to me—positive growth at 2 percent or something. We do accept the argument, though, that as a region, as a province within a region, if there is to be any positive impact, we probably would be more likely to share in it than any other province, but when it comes down to the amount of growth or the lack of growth or the hurt, looking purely at the economy, we feel it would be more or less even.

Let me explain this. Even though there could be upwards of \$100 million that would be leaving the economy in the sense of a new tax on services particularly, what we would have is an offset as against the production of goods. The economic stimulus that would theoretically go with that would provide some additional economic activity. So we sensed it would be basically flat as far as economic impact on the Province of Manitoba.

You must remember that this money that leaves Manitoba just does not disappear. It is returned in some fashion or form to the province whether it is in the form of transfers or indeed whether it is in the form of support to those individuals who are of need. So the money just is not forever gone—or indeed it comes back by way of those lending money to the federal Government by way of Canada Savings Bonds. So these are very hard. You need a major input-output analysis table to work through this, and we do not have that. I am indicating to you, federal Government claims that there would be a significant positive impact on the province are not accepted by this Government.

Mr. Leonard Evans: I do not know whether I agree with the Minister when he says, well, this money is going to be returned to the province. Obviously, we do get transfers from Ottawa and we get various payments, but we presume we get them on a basis of some kind of formula. We have been getting them without the GST. I do not see where the collection of the GST suddenly commits the Government of Canada to pay additional monies to the provinces, to the Province of Manitoba. If \$100 million is leaving, surely you are not inferring that the present Government or any future Government is going to

turn around and provide \$100 million to make up for that.

Mr. Manness: Well, Mr. Deputy Chairman, I am not going to go through the theoretical argument. I guess if the Member wants—and I hesitate to say this, because then I become a proponent of the tax, but certainly a significant portion of the revenue that seems to be leaving will be coming by way of tax credits.

As our general make-up of our population has lower incomes than the average in Canada, I would have to think that we would receive a proportionate—above a proportionate—amount of money under the tax credit system. That represents in most cases a direct cash flow back to this province. So I have not taken the time or the effort, and I believe we do not have the time and the effort, or the time and the revenue at our disposal to follow all those flows. I sense that when it is all said and done Manitoba is basically flat.

* (1600)

Mr. Leonard Evans: I am not sure whether I understood the Minister's earlier comment about economic stimulus. I was not clear. He said it was being offset. You know, there is a negative impact of \$100 million that leaves the province. I see what you are talking about, about credits, but you were also earlier referring to some sort of offsetting and that there be some economic stimulus. I do not know what you were talking about.

Mr. Manness: Mr. Deputy Chairman, the only people who have models on this are the Conference Board, Informetrica and the federal Government. They are the only people who have in place input-output models that try and trace all of these flows of economic activity. I do not claim to have a lot of trust in the federal model, but I have to as a subscriber—as a federal Government, and as a provincial subscriber—believe that if a model is worth anything, that the Conference Board of Canada model has some merit. It is on the basis of what their conclusions are that I have to sense that in a relative sense, whether one believes the numbers or not, Manitoba, after this tax is implemented, would be at least not worse off than other provinces.

Mr. Leonard Evans: Mr. Deputy Chairman, it may be fine to say that we will not be worse off than other provinces, but we will be worse off, it seems to me. Let me ask a little bit more specifically. I was asking

you about the impact on the economy. What about the specific impact on consumer spending in Manitoba? It would have to be negative . . . I refer—I do not have the Conference Board's latest report on the provinces, but their federal or their national Canadian outlook as issued in the fall, issued in—

Mr. Deputy Chairman: Order, please. Would the Honourable Members wishing to carry on a conversation please carry it on out in the hallway. We are trying to hear what the Honourable Member for Brandon East has to say.

Mr. Leonard Evans: Well, if the Minister for Agriculture or Northern Affairs does not want to hear, he can leave too.

Mr. Deputy Chairman, when I look at this report, it says that when the GST takes effect, consumer spending will drop significantly. That is the statement in the report. My question simply is: Do we have any idea to what extent consumer spending will drop in Manitoba?

Mr. Manness: Mr. Deputy Chairman, there is no question the consumer spending is going to decrease. I mean, every tax in the land, every tax that the former NDP Government imposed caused consumer spending to drop because there was less disposable income to work with. I mean, that is the very nature of taxes. Taxes remove disposable income. You cannot have it both ways, so it is a given that consumer spending is going to drop. I have not done the analysis to try and find out how much, but it certainly is not going to drop by the full impact of whatever the new formula is, because, of course, there again will be these tax credits that will come to the more needy in our society as an offset against the tax they are now paying. So, I am sorry, I cannot give him that answer.

Mr. Leonard Evans: Mr. Deputy Chairman, I am surprised that there is no debate on consumer spending dropping. We all agree to that, your Minister saying it is a rational conclusion. I am simply asking: Do we not have any study on this? I would have thought that you would have to make some estimates to come up with your budget. If you are coming up with revenue estimates next year based on taxes, then you would have to have some built into that, would have to be some estimate of what happens to consumer spending in the Province of Manitoba.

Mr. Manness: Well, Mr. Deputy Chairman, the Member is not right at all. I mean, that is one of the

reasons why we took out of the sales tax revenue figure for the last quarter of this fiscal year. We took out more than a nominal amount to reflect the expected drop in our own retail sales tax revenue as a result of there being a lesser degree of disposable income. So we are cognizant of it, but again, we do not have the models, indeed no province in the land has the models that can measure the impact of consumer spending so accurately. So the Member wishes to chastise us; so be it, but I want him to know that he probably then should chastise every provincial Government in Canada.

You know, we would have to split it down by income grouping. I accept those that say the impact of the GST on those under 30,000 in the federal analysis is more or less accurate, that there will not be a negative impact. How can there be when two-thirds of the disposable income of those under 30,000 is safeguarded because the tax is not applicable? I am talking now about food, and I am talking about shelter. The other third of their disposable income is now going towards consumer goods, a portion of which no longer having a 13.5 percent tax imposed against it but now a 7. So I would think those under 30,000 are saved harmless.

Once one goes above that level, then one would have to do the analysis on the basis of income levels at certain degrees, and that is a very sophisticated analysis. It takes a lot of time and effort. We do not have the resources to do that, but nevertheless, we do recognize that there is an impact, and we reflect of that in our sales tax revenues for this fiscal year.

Mr. Leonard Evans: The Minister is quite candid in saying he does not have the resources in his department to do these studies, but nevertheless, he and his department had to pick a number. They had to pick some numbers to come up with your projections of revenue. I mean, whether you are right or wrong—he may be admitting that it is not a very sophisticated process; I accept that—but I am simply saying, at some point, numbers had to be plugged in along the line to build up this budget document, to build up the estimate of these revenues.

Mr. Manness: Well, Mr. Deputy Chairman, a lot of different decisions go into trying to determine forecasted revenues. I mean, we have a situation in agriculture whereby the bins are full, we cannot move any grain off the farm. That has an incredible impact on the revenues of this province. We have to make a subjective judgment. Believe me, we cannot

run that through a detailed model that would provide us an answer. We have to make a determination on the rate of interest that is going to exist in the rest of this year, because obviously that has an incredible impact on spending.

So, Mr. Deputy Chairman, we make subjective estimates and judgments in those areas as we have done on the GST, and we come out with our best guesstimate of revenue flows for the whole year. I want to indicate that we have downgraded our revenue estimate, certainly in the retail sales tax area, to reflect subjectively, to reflect a loss in revenue as a result of the implementation of the GST.

Mr. Leonard Evans: So is the Minister telling us he is not prepared to share with us his best guesstimate of the drop in consumer spending in the province? Admittedly subjective matter, as he has clearly indicated to us, but nevertheless it is real, because it had to be utilized for the preparation of the budget.

Mr. Manness: Well, Mr. Deputy Chairman, the Member is really asking us to break it out. I guess if we were looking at doing it in an economic model sense, do a regression analysis as to which of the variables have a greater impact—if he wants us to go through an exercise—very, very broad—on how it is that a number might be presented, we will attempt to do that over the course of the next few minutes.

Mr. Leonard Evans: That is fine. Thank you, Mr. Deputy Chairman. I thank the Minister for his offer.

* (1610)

I would like to ask another question related to that. Do we have any idea of the impact on the rate of inflation in the province caused by the GST? This is another reference made by the Conference Board. It is a very obvious reference one would make, obvious conclusion one would come to that the GST will cause consumer prices to be higher. I mean, in terms of what the consumer spends, he/she is looking at some inflation of prices. Then I am not sure what the multiplier effect is. Do we have any idea in our research as to what impact this will have on the degree of inflation in the province?

Mr. Manness: Mr. Deputy Chairman, we are well aware of the—it seems to me the federal Government said 1 percent and a little bit; the Conference Board said 1 percent and a little bit. We have chosen to decide that the impact will be greater than that, and I think we have been in the area of

1.5 percent and somewhat above that. I do not know whether we have taken it as far as 2 percent.

Mr. Leonard Evans: Is the Minister saying then between 1 percent and 2 percent inflation in the year 1991?

Mr. Manness: We acknowledge that it will be 1.5 percent plus.

Mr. Leonard Evans: You know, it is a difficult exercise, and it almost becomes who is best at guessing, but still if you guess, you want to guess based on whatever data you have available, whatever knowledge you have of the economy, whatever statistics you have available to utilize.

One reaction to the implementation of the GST may be on the labour scene whereby unions, workers may be demanding higher wages to compensate. In fact, there have been some contracts already settled in this country. Some may have impact on Manitoba, I am not sure, but there have been some national contracts settled—I cannot give the Minister the detail—regarding building into the wage increases something to cope with the increased prices caused by the GST.

Has the Minister and his staff at all looked at this phenomenon, the impact on wage increases in the Province of Manitoba caused by the implementation of the GST?

Mr. Manness: Well, Mr. Deputy Chairman, staff in this department indeed have not been involved in that activity. It is not their role to be involved in that activity, but I can indicate that within the Civil Service Commission we are tracking those activities and we are chronicling settlements and what portions of them may be related to agreement with respect to the impact of the GST.

Mr. Leonard Evans: I appreciate that the Minister is involved with the Civil Service Commission. At any rate, whether he is or not, as the Minister of Finance, he would be concerned about negotiations with the MGEA. I am simply going to ask him as a footnote question: Is this being requested by Government employees, to have something built into the contract settlement to take care of the GST?

Mr. Manness: Mr. Deputy Chairman, I am kind of surprised the Member would pose that question. I mean, that indeed would be very much privileged information. It is between the MGEA and the negotiating group representing Government. I will not comment on that question.

Mr. Leonard Evans: The Minister may not wish to comment, but I would suspect very strongly that the—I am simply asking whether the union had put it into its request. I would imagine the answer is positive, is yes. Yes, they would obviously want to put it in, but I wanted to know a little more detail. However, we will leave that for the moment.

I had some question I was going to ask about federal-provincial transfers, but I think I will yield the floor to my colleague from Osborne, who wanted to ask some more questions in this area.

Mr. Alcock: I just wanted to pick up on a couple of things that the Minister had said. First of all on this—I do not know that the Minister ever indicated to what extent this nominal reduction—or what was the size of this nominal reduction in sales tax revenues? Would you give us a figure for that?

Mr. Manness: Mr. Deputy Chairman, we have built in a reflection of roughly \$15 million, and we have sensed that \$8 million of it is a result of our decision to tax alongside. Another \$7 million is a result of reduced expenditures by people because of a lower total of disposable income.

Mr. Alcock: Without worrying about inflation or anything about a \$28 million annual impact on provincial sales tax revenues from the decreased consumption as a result of this tax, recognizing that will change over time.

Mr. Manness: Mr. Deputy Chairman, that is not quite accurate, because the Member makes a straight line projection and that is not really accurate. I am saying the greatest impact will be in the first quarter, and that is what we reflected. I would think that there will not be a \$28 million impact over a whole year. I would think it would be maybe half that much.

Mr. Alcock: Just to go back to the numbers that were used earlier in terms of the total impact here, does the Minister have a sense of how much MST is collected right now in the Province of Manitoba?

Mr. Manness: That is not kept by the federal Government in any fashion. I mean, they deal with manufacturers. They may have it by province. I question whether -(interjection)- sure, it all depends where the remittance is for the company. There is no doubt, and this has been the great argument, a lot of the remittances are out of Toronto, for instance, even though they represent manufacturing activities outside of that province. There are a lot of head offices that make the

remittances to Canada on operations that are in different provinces from the home. I do not know how it is—maybe the federal Government has a way of dividing it, but I can tell you they have not shared their methodology with us and we do not have those figures.

Mr. Alcock: The federal Government does report on excise and sales tax revenues collected from their prairie region, Manitoba, Saskatchewan and northwestern Ontario. I am not certain I understood. Is the Minister saying that those reports do not take into account all of the tax collected from this province? I think you can nod your head on that one.

Mr. Manness: I am sorry, I did not hear the question.

Mr. Alcock: The question is really, is the size or the amount of tax, the amount of money that is being currently collected under the 13.5 percent federal sales tax from corporations who are registered to pay the tax here in Manitoba? That is the question.

Mr. Manness: I will defer to my officials. I cannot answer that question.

Mr. Deputy Chairman, I do not know what point the Member is trying to get to, but let us use Ford for example. How do they make their remittances, on the basis of where the production takes place? Do they allocate it across the country with respect to where the retail dealer takes delivery of product? I do not know. I do not know what methodology is in place.

I do know one thing, if Ford does all their remitting out of Ontario with respect to the manufacturing sales tax in place right now obviously the Ontario number is going to be inflated as a contributor to the manufacturing sales tax.

Mr. Alcock: It also would seem to be true that if that tax is then foregone their benefit, which is the foregoing of that tax, is going to be substantially greater in those provinces where those remittances are collected and where those head offices and workers are found as opposed to those provinces that do not have those facilities.

Mr. Manness: Mr. Deputy Chairman, is that not built into, ultimately then, the cost of your vehicle? If one believes that corporations pass on the cost of doing business it is obviously built into the product.

Mr. Alcock: I think we are going down two different tracks here. Let me come at it from a different way. The Minister had indicated in his initial statement that there would be a positive economic benefit to

the Province of Manitoba from this tax change. Later he indicated that departmental officials—or it was his opinion with officials that there would not be such an impact.

Point of Order

Mr. Manness: Mr. Deputy Chairman, the Member has allowed himself to believe a report that was in the paper that he had no part of writing and is putting words in my mouth.

* (1620)

I did not say it would be a benefit to the province. I said there were sectors in the Province of Manitoba that there could possibly be some benefit to. I cannot deny making that statement, but let not him say that the province as a whole was going to be a beneficiary, because I have never said that.

Mr. Deputy Chairman: On the point of order, the Honourable Minister does not have a point of order. It is a dispute over the facts.

Mr. Alcock: The Honourable Minister did not need to have a point of order, because I am not attacking him, and it was a statement he made a few minutes ago not a report that was made in the papers.

When he was talking about the impact of this tax on the province he made a statement that there were those who believed the federal Government promoted the position that this change in taxation would have a positive economic impact on the Province of Manitoba. I think, if I remember correctly, the Minister also referenced the conference board as also taking that position but indicated that he did not share in their confidence.

Now can I ask him to explain the discrepancy between the conference board's position and his and presumably his department's position on the economic impact of this tax on the province?

Mr. Manness: Mr. Deputy Chairman, I may have misled the committee on an earlier statement.

The conference board has a much more moderate forecast as compared to federal Finance. If we were asked to pick which one of them would be more in line with our thinking, the Conference Board has the results that would be more in keeping with our thinking.

Mr. Alcock: Given that a lot of the forecasts were done when the work of the federal finance

committee was being done and the initial debates around the imposition of this tax, have they been revised in light of changing economic conditions in this country?

Mr. Manness: Well, Mr. Deputy Chairman, about six months ago, once the Blenkarn committee reported and the rate was moved down from nine to seven, the Conference Board did do a new run. As far as the impact on 1991, the Conference Board forecast for the economy as a whole in '91 and '92, I take it are made on the basis that the GST is in place. So the numbers are self-explanatory.

Mr. Alcock: Since then we have had a continuing decline in the leading economic indicators in the country that affect overall economic growth. I am wondering if the analysis of what the economic impact of the GST will be has been revised, presumably downward, presumably less economic activity.

Mr. Manness: Mr. Deputy Chairman, the Conference Board was supposed to do a revision on the impact of the economic growth in the Province of Manitoba, and I guess all provinces. That was supposed to be published today. It will be published, I understand, next week. We have had some prior knowledge of it, and of course we are very pleased with the light in which Manitoba is presented. I do not know whether that same report also forecasts into '91. It does, and so next week the Conference Board will report again on its forecasts taking into account the GST, taking into account general economic trends and the interest rate, and so on and so forth.

Mr. Alcock: The Minister had indicated, if I understood him again, that there was \$100 million net removal from the Province of Manitoba as a result of the GST, or was that gross removal?

Mr. Manness: Mr. Deputy Chairman, it is not net.

Mr. Alcock: Help me with this then—a 7 percent tax on a broader base of goods and services that our current 7 percent provincial sales tax is going to raise less revenue from the Province of Manitoba? If it is not net, what is the gross?

Mr. Manness: Mr. Deputy Chairman, are you indicating what would be the revenue take if a 7 percent tax were applied to the federal base in Manitoba?

Mr. Alcock: What I understood the Minister to say earlier was that Manitoba would be losing \$100 million in tax revenue to the federal Government as

a result of the imposition of the GST. Now, if that is what you said, then the question is, presumably that is a net figure.

Mr. Manness: Mr. Deputy Chairman, when one looks at the impact at Lotteries where we can quantify a several million dollar loss right away, when one looks at a foregone economic activity, when one looks at what we are going to lose because now the taxation reciprocation is no longer in place because we were net benefactors of that policy and so now we will agree not to tax each other.

Under the old system where we taxed each other, we actually were net recipients, and there are a whole host of items. When one adds all of that up, the impact on possibly the loss in liquor revenues and tourism revenues will bring it in anywhere. Again, that is subject to all types of assumptions, but we sense that the upper side loss is as high as 80 million, the lower side on 60 million.

Mr. Alcock: So you are talking about loss to the Government revenues—

Mr. Manness: Correct.

Mr. Alcock: . . . to Manitoba as opposed to loss to—

Mr. Manness: I am sorry, Mr. Deputy Chairman, and that is where the greatest loss is to the Province of Manitoba's finances. It is probably greater than maybe the net loss to the economy as a whole.

Mr. Alcock: There was a fair bit of discussion earlier about the impact on business and the difference between being tax exempt and zero rating.

A significant problem exists for not-for-profit corporations in the province who do seem to have a rather special, yet to be clarified status. I am wondering if the department is doing anything to assist them in understanding their final position with this.

Mr. Manness: Mr. Deputy Chairman, as I have done from time to time, I am going to ask Mr. Boschmann or Mr. Gannon to answer the question directly.

Mr. Boschmann (Director of Taxation Analysis): The rules with respect to non-profits, charities and the like are very complicated. The federal Government is still releasing draft regulations to clarify the kinds of rules that will apply to them like—for example, there is the rule for a non-profit depending on the amount of Government funding that they get, whether they are qualified for a 50

percent rebate or whether they do not qualify for a rebate, things like that.

* (1630)

The definition of what constitutes Government funding is still being clarified by the federal Government, so it makes it really difficult to give them any kind of definitive advice at this time.

What we are dealing with are mainly the agencies that relate to the Government specifically and gathering information, sharing what we know with them but not—you know, there is not really a lot that you can do for them in terms of the kind of detail that they often want.

Mr. Manness: Mr. Deputy Chairman, I have a very important phone call to make. I am wondering if I could have five minutes to recess myself. If the Member has questions of a technical basis that he would like to continue to put to my staff, I trust him well enough that they will stay technical. Whatever the will is of the committee, I would ask though for permission.

Mr. Deputy Chairman: What is the wish of the committee then? Five minute recess.

AFTER RECESS

* (1640)

Mr. Reg Alcock (Osborne): Mr. Deputy Chairman, it has been drawn to our attention that Mr. Neumann will not be available on Thursday. So I would expect, given that, that we would be able to on Monday or Tuesday finish up any questions we might want to come back to in his particular responsibility. What we will do is attempt to get into—forego the discussion we were having right now, try to get into some questions on equalization and transfers immediately, and hopefully we can clean up that area before and not have to wait till Tuesday.

Perhaps I will let the Member for Brandon East ask a couple of questions, and he, of course, will save me about ten minutes.

Mr. Leonard Evans (Brandon East): The whole question of scaling back of federal transfers is a very serious one. The Minister has documented this problem in his budget speech, in his Budget Address. In fact, on page 10 there is a reference to federal transfers. What I am not clear about is just what is in the future for scaling back of the payments to the provinces. Reference is made to—the scaling back has affected us in '88-89, '89-90 and '90-91. I

would gather that this is going to go on, but I am not sure how far because I am not familiar with the override provisions that are referred to in the document. By the Constitution of Canada, equalization payments are required to be made to provinces, but there is this override to entitlement. I wondered if the Minister could comment on the problem of the scaling back.

Hon. Clayton Manness (Minister of Finance): Mr. Deputy Chairman, rather than my reciting what Mr. Neumann tells me, I will ask Mr. Neumann to reply directly.

Mr. Ron Neumann: The override provision is a cap on equalization payments nationally related to the base year, which is re-established as a base year for 1987-88. It originally started off as a base of 1982-83. As you may know, equalization arrangements are renegotiated every five years, and essentially they terminate without renewed legislation at the federal level. So, therefore, we cannot speculate how the new legislation will incorporate an override, if any, beyond '91-92.

Mr. Leonard Evans: This is a subject for some serious dialogue between our Minister of Finance and the federal Minister and I guess the other provinces. When will these discussions be taking place? Does the Minister have any idea?

Mr. Manness: Mr. Deputy Chairman, the meeting that Mr. Neumann is going to tomorrow is a background meeting leading up to the ultimate time when we come together and try and hammer out an agreement. There are many meetings going on. I think they started before this, in some respects, but they will continue for some time amongst officials leading to the time when the Ministers come together.

Mr. Leonard Evans: Maybe it is too early, but do we have any indications from federal officials that the federal Government will ease up on scaling back, or should we be very pessimistic?

Mr. Manness: Well, I do not think officials have any and certainly I do not have any, Mr. Deputy Chairman. The very essence of the reference made in the budget indicated that to us it is the most important area. Of course, Members opposite chastised us for not entering into court challenges here with respect to the GST, but I say to Members opposite, if you want to save all our fire and build our case, this is the area in which it has to be done. If we go off half cocked in every other area, I mean we

just take away from the main effort. So we recognize what is coming and what needs to be in place in support of our people to prepare our case well in this area of equalization.

Mr. Alcock: As I understand this cap, it is a cap on the gross amount that is paid out in equalization, and until that cap is reached, the distribution among the provinces who receive equalization follows the formula. Once it gets up to the cap, then the distribution may continue to follow the apportionment, but the gross amount does not grow beyond that. I also believe that this is the first time, is it not, that we have actually been in that situation where the balance has been such that the gross amount be exceeded and the cap has been applied?

Mr. Neumann: The way it works is that there is a formula entitlement. Once the formula entitlement for all provinces exceeds the cap, payments are reduced on an equal per capita basis to all recipient provinces until the cap is satisfied. Therefore, your formula entitlements are still there. You have a reduction on an equal per capita basis across all provinces.

The second part of your question was when did it become effective? It became effective actually beginning for the 1988-89 fiscal year, but we did not have calculations which showed that effect until March of 1990 as '88-89 entitlements were recalculated by the federal Government.

Mr. Deputy Chairman: If the Honourable Member would please place his questions through the Chair, you will find that decorum will flow much easier. Thank you.

Mr. Alcock: Thank you, Mr. Deputy Chairman. If you would ask the Minister, who will ask Mr. Neumann. The question is: Is it your understanding that situation will continue for the next couple of years? I mean, you say this was first noted in '88-89, in '89-90 is that trend continued?

Mr. Neumann: Yes, it would be my judgment that it would.

Mr. Alcock: Mr. Deputy Chairman, through you to Mr. Neumann, would it -(interjection)- you are right actually on this one.

Mr. Deputy Chairman: Order, please.

Mr. Alcock: Returning to role of EPF, I notice some of the provinces have done calculations, and I believe again it was in the Province of Quebec where we noticed—or they did a series of

calculations as suggested on the current policy. They would hit a point in time when they were receiving no cash from the federal Government in support of health and post-secondary education. Have those calculations been done in this province?

Mr. Neumann: We have not done them ourselves. We have calculations which we accept all the premises of and so on and, yes, we do have such calculations.

Mr. Alcock: Do those calculations demonstrate that we will reach a date, and what is that date, if they do, where the federal Government will be putting no money into health and post-secondary education in this province?

Mr. Neumann: There would be a range of assumptions that would be built into any such analysis, and depending on the economic assumptions that you build in, the date would vary. We are talking about early in the next century, possibly earlier, possibly a little later.

Mr. Alcock: I mean, given the—and maybe this is too much of a crapshooter, but what is the earliest date given reasonable assumptions?

Mr. Neumann: I would say for Manitoba probably the year 2000.

* (1650)

Mr. Alcock: Is it, I mean I note the Minister's pessimism relative to the negotiations on equalization, I think it is a prudent position, but is there offset through equalization that will pick up some of that? Is there some other source of income that is forthcoming from the federal Government, or are we simply going to see a decline in their position as a proportion of our provincial budget through the next decade?

Mr. Neumann: Well, that is an area of—

Mr. Manness: Mr. Deputy Chairman, as I understand the formulas—and I think we are moving into a field now of high speculation, because if everything were frozen in the place like it is now, and were there not major economic growth in the country and a whole host of other assumptions, I think the case could be made that by the year 2000 there would be basically very little money coming from Ottawa. That again is sheer speculation. I cannot believe that the nation would be in such dire straits that there will not be wealth generated, and that there will not be proper sharing in place regardless

of who is governing in Ottawa over the course of the next several years.

Mr. Alcock: Well, although we are talking about two different programs, I mean I am not certain that the creation of wealth in the country would change other than to perhaps change the time in which we get to zero on health and post-secondary education funding. Those formulas are related to growth in the economy. Just before I go into that, just given the time, Canada Assistance Plan, are there negotiations under way relative to the Canada Assistance Plan and are any changes anticipated?

Mr. Manness: Mr. Deputy Chairman, no negotiations, some speculation that there might be some discussions happening in the new year, but again, purely speculation.

Mr. Alcock: When do those agreements currently run out?

Mr. Manness: Mr. Deputy Chairman, they do not.

Mr. Leonard Evans: I was wondering whether the Minister and his staff could tell us whether the scaling back that is being done, and I do not have the detail, that is scaling back that is a result of the capping, whether it is affecting all provinces equally. Reference is made to all recipient provinces facing the same problem but are all provinces being adversely affected to the same degree? They may have a uniform approach but the application of that approach, the application of the formula, may have varying impacts on the various provinces. I do not know, so I am searching for an answer.

Mr. Neumann: Well, the established programs financing cutbacks essentially hit all provinces equally, although there might be a slight variation for those provinces that are in the equalization formula because of the value of their tax points, but essentially the same. The CAP, Canada Assistance Plan financing, of course, there was a federal budget provision limiting growth in Canada Assistance Plan payments to the non-equalization recipient provinces. That cap was at 5 percent on increases in the Canada Assistance Plan payments, that may or may not affect those provinces, presumably it will. They are saying that it will and will to a greater degree than the federal budget forecast.

The real difference between provinces is that there is a further hit, a further scaling back in federal Government transfers, because of the cap or override on equalization which affects only the

equalization-recipient provinces of course. Yes, there are differences between provinces.

Mr. Leonard Evans: Maybe the Minister and his staff cannot answer this, but I was just wondering, is Quebec treated any differently, or is it impacted on any differently than Manitoba in this last respect?

Mr. Neumann: No.

Mr. Leonard Evans: What about the possibility of those provinces who are the recipient provinces, the ones that are hurt, together approaching the federal Government? Maybe this is something that has been thought of or done before.

This includes I guess seven provinces. That is everyone but Ontario, Alberta and British Columbia are recipient provinces I would gather. In unity there is strength and all that. Is there any move to combine and confront the federal Government on a united basis?

Mr. Manness: Mr. Deputy Chairman, I guess one of the great revelations to me—it was in the field of equalization—was that the two leaders in understanding the formulas and dialoguing with the federal Government were Quebec and ourselves. I dare say our department, represented by Mr. Neumann, I think was on a par with anybody.

We have thought that Quebec may be trying to organize along the lines that the Member has indicated and much to our surprise, to this point in time, have shown no direct intention to be the lead, being the largest recipient by far, being a receiver of the funding I would say—how much of the recipient pie—almost 50 percent.

So I do not know who it falls upon to take the lead. Certainly we are preparing our case as one province, as probably the next largest recipient province after Quebec.

Mr. Alcock: I just have one question relative to the differences then, because I understand from reading the Quebec budget that their cash received from EPF will go to zero in '96-97. I believe it is '96-97, yet you are saying here not until the year 2000.

Mr. Neumann: Yes, when you are talking about EPF Quebec has certain other tax abatements, tax transfers, in their arrangements with the federal Government, whereas we have more within a formula where we receive more cash from the federal Government, because they receive more of a tax transfer. The tax transfer is—the taxes that

were transferred are growing more quickly than the total entitlement under any formula. They tend to reach the zero level first.

Mr. Leonard Evans: Yes, just to comment—we are sort of running out of time here, but I would just say as a comment, looking at the Constitution, the paragraph in the Constitution, making reference to equalization payments, the principle being to ensure that provincial Governments have sufficient revenues to provide reasonable, comparable, levels of public services, that this whole business of the override really subverts the intent of that clause in the Constitution.

I think that is a serious threat to the Canadian unity, the Canadian nation as we know it, because while we all recognize there are language differences, cultural differences, there are definite economic differences. The people of Newfoundland for instance, to take an extreme case, certainly do not have the same advantages as the people of Alberta or Ontario or whatever.

Mr. Manness: Mr. Deputy Chairman, we could not agree more. Matter of fact it is entering into a lot of negotiations.

I will be so candid to tell you that when it comes down to discussing agriculture funding issues the Government of Manitoba is bringing in some discussion around the ability of our province to be able to pay on an equivalent basis with Alberta, particularly.

So this whole area of equalization draws discussion not only within its own right but the impact it has on other offloading measures by the federal Government.

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

SUPPLY—EXECUTIVE COUNCIL

Madam Chairman (Louise Dacquay): Yesterday evening, after we had passed all the items in the Estimates for Executive Council we neglected to put the question on the Estimates Resolution, therefore, I will proceed to do so now.

Resolution 5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,409,200 for Executive Council—pass.

SUPPLY—EDUCATION AND TRAINING

Madam Chairman (Louise Dacquay): We will now proceed to the Estimates of the Department of Education and Training. We will begin with a statement from the Honourable Minister of Education and Training, Mr. Derkach.

Hon. Leonard Derkach (Minister of Education and Training): Thank you very much, Madam Chairperson. It is indeed a pleasure for me to present, on behalf of my department in Government, the Estimates for the Department of Education and Training for this fiscal year and although we are well into the fiscal year I think it is important that we give some due consideration to the Estimates here and allow Opposition Members to ask the necessary questions and to get the kind of information that they may be seeking through their questions.

Madam Chairperson, to begin with, I would like to just pay a complimentary remark to the staff members that I have within the department for their hard work throughout the year and ensuring that the will of the Government is carried out in a respectable way. I have to say that over the last year, staff in my department have worked very hard to ensure that the opportunities for education in Manitoba are indeed made available to each and every Manitoban who may want to partake of the education services.

* (1430)

Madam Chairperson, I have to say that we, as a Government, are committed at ensuring that all Manitobans have equal opportunities—

Point of Order

Madam Chairman: Order, please. The Honourable Member for Kildonan (Mr. Chomiak), on a point of order.

Mr. Dave Chomiak (Kildonan): Might I ask, if the Minister's remarks are going to be lengthy, we might have a copy on this side of the House? As I understand it has been done in the past.

Mr. Derkach: We can provide a copy later.

Madam Chairman: The Honourable Minister may continue.

Mr. Derkach: Thank you, Madam Chairperson. As I was indicating, the Government of Manitoba is committed to ensuring that all Manitobans have equal opportunities to obtain high quality Education

and Training programs to meet their lifelong learning needs.

We live in a rapidly changing world and the changing world is creating new pressures and demands on our system. There is an identified need for a skilled work force in a highly competitive world in which we live.

The new pressures are coming at a time when there is a requirement for some fiscal restraint and we have to do more with less. There is a need for increased programs within our system but there is also a need for financial and administrative accountability, and throughout the last couple of years, Madam Chairperson, we have indeed attempted to make sure that there is some accountability, both in the program form and in the administrative and financial form.

Madam Chairperson, indeed there is also a need to determine and to set our priorities and control the costs that we have before us.

In the last year, Madam Chairperson, the Department of Education has embarked on a new strategic plan. We have just completed it now and it is a plan that encompasses a team building process and it undertakes to enable a more efficient use of the resources that we have, and we have laid out a five-year objective, one where increased quality of education and training programs is going to be a focus, one where we identify the need for accountability for outcomes, and the ability to expand the opportunities for training and retraining. We also have to ensure the increased participation of young people in post-secondary training. Another point within the strategic plan is the increased participation of Natives, women and immigrants and other underrepresented groups. We have to ensure that we improve the overall literacy levels, that we reduce the dropout rates, and that we control the escalating costs of education. These are some of the goals and objectives that we want to identify and deal with in the overall strategic plan.

* (1440)

Over the last year we have also spent some time in reorganization, reorganization that will lead to more accountability of our department, more accountability of the various branches, and a better system of conducting our affairs.

Madam Chairperson, in the area of the Finance Branch we have changed some of the ways that we do things to improve program financial and

administrative accountability and central control in times of scarce resources. All comptrollership functions have been brought under the Finance Branch so that we do not have a fragmentation of the way that we carry out our responsibilities as they relate to the Finance Branch.

In the area of the Correspondence Branch we have done some reorganization, as well. Statements that have been made in the press in the last few days perhaps require some explanation as to the kinds of reorganization we have conducted. The Correspondence Branch, as it is known, will no longer be called the Correspondence Branch, it will now be called the Independent Study Program. This has been done because of the nature of the kinds of programs that are carried out in this area, also it has been as a result of the amalgamation of the Distance Education and the Correspondence Branch, so we call it the Independent Study Program.

There were some other changes that were very significant, Madam Chairperson, one being the admission policy, the number of registration periods per year, the length of time allowable between registrations and the start of course work and size of enrollments. All of these changes were done to try and ensure a greater amount of accessibility and success for the individuals who are enrolled in the programs because the statistics are devastating. We have found that out of 10,000 students or 10,000 participants in the program only about 23 percent either complete or achieve success, and that is not acceptable for the amount of money that is being invested in this area.

Future changes in this area will include a limitation on enrollments in the ISP courses per facilitator, so that indeed, one facilitator will no longer have to look after a thousand or more students. There will be a limitation of 400 students per facilitator. There will be establishment of a network of school-based facilitators within the school divisions and the provision of an independent study as students' contact office through the school-based facilitators.

In future years, changes will include the establishment of student contracts that commit students to use spare-class periods for ISP support sessions, the introduction of a training program for school-based teachers, so that school divisions will be able to deliver the courses by the '92-93 school term.

The assumption of the responsibility for registration and distribution of materials will be done by the Manitoba Text Book Bureau, and the establishment of a regional based school division marking system for ISP courses will be done by the '94-95 school year.

We have also done some reorganization in the Post-Secondary, Adult Continuing Education area. In this area, we have improved the policy development and the program co-ordination through the establishment of an Executive Director of Program Analysis Co-ordination and Support and the Executive Director of Special Skills Operation.

As you know, Madam Chairperson, we have brought together the New Careers area from ES . . . into the Department of Education and Training, and now we have co-ordinated our delivery of post-secondary programs, so that we indeed are delivering programs through our community colleges and our New Careers divisions without as much duplication as used to exist.

In addition, this department has participated in a fairly active decentralization program. We have been able to decentralize some New Careers people to the Brandon Westman region, some Student Financial Assistance people to Brandon, the Native Education Branch office to Dauphin, the People Transportation office to Rivers, the Professional Certification of Students Records office to Russell, and Distance Education and Technology offices in Winkler and Wawanesa.

Madam Chairperson, there is a need to share the responsibilities and costs of education and training with stakeholders. For that reason we have called upon colleges, our schools, our universities, business, industry and labour, as well as parents and members of the public to become involved in the entire education process.

As an example, I guess, I could say that last year with the involvement of the federal Government and Videon, satellite up-links for Distance Education and Technology courses were put into place. Today we have some five centres throughout Manitoba teaching university courses. First-year university programs are offered in five remote areas of this province through the use of Distance Education and the satellite up-link.

In this year's Estimates, we are asking for \$935.3 million which represents a 5.6 percent over our last year's budget. Some of this funding enables us to

introduce new initiatives indicative of our commitment to revitalizing our education system in the province. We also recognize the needs for students to acquire a solid foundation for future learning.

In the area of Finance and Administration, we have been committed to ensuring that there is an adequate financial review done on the way that schools are funded in this province. Support to public schools, which is granted on a school-year basis, is being increased by some \$33.3 million to \$754.9 million, or 4.6 percent increase over last year's funding. Of this increased amount \$6.6 million is targeted for special needs students, transportation and a new increasing enrollment grant.

I would like to just highlight some of the other areas of the funding. In 1990-91, we will be providing some \$3,653 for each child attending the public school system; \$47.7 million will be allocated for special needs students; \$29.7 million will be allocated for transportation grants; and a total of \$1.7 million dollars for school divisions with a marked growth in enrollment over the past three years. In addition, the level of support to independent schools has increased from 50 percent to 54.5 percent, and our capital funding area, the capital projects funding for construction of new schools and renovations is targeted at \$22.5 million.

In the area of planning and research, \$60,000 has been put aside for the process of legislative reform. The Consultation Paper that deals with the review of the Public Schools Act will be distributed, and a panel will travel through the province to seek public direction on major issues such as the powers of the Minister, the school boards, program and financial responsibility, public participation and parental involvement in education, special needs learners, school choices, private schools, home schooling, school attendance, individual rights and responsibilities, and the issue of collective bargaining. Every branch within the division of the program development and support area will have an important role in the implementation of the strategies that we announced some time ago entitled "Answering the Challenge—Strategies for Success".

In the Strategies for Success, some of the major initiatives involve the commitment of the Government to reform the K-12 system. The model for review for both early and middle years education

has now been started, and we are committed to ensuring that we implement the high school review, but at the same time we look at the middle years and the early years of education, so that indeed they conform with the changing needs of society, and that they blend in with what we have set forth in the high school system.

* (1450)

Beginning this curriculum reform is indeed an ambitious kind of agenda, but it is important because of the changing society. It must be relevant to today's society and be made more challenging, as we see the countries around us who are moving into areas where education is becoming much more challenging to the students. As a matter of fact, Madam Chairperson, I had a visit from some delegates from outside of this country who had some students here at the grade nine and ten level, and they indicated to us that their students were doing programs in physics and science that were at about the grade twelve level here in Manitoba. I think it points to the fact that we need to make some of our programs much more challenging to the students that are in the education system.

"Answering the Challenge—Strategies for Success" has some '90s strategies grouped in a number of categories included in it. We include such things as effective learning environments, effective teaching practices, curriculum and program areas, students at risk, dropouts, if you like. We call on a revitalization of our program model and organizational parameters in setting the priorities of this department and putting some time lines to some of the priorities that we set.

Some specific recommendations that I would like to deal with very briefly are such things as placing the grade nine students among our high school students, designating the high school area to now become four years of instruction, rather than the three years. We will label the first year as senior one, through senior four at the fourth year. We will be providing courses of instruction in the general area, the specialized area and the advanced area in this high school program.

In the senior one and two levels, we will be adding programs. One of the programs we will be adding is called Skills for Independent Living, and in this program we will be teaching students some of the essential aspects of living, such as being able to make decisions or decision-making, financial

management and accountability, and other such skills which are lacking at the present time in the high school program.

We will be restructuring the vocational education programs and we will be introducing final exams in the core subject areas in senior three and senior four, and we will be introducing a province-wide final exam in one major subject at the senior four level. This year's final exam will be in mathematics.

The blueprint for the future in high school education will allow us to do a better job of establishing partnerships with various stakeholders in education, whether those stakeholders be parents, school divisions, professional organizations, colleges, universities, or business and industry.

I think it is essential that we establish those kinds of partnerships, because indeed everyone has a stake in education. I think we have heard over the last two years, right across this entire country, people talk about the importance of education and the importance of people to become aware and to become involved and to take a responsible role in the process of education.

Our plan will help us monitor the achievement of students as they progress through the system and we hope in this way we will be able to make our system more challenging for the students that are in the programs. The strategies will also provide a sense of direction and support for students through enhanced guidance and counselling services.

By 1994 we have indicated that we expect every school division in this province to have a guidance counsellor co-ordinator within that school division. It is not feasible for us to have a guidance counsellor in each and every one of our schools, especially in some of our very tiny schools, but let me say that there must be a guidance counselling co-ordinator in each of our school divisions by 1994. We know that the costs associated with that are going to be significant, but indeed with the kinds of problems that we see emerging in society, I think it is important that we move in that direction.

* (1500)

This plan will also allow us to do a better job at ensuring the needs of aboriginal and special needs students within our province. It will help us to ensure that gender role expectations do not inhibit the growth of any student, male or female.

This plan will also allow us to do a better job in providing professional development to the teachers who face continuous challenges in meeting the myriad needs of students in their care. I think the report in itself is an indication of a new and serious concern, not just for the process of education, but for the results of education measured in relation to provincial standards.

There are some major initiatives in the area of curriculum services, Madam Chairperson, that I would like to briefly highlight. We now have a new director of curriculum development in the Curriculum Development and Implementation Branch. We have merged the Curriculum Development and Implementation Branch and Regional Services. This will allow us to do the work that is done in those two departments much more effectively with a greater amount of co-ordination between the two levels, because we have found that those two areas deliver much the same services throughout the province.

We have now a new consultant for environmental education on a half-time basis, and we will be moving to an environmental education consultant on a full-time basis in the future.

We have also implemented a full-time consultant for gifted education. This is an area which has been neglected, I feel, for some time. It is time for us to move in this area. I am confident that in the future months we will be able to come forth with a policy if you like, or guidelines for gifted education in the province. I am looking forward to that policy coming forth.

The Department of Education and Training has also participated in the War on Drugs program, revamping the prevention of chemical abuse and making sure that it is an integral part of our curriculum.

I am also pleased to indicate that we have a new family life curriculum in place now. Staff from the department are presently in going around the province and explaining the curriculum and discussing it with professionals in the teaching field.

Distance Education and Technology is an area that is an exciting one, I must say, and is one that points to the future. As I indicated earlier, we have started on some changes with regard to distance education. The Department of Education and the Correspondence Branch, where we have brought them both together, to ensure that there is

co-ordination in the delivery of those programs. The satellite up-link that I spoke about provides live two-way audio and one-way video communications between participants in classrooms and the deliverer of the program. This will enhance the services to approximately 10,000 students in 90 rural and northern communities, Madam Chairperson. I think that is significant to note because it means that we can reach many more adult and other learning students who have not been able to be reached before.

In the first year of operation we will providing 259 hours of programming for junior high and high school students, community college and university students. I might say that in the pilot program we have embarked on in the university area we were expecting about 80 students to be participating in the first year arts and science program throughout the province, we now have 170 students enrolled in the program. From the first few months of operation it seems like the program is going to be an overwhelming success. It is catching on in some of our northern and remote areas where students are starting to say, this perhaps is a way that I can get a university education because I cannot afford the traditional route of travelling to a city that is some distance away.

Touching on a few other areas very briefly, in the Child Care and Development Branch, we again provide services for teachers here who have special needs children in their classrooms. We have been spending some time in terms of going over the guidelines that we sent out last year for the special needs children. I indicated at that time that we would allow superintendents, principals and teachers to respond to the way that those guidelines fit and if changes need to be made we will make them. I guess as soon as we get through this school year we will be asking for those comments so that we can make the changes where necessary.

In the area of Native education, as I indicated we have a new regional office in Dauphin that is now created to ensure effective delivery of services. We are establishing an advisory committee of Native people to the Minister who will be able to advise us on the types of programs perhaps that should be delivered that are not being delivered at the present time and perhaps to make us more aware of the kinds of programs and the kinds of sensitivities we should have in delivering programs to Native students.

In the area of libraries, we are now in the process of the installation of a new security system and negotiations with CanCopy are going on to arrive at a copyright agreement that will be fair to the authors and schools. This is an area that we must arrive at a resolution in because indeed it is one that is very important to school divisions. We will be carrying on more discussions with school divisions as time goes on.

The question was asked not that long ago about the inner city area and what we might be doing here. Madam Chairperson, I have to indicate that this is an area of some concern to us. We know that we have some challenges ahead of us in the whole area of inner city students. Indeed much has been done I think by partnerships in the core area. I have to indicate that in the two years that I have been in this office I have been very pleased at the kind of co-operation that there is in the inner city among the various partners who deliver and who participate in the programs. As I indicated in my address the other morning to the conference, to the workshop, I think that we can use the kind of co-operation, the model that has been established in the inner city between the parents, the businesses, the community organizations. We can apply it to many other areas in this province, because indeed there has been a real concern and a genuine effort by many of the participants to try and resolve some of the challenges that are before us, but indeed there still are many more that we have to answer down the road.

In another area, the area of the Bureau de l'éducation Française, may I say that we are very happy at the task force that has just been put together on the French Language Governance. I met with the task force members last night and they had their first meeting. I have to indicate that it seems like all is going well. It is not a question any more of whether or not we should talk or get into the whole area of French Language Governance; more importantly, it is how we should implement a model.

The task force has started its work, and I am looking forward to the task force reporting back to us in May of next year. As has been mentioned in the news release, the head of the task force is Mr. Edgar Gallant of Ottawa who has been the past secretary to the Economic Council of Canada and to the Federal-Provincial Constitutional Conference. He is Chair of both the Federal Public Service Commission and the National Capital Commission,

and he has conducted similar task forces on French education in British Columbia and in Saskatchewan. As I said, the hearings will begin this week and the report is expected by May 31, 1991.

In the area of Post-Secondary Adult and Continuing Education, Madam Chairperson, there have been several initiatives that I am very pleased about and the results of which I am very encouraged at. In the area of the Partners in Skill Development report or the STAC report, in July of this year the private sector Skills Training Advisory Committee submitted its report to Government. It recommended the development of a labour-market strategy to ensure that education and training of a highly skilled work force is carried out that will allow us to be competitive in a global economy.

The revealing statistics were interesting to say the least. In the statistics we learned that 45 percent of the labour force in Manitoba have not completed high school. Ten percent of Manitobans have less than eight years of education and 52 percent have between nine and 13 years of education. It is expected that 64 percent of new jobs created between 1986 and the year 2000 will require 13 to 17 years of education. It is estimated that in the same time frame, only 36 percent of those jobs will require Grade 12 or less. So, by those statistics we know that we have a large task to do and we have to get on with it.

For that reason we have taken some of the recommendations from the task force and we have developed what we term as Workforce 2000, an initiative that brings together the partnership of Government, of business, of a community to train and retrain the labour force so that by the year 2000 we will have a better trained work force than we have today.

An important initiative recommended by the task force that will be undertaken this year also is the creation of a Government Native Business Forum, a consultative body with representatives of each of the three partners to discuss issues and concerns regarding education and training and employment. Workforce 2000 is our response to the STAC report. It is not the complete response, because indeed the STAC Report made several recommendations that have to be embarked on, but we have to embark on them in a practical way.

To begin with, we are starting with our initiative of Workforce 2000. This initiative replaces the Job

Training for Tomorrow program. Some of the features of this program are a brokerage service, especially the skills bank inventory which is a computerized data bank of training suppliers and inventory of training programs and services.

The private sector training incentives is another feature which encourages work base training of new and existing full time permanent employees. I guess by example I could say it is to do with retraining and upgrading the skills of people who are in the work force today and, perhaps, training new people who may be coming into the work force.

Other incentives of career advancement opportunities for women and employment and training of members in the employment equity groups is also a major initiative in Workforce 2000.

We will be embarking on Government and industry training and grievance to enable industry-wide planning to take place as we proceed through this initiative. This initiative as a whole will establish a training advisory and brokerage service as I have indicated. It will establish a skills bank inventory. It will provide programs for business and industry to take part in where we have training incentives, to ensure that businesses will be encouraged to take part. To do this, we are introducing the payroll tax credit.

Beginning in 1991, employers who qualify for a credit of up to .3 percent of their payroll for costs related to employee training, will be allowed to take part in the program. This is in recognition of employers who contribute, not only to their own businesses, but to the economy by training and retraining their own workers. Details on this initiative are presently being worked on.

In the area of community colleges, Madam Chairperson, I would like to mention the initiative that we undertook with regard to college governance. I have to indicate that we as a province are moving to a model of shared ownership and accountability. We want to strengthen our partnership with colleges and the community, the private sector and, Government. To do this we have embarked on the initiative of ensuring that community colleges become just that, true community colleges.

Change is necessitated by the process of continuous changes in our society and the training needs within our province. We know that we have to constantly be changing our training needs so that

we can keep up with the global economy. We will be creating individual boards for each of the community colleges, so that they can become more responsive to students' needs, the private sector, and to the community that they serve.

This change is in response to a report from the advisory committee of community college governance which was established over a year ago. Boards will assume the responsibilities for the management of individual colleges with a direct block or formula-based grant which will go to them from Government. Colleges will report to the Legislature annually. The Government will retain its central policy control including approval of major programming and in this way we can then have some control in terms of some direction and the programming that perhaps is needed in the province.

The proposed legislation is the first step in a two-year transitional process which will be overseen by a conversion team. This team will be made up of a variety of people, including those people who are directly involved in the delivery of programs at the community colleges. This interdepartmental conversion team is going to begin its work very shortly.

* (1510)

This new structure is designed to encourage community colleges to find flexible and innovative approaches to program delivery and to ensure that they are, indeed, accountable to Government.

A survey of graduates in 1988, of our three community colleges, shows that graduates are basically satisfied with the kind of training that they have in Manitoba and that they are finding work in the chosen fields that they get their training in. Of all those who responded, 88.1 percent of Red River Community College students said they were able to achieve employment in the fields that they were trained in. Of Assiniboine Community College, about 80 percent said they could find employment in the area they were trained in, and about 86.4 percent of Keewatin Community College said they were working in the areas that they were trained in. I think that is an impressive kind of statistic, because it does show that training within our community colleges is fairly effective.

In the old area of ACCESS, in new careers, we have indeed had a significant blow by the fact that the federal Government has attempted to unload

some of its responsibility onto the shoulders of this province. To try to respond to some of that offloading, we were able to inject \$2.6 million into the ACCESS program, which enabled as many as 250 new students to enroll in programs designed for adults who traditionally would not experience post-secondary education. This is about a 23 percent increase in our budget or in our funding, and it is a one-year commitment to compensate for the federal offloading.

We have indicated very strongly that to ensure there is some stability in these programs, we will be and we are presently discussing this entire matter with our federal counterparts. We are attempting to get some agreement from our federal counterparts that there will be a commitment, not just for the one year, because many of these programs or all of these programs are more than one-year programs; they are four- and five-year programs. It is not enough for the federal Government to say that we will support the programs for one year. We need a commitment for the entire program so that students have some assurance that their program funding will not be cut off after the first year.

Because of the contracts we have with the various teaching instructors, we have given notice that if we cannot arrive at a suitable agreement some of these programs may have to be curtailed. We only do that because we need that one year's notice given to the teaching staff at the various institutions. However, we are confident that we can arrive at a suitable resolution with the federal government and that these programs will indeed continue, because they are important to our province.

When you look at the success of the program like the BUNTEP program, one has to think that this is a kind of program that we have to expand rather than shrink.

In the area of student aid, Madam Chairperson, we have been able to change some things in this area to assure students who perhaps are finding difficulty in funding their way through university that they could get better access to student aid. We have been able to help those students who come from rural areas, especially where their family's assets were sometimes counted or always counted, and in many cases, that meant that rural students did not qualify for student aid. When you take a look at any farming situation today, you know that there is difficulty out there. We have been able to ease some of the pressure on rural students who have been

allowed Student Assistance to allow them to continue. The Student Aid Branch will change its name as well to the Student Financial Assistance program.

This is in the Year of Literacy, which 1990 is. We are continuing to support community-based literacy programs. This year we were able to contribute \$540,000 in grants to programs within the literacy area. These programs are as a result of the literacy task force that went through the province a year and a half ago. We have programs being offered in 20 communities, and the funding is targeted to seven major areas: urban, rural, northern, aboriginal, Francophone, multicultural and inmate.

The Literacy branch continues to evaluate existing programs and has prepared what we call, A Good Practices Guide. I am very encouraged at the work that is being done by the Literacy Council and the Literacy Office, because we are getting feedback now from communities telling us some of the good things that have come as a result of the program. People who could not read before are now sending us letters and thanking the initiative, because it has been so positive to them.

I am also happy to indicate, in another area, that despite federal cutbacks in funding ESL programs, we are still maintaining our share of funding to these programs.

In another area, Madam Chairperson, for the first time this year, as a result of the Manitoba-Minnesota Agreement, we have students who are in post-secondary education, in either jurisdiction, able to cross boundaries without experiencing additional costs in tuition fees. This, I think, is a positive initiative, and it is certainly going to go a long way.

I would just like to touch very briefly in the university area. We have had some criticism about funding the university system, but I would like to indicate that Government has provided significant resources in this sector. I would just like to highlight some of them. Over the last three years, the increase in grants to universities has been approximately 15 percent. Given the current fiscal climate, I think it is significant indeed that we have been able to maintain our position in terms of where we stand as it relates to the rest of the country.

How have the funds been used? Madam Chairperson, last year we supported the establishment of a business administration program

at Brandon University. We established a four-year science program at St. Boniface College and the First Year university program by Distance Education. Our Government has provided \$11.2 million in funding for the replacement of a main service tunnel at the University of Manitoba. Over and above the capital grants to universities, other fundings have been made available for major renovations at St. Boniface College, some \$333,000, \$400,000 for the removal of asbestos at the Brandon University and a \$1 million grant to the Faculty of Dentistry at the University of Manitoba.

There have been cutbacks in transfer payments to this province. We are concerned about the fact that there are federal caps and federal cutbacks in terms of the established program grants, and they do have an effect on our post-secondary education. So despite the recessionary pressures that Government experiences, Madam Chairperson, I have to indicate that we as a Government have been sensitive to those who wish to further their education. Student Financial Assistance, ACCESS programs and First Year by Distance Education are tangible examples of the concern for accessibility that we as a Government have for students who wish to enter post-secondary education. I have to indicate that despite the fact that we have heard somewhat of a cry about tuition fees, tuition fees in the arts and science areas remain third lowest in Canada.

In conclusion, Madam Chairperson, I would have to indicate that our Government has indeed lived up to its commitment that education is a priority right from kindergarten through our post-secondary areas. I am very pleased with the advances we have been able to make in the last two and a half years. It goes without saying that we have much to do to ensure the very best possible opportunities for our students and for those who wish to enter education in our province. There is still much to do and we are prepared to do it.

Among the priorities in education, Madam Chairperson, for the future we need to focus on issues such as revamping our early and middle years education system, strengthening our college system, ensuring that we offer every opportunity of education to those who wish to partake of it. We have to ensure that we strengthen the partnerships of those who have some responsibility in this area. We have to make sure that parents are involved in education, that business is involved in education

and that industry and the community is involved. We know that there are ways to strengthen our education system whether it is at the kindergarten to Grade 12 level or at the post-secondary level.

* (1520)

All we have to do is find ways in which we can create a better climate for all of those students who wish to partake of our education system. I look forward to the deliberations in the few hours that we have allocated for education, Madam Chairperson, and I am certainly looking forward to the comments of the Opposition Critics for Education. Thank you, very much.

Mr. Chomlak: Madam Chairperson, by way of agreement, the Member for River Heights, because of a previous commitment, will speak at this point.

Mrs. Sharon Carstairs (Leader of the Second Opposition): First of all, let me thank the Member for Kildonan who has agreed to let me make my opening remarks in light of the fact that I have a doctor's appointment. So if the Minister sees me leaving, he will understand that it has not been anything that he may have said.

However, I want him to know quite clearly that I am somewhat distressed at the 45-minute opening remarks, considering that his House Leader has continually urged us to speed up this process. We are not going to speed it up if we have Cabinet Ministers making 45-minute opening statements. That is going to limit the effectiveness of the process so that we can come to a logical conclusion of all this.

I want to address a number of issues, and I will try to keep my comments very brief. The Minister made reference to the importance of team building in education. I would suggest to him that there are a number of players on that team and he did not make reference to any of them today, which quite surprised me. The members of the team do not only include the Department of Education, they also include the school divisions through their trustees in the Manitoba Association of School Trustees. They include the teachers and their body, the Manitoba Teachers' Society, and they also include the students, more particularly, the university and secondary students and post-secondary students in a variety of disciplines, all of whom know of the needs of the educational system, because they are experiencing them daily.

What we have watched in this department consistently, particularly in the past year, has been a lack of consultation with all of the other players. I would like to indicate a number of those kinds of situations. First of all, in the strategies for success, we talk about the mathematics exam. Well, this mathematics exam is going to be given for the first time on January 11. The children do not go back to school until January 7, so they are being given four days to review before the imposition of an academic exam which is of some significance in their lives.

Now, the subject chosen is one particularly difficult to review at home. If we were talking about a history exam, then students can indeed read their material and come with a set of questions to ask the teacher. If they find themselves stumped with a mathematics equation, then they, not only cannot solve that problem, but all kinds of problems, similar problems, within that particular issue. Not only that, but the teachers were not consulted. Yes, I know that in-services have begun, but they only began a week ago. They had no knowledge up to that point as to what was going to be on the exam, what kinds of questions, what sections of the curriculum were going to be judged and evaluated, so that teachers have been at a disadvantage.

I have spoken to some teachers who had taught three of the options. Now they have discovered that this test is not on any of the options. It is only going to be on the core curriculum.

They also feel very stressed that their students are going to be evaluated on this work, and the Minister has now said that only if the grades go up.

The kids who are writing this exam in January are at a major disadvantage to the kids writing it in June, because the kids writing it in June are in fact going to have at least one exam to be able to use as a guideline. They do not have that, and yet they will be applying for universities at the same level.

I can assure you that universities from coast to coast are not going to say, did they write this exam in January or did they write this exam in June. Yet their marks may impact—he says only upward. If 60 percent of the kids in June go upward and none of the kids in January go upward there is an inadequacy unfortunately.

Well, the Minister is now indicating they are going to go down, but he certainly told the media that they would only go up, that they would receive no

negative result as a result of their inability to do well on this examination.

Another issue with which there was no consultation was the decentralization proposals, particularly the Textbook Branch. There are urban school divisions very concerned about who is going to absorb the extra cost. Who is going to pay the transportation costs now of the books, and the estimates are as much as 72 percent of them that will be moved to the area within the Perimeter Highway? Who is going to pay those additional transportation costs?

If the Government is prepared to accept all of those transportation costs then of course the school divisions will be absolutely delighted. That is not what happens. When those costs are offloaded, whether it is the federal Government or the provincial Government, it is always the lowest rung of the ladder, in this case the school divisions, that end up bearing the cost.

We also had the experience with the busing experiment. Again the school division is saying: how come we were not consulted; we would like to have locally owned, operated, controlled buses; that the Minister appears to be moving in another direction.

Well, I recently saw a letter from the Minister saying: do not worry everyone, we will not move into a final decision on this until we have consulted. Well why did you not consult in the first place instead of going at these people from the rear door?

The change of the beginning day for school children was not on the basis of consultation. All of a sudden school divisions were told: all the kids will go in the day after Labour Day, all the teachers will go in the previous Wednesday.

Any good pedagogical professor, teacher, will tell you that three days of in-service at the beginning of the year is not when teachers need it. If teachers are responsible, and the vast majority of them are, they will have prepared their courses. The only way in which they will have not done that preparation, and I can give you a perfect example, is when they find out on the second day they are teaching a course that nobody ever told them they were going to teach before.

Well, that happens all too often. I can give you examples from my own teaching experience when I learned on the second day of school that I was going to teach a course that nobody told me I was going to teach before. When I needed an in-service was

sometime after that so I could do the preparation for that particular course.

Again unilaterally this department told school divisions that is when they were going to bring the kids back into school with no consultation.

As far as the Correspondence Branch is concerned, or the Independent Study Branch is concerned, no consultation as to these two new entry dates, which many of the rural school divisions are indicating is going to act as a real disservice to rural children who find themselves in April with failure facing them in the eye. They would like to enroll in a correspondence course so that they will not have it on their record that they failed, or they will be able to go into Grade 11 or into Grade 12 the following year without suffering any handicap. Where are they going to now access that program?

Well, unfortunately, some of them will be forced to come to summer schools in Winnipeg, but I do not think that is what the Correspondence Branch wants for our rural children.

They -(interjection)- well, quite frankly, you have indicated that the last entry date is March, so there is no way they can enter until the following September, which means that there is -(interjection)- it does not have to be a summer school course. You can take Math 300 by correspondence. If you are failing Math 300 in April, right now you can enroll in the Math 300 correspondence course.

You cannot do that under the new system which the Minister has devised without any consultation whatsoever with the school divisions or with teachers, with trustees or indeed with students who are the ones who will be most directly affected. That kind of lack of consultation is creating among the teachers, among the students and among the trustees a great sense of unease.

They do not know what the direction of this department is and the only team building that seems to be going on is within the department itself, but they are not the only player on this team, there are significant other players. If those significant others are not consulted, then we will have a deteriorating education system.

The issue of post-secondary education and our universities and community colleges again fills us with concern. I think that there is a good case to be made for some governance of community colleges,

but I do not understand why the Minister has chosen to make each one independent.

* (1530)

There was not a decision to have one overall community college board which would oversee and therefore prevent overlapping and inconsistency one with the other, as far as the community college programs were to show their evolution. I will give you an example. If each one of them plays turf warfare, as so often has happened with our universities, then instead of offering three different programs, all of which may be needed, we may end up offering three programs in the same area when one program in that particular area would have done very well indeed.

There must be close co-ordination. That lack of co-ordination has hurt us in the past in terms of our university faculties. I am very concerned that it will also hurt us within our community college system.

The Minister made reference in his closing remarks to the priorities facing the Department of Education, but I think he missed the two most important priorities of all. That is that he has told us consistently that they are looking at a review of the finances with respect to funding of the public school system, but we are getting nowhere. It is the most single critical area in education, how education is going to be funded.

We saw last spring, and all of the Members in this House who are from Winnipeg were aware of it, a tax revolt based to a very great degree on the increases people were asked to pay on their city taxes. Those city taxes, when one looked very carefully, the major increase was not in the operating cost of the city, they were in the school division increases.

What we have seen unfortunately is the same kind of offloading of federal Government to provincial Government; then we see the offloading from the provincial Government to the school divisions.

The difficulty faced by the school divisions is, how do they offer the same kind of program levels that they have been offering in former years with more demands on this system, particularly from special needs children? The Minister cannot refute that the special needs program, which has been increased a number of times under both Governments, still does not come anywhere near the cost of funding many of those special needs children within the

public school system. It simply does not meet that need, and yet, we continue to promote the mainstreaming concept, and that is a legitimate philosophy, because we want our children to feel comfortable in a setting in which they are experiencing their educational objectives. The costs of mainstreaming are extremely high, and unless we look at a fundamental review of the financing system of education, that and many other areas of need are simply not going to be addressed.

The other critical area which the Government has shied away from and which is in my opinion desperately and long overdue is the whole review of school division boundaries. School divisions in the City of Winnipeg in particular are ludicrous in terms of their rigidity and their inability to let children cross school division boundaries, in some cases charging fees for programs that they do not offer in their own curriculum. Any teacher in this city and probably in the Province can give you personal examples of children in which teachers designed very special programs. The mother moves, one case I can remember, a block away. All of a sudden that child was not entitled to have this special program because they had moved from the Seine River School Division into the Fort Garry School Division. In that particular case, I actually was prepared to pay the costs of the child myself in order to provide that child with the education required. It was only when they realized they had such a stubborn teacher on their hands that the school division finally agreed that they would pay for this child to continue in the Seine River School Division.

That kind of turf warfare—and the Minister is aware of it—is unacceptable if we are talking about maximizing the potential of each and every child within our school system. Maybe the school review would not come up with any specific proposals to reduce boundaries, but I am convinced that if these areas of dispute were aired, we could get at least some sense of greater participation and willingness to be less rigid and less structural in terms of children moving back and forth.

I know the Minister is aware of even the rural school divisions where the kid goes past on one side of the street going to a school division and the bus picks up a child going on the other side of the street to go to another school division and people say, "Why?". What is this and why does it have to continue? It is long overdue and it is time for the Government to take the bull by the horns and to say,

"Let us have the school review that is essential and necessary in order to maximize all of our children's ability."

The post-secondary and particularly our colleges I would like to deal with when we actually get to that particular section of the Estimates process and also the training and skills that has now become part of the department's portfolio, because I think that we must understand fully that there are very clear delineations of authority and very definite sections within this Government's departments, and I think that we should deal with them as indeed separate sections.

Mr. Chomiak: I welcome the opportunity to participate in the Estimates process. For weeks now, Madam Chairperson, the various Ministers have been saying, "Wait until Estimates," and "That question will be answered in Estimates," so I am thankful for the opportunity that these questions can now be answered. This Minister in particular did not make that statement, I must admit, but various Ministers in the House have made that answer, so I welcome the opportunity.

During the Estimates process I anticipate getting into a number of specific issues, many mentioned by the Leader of the Third Party, Opposition, in the House. I will largely confine my remarks this afternoon to some rather philosophical approaches to the department and education in general.

One of the matters which has disturbed me in the House—it is not just this Minister—but it is the tendency on the part of all Ministers in this House—to look for lack of a better word—to try to deflect attention from responsibility and accountability, and to deflect it somewhere else. I trust this will not be the case during the Estimates process.

I just want to comment to the Minister that I did review the BNA Act, and I did note in the BNA Act that education is the responsibility of the province. I hope the Minister will recognize that in the answers he is going to give us during this Estimate process.

Responsibility for education lies with the provincial Government and of course specifically at the desk of the Minister of Education. Some roles, some responsibilities may be delegated, but ultimately in law and in fact responsibility rests at the Minister's desk. To quote Harry Truman on this: "The buck stops here." I trust that our concerns and our suggestions will be seen in that light.

The reason I raise it, Madam Chairperson, is because of one of the trends and the specific question that happened in the House several weeks ago when the Member for Point Douglas (Mr. Hickes) asked I think about a program occurring in the inner core of the City of Winnipeg regarding Native education in pre-school. The Minister stood up and indicated, quote: that is not our responsibility, we do not fund pre-school, as I recall.

I was concerned about that comment, Madam Chairperson, because even in the United States where they have a \$3,000 billion deficit, and despite the difficulties Congress has made in passing budgets in the United States, as I heard recently, they increased the Headstart Program, that is to exceptional students, pre-school exceptional students at that, fivefold—a fivefold budgetary increase—while here in Manitoba our Minister responded to a legitimate question by saying: well we are not responsible.

* (1540)

My answer to that is why not. If the U.S. Congress is prepared to embark on an ambitious program to provide their students and their children with a headstart—not just exceptional students but all students in general—why can we not? Why should we not do so in the Province of Manitoba? There are examples of us doing it in the core area.

Beyond question, Madam Chairperson, we are in a changing society. I am not a sociologist nor am I a future watcher, but I am a parent with a child and I have made certain observations. We are clearly in a post-industrial age. We are dealing with an information revolution in fact. We have seen the agricultural revolution, the industrial revolution, the electronic revolution. Now we are in the midst of the information revolution, and if we reflect upon past technological revolutions we see that the effect is dramatic, profound and true to the word "revolutionary". They have turned society around or upside down.

I have made some observations in this regard, and specifically I am relating to the Province of Manitoba. We are no longer in a resource-based economy. Essentially we are increasingly moving towards an information-based economy. An example of something like that, Madam Chairperson, is the communications revolution.

Decisions have to be made at the corporate level whether or not line service in communication should

be based on a copper coaxial cable or optical fibre using the services of laser technology. We have the skills and resources obviously for copper, and we are only beginning to develop fibre optics. I have read recently the comparative cost of going fibre optics versus copper coaxial cable is 300 to 1. Obviously, anyone making a decision on that basis would go towards the higher technological process.

It is clear that our potential as a province, as a society, in this age will be based less on our resources, Madam Chairman, and more on our contribution to this information age. It is an information-based economy. It is here that our economic well-being and our future lie, and to use an industrial-age pun, "The die is cast." We have no choice but to enter this age.

It is likely that not too many years from now our citizens will be able carry on their commerce and their lives, not just from the hub and drub of centres of the cities like Winnipeg, Toronto, or New York, but from their towns or villages in all rural Manitoba via fax and via satellite. Therefore, it makes it incumbent upon us, Madam Chairman, us legislators and all, to equip our children and our citizens to enter this age and the question is: Are we ready? Are we providing the best education possible in order to do so?

It also makes it incumbent upon us even more to do this for all of those exceptional others who have the potentiality, particularly in this information age, to participate as never before. They not only have the potential but they have the right as do our aboriginal people and as do all others who, because of their background or circumstances, have not had the right in the past. We can and we must, all of us, use our people resources.

Harold Innis, the great Canadian historian, said and I quote: Education is the basis of the state. End of quote. I believe this is true, and I believe all of us in the Chamber believe that. If we are to do our deliberations here and not just be political, we must keep this in mind at all times.

The decisions we make in Education, Madam Chairman, have probably more far-reaching consequences and impact than any other single thing we do in this Chamber. So, Mr. Minister, when I say "the buck stops here," I sincerely mean it. I mean it on behalf of myself, the caucus, the people of Kildonan, all of the people of Manitoba, and all the children and adults in Manitoba.

We, on this side, approach the task of education with six major goals in mind for the education system: First, it must adapt to the social, economic and technological changes occurring. Second, we must reinforce the primacy and the effectiveness of the public system. Third, we must maintain and raise our educational standards. Fourth, we must provide enhanced and appropriate educational programs to students presently suffering from special learning needs. Fifth, we must improve the efficiency and the delivery of these services; and finally, "access" is the key to the entire structure.

So, Mr. Minister, when we ask questions on this side of the House, we do so perhaps with a sprinkling of political motivation, but above all, for the purpose of ensuring that all Manitobans, regardless of background, have access to the best possible education system.

I believe this Government must be accountable, Madam Chairman. I believe it must be accountable, because it is this Government that said education is its first priority. If it is, their actions should reflect this.

Aside from my earlier, largely philosophical comments, Madam Chairman, there are some specific issues I wish to address at this time: Firstly, there is no doubt the Department of Education is comprised of dedicated and responsible individuals, but when it comes to taking responsibility and accountability on behalf of the Minister, we have problems, and we will hold him responsible for those activities.

In the throne speech, it was stated, quote: That the Government will invest in our educational system to make it more responsive to the challenge our children will face in the 21st Century.

I do not understand where that initiative is. I suspect it was in the five-year strategy that the Minister made reference to in his opening comments, the Answering the Challenge strategies for success. I presume there is some other five year strategic plan which I hope we will have an ability to review in that regard, so we can ensure that their commitment, to ensure that our education system is responsive to the 21st Century, can be dealt with.

With respect to retraining, Madam Chairperson, we are going to be getting into that in a great deal of detail during this Estimates process. I just want to put one fact on the line for us, and that is that we believe that if a company comes to Manitoba and displaces a worker, they should be responsible for

some of that retraining, but that this retraining should not necessarily be in the private sector but should be done probably through our community college system.

I also want to make reference, Madam Chairperson, to the fact that in light of all of our comments and directions we cannot lose sight of one very important factor, and that is, of course, the circumstances of the individual taxpayers. Above all, when it comes to the question of taxation, then the issue of fairness or equity becomes crucial.

It is our view that the offloading of expenditures from the federal Government to the provincial Government and in turn the offloading to the local taxpayer and the students has resulted in a special levy becoming its highest ever. The future, if this budget is any indication, only forecasts increased costs at the local level via the special levy. I welcome an open discussion with respect to the financing review that has been promised and has been undertaken I presume by this Government during this Estimates process.

Another overriding concern of Members on this side of the House, Madam Chairperson, with respect to the Department of Education, is the overall move towards privatization, something that was not discussed as far as we can ascertain but seems to be an overriding move on this Government.

As I indicated in my budget remarks, clearly two actions of activity in this province that involve public participation are demanded by the people of Manitoba. First is the health care system and second is the education system. Manitobans believe the education system should be operated by the public, not by the private sector. I look with some concern upon some of the initiatives undertaken by this Government in that particular area such as the contracting out the buses proposal, the increase of funding to private schools, the question of private companies receiving grants to take retraining, possibly at the expense of community colleges and others.

We look at that with some concern, Madam Chairperson, and we will be dealing with that in greater detail throughout this Estimates process. As well, we look with some concern upon the realignment and the manner in which governorship of the three community colleges has been undertaken by this particular Government.

Another area of concern, Madam Chairperson, and something the Minister on that side of the House should be well familiar with is R & D. Research and development is obviously a crucial factor if we are to attract business, something Members on that side of the House spend a good deal of time discussing. I do not see any great initiatives in this particular Estimates process otherwise in order to deal with R & D.

* (1550)

I note that the Minister—the matter perhaps will be in the jurisdiction of the Minister responsible for Industry, Trade and Tourism (Mr. Ernst). I do point out to this Minister that universities are the core of research and development, and this serious erosion of funding to the universities has resulted in a crisis at the universities in a number of areas, the inability to retain graduate students, the inability to maintain a very high quality staff. The lack of funding could result in some serious shortfalls in R & D at the university level and should be of some concern to all Members of this Legislature, Madam Chairperson.

Another concern that was raised in this House by myself, both in Question Period and in my Budget Address—I greatly look forward to the Minister's response when we get into specific line-by-line items—is the question of funding to the public school system in Manitoba.

As I indicated to the Minister several days ago, it is our view on this side of the House that the increase in funding to the public school system in Manitoba, as a result of this budget, is virtually nil, or zero, in this Estimates process. As a result, we are quite concerned with the already eroding service in the public school system, as well as, Madam Chairperson, the highest historical rate ever of the special levy. It is our concern to try to obtain some answers from this Minister with respect to the amount of money that actually is going into the public school system, despite the comments of the Minister in this regard.

Obviously, an overall concern is the overall spending in the Department of Education and Training. Our statistics and our information on this side of the House lead to some startling conclusions with respect to the funding in Education. If this Government is true to the primacy of education being their No. 1 priority, if the comments of the First Minister (Mr. Filmon) and the Minister are to be

taken seriously, then clearly the funding in the area of education should be proportionately much higher than perhaps other areas.

Research done on this side of the House, by some of our people, indicates that over the last several years, of 17 Government departments, the Department of Education and Training is No. 16 out of 17 with respect to commutative and proportionate increases of its budget. That has raised a good deal of concern to Members on this side of the House, particularly in light of the comments of the First Minister, the Minister of Education, and other comments by Members on that side of the House with respect to the increases to the education system.

We will be getting into a number of specific issues in that regard. I perhaps would just like to take the opportunity to indicate that I did some research for my budget speech, and if the Minister would like to review my budget speech, I quoted back to the First Minister a number of comments that he made when he was in the House in 1982, as a Member of the Opposition, with respect to Education and education funding and how the Government of the Day was supposedly not funding education properly. While we all make comments in Opposition and Government tends to often or sometimes change our orientation somewhat, I was surprised by the fact, for example, that the Member for Tuxedo at that time was astonished that the community colleges were only receiving an increase in 1982 of 3 percent. He was astonished and chastised the Government for that fact.

I note that in this particular budgetary exercise the increase to the community colleges is not 3 percent, not 2 percent but in fact is a decrease. In that regard, I just perhaps would ask that the Minister review some of these comments of his colleague in regard to Education.

Finally, I would like to comment, the Leader of the Third Party (Mrs. Carstairs) indicated, Madam Chairperson, that consultation appeared to be lacking. We will have many questions, throughout this Estimates process, in regard to consultations and the various strategies adopted by the Department of Education. I, too, remind the Minister that there are many participants in the education system—school boards and trustees, students, as well as teachers. One gets the impression that because of the lack of leadership and direction from the Department of Education—as I say, they are

very good people, but there seems to be a lack of policy and strategic direction—the ship seems to be a bit afloat in the sea and the participants are not very happy with the way the ship of state, if I could put it that way, is proceeding.

Those are my introductory comments, Madam Chairperson. Thank you, very much.

Madam Chairman: I would remind Members of the committee that debate on the salary for the Minister, 1.(a), is deferred until all other items in the Estimates of this department are passed.

At this time, we would invite the Minister's staff to take their places in the Chamber.

Does the Honourable Minister wish to introduce his staff present?

Mr. Derkach: Yes, Madam Chairperson, I would like to introduce my staff this afternoon. First of all, the Deputy Minister of Education and Training is John Carlyle here. Beside him is our Assistant Deputy Minister of Administration and Finance, Denise Lovatt, Director of Personnel, Bill Claydon, and also the Director of Planning and Research is Mr. Alex Krawec.

Mr. Chomlak: Yes, Madam Chairperson, prior to proceeding, I just have a preliminary question, several questions to ask of the Minister. That is, there are some areas I am not precisely sure where in the Estimates process we should deal with them, and I wonder if perhaps he could give me some preliminary advice. Specifically what I am wondering about is, where in the process should we deal with the question of education finance review?

Mr. Derkach: Madam Chairperson, that question can be asked in Section (XVI) 3. if you like, public schools finance to the department.

Mr. Chomlak: I missed the response, Madam Chairperson.

Mr. Derkach: (XVI) 3. Financial Support - Schools.

Mr. Chomlak: The question of the Auditor's Report would be under Finance Branch, I would assume?

Mr. Derkach: It can be dealt with under the Finance Branch as well.

Mr. Chomlak: Yes, finally, Madam Chairperson, the question of the retention rates or drop-out rates for students, would that be under Research and Planning?

Mr. Derkach: Well, Madam Chairperson, that can come under several areas depending on the nature

of the question, but I would suggest that a part of that could be dealt with in Planning and Research. It depends on the nature of the question.

* (1600)

Madam Chairman: Are we ready to proceed line by line?

The item before the committee is 1.(b) General Administration, Executive Support, 1.(b)(1) Salaries, \$366,700, page 41 of your Estimates book. Shall the item pass? The question is on the floor. Shall the item pass?

An Honourable Member: No.

Mr. Chomlak: I would like to ask the Minister if he might describe the staff and their activities in this section.

Mr. Derkach: Madam Chairperson, there are five positions in my office: the secretary to the Minister, two administrative secretaries, an executive assistant to the Minister, a special assistant, and in the Deputy Minister's office we have the Deputy Minister, the secretary to the Deputy Minister, an administrative secretary and a program analyst.

Mr. Chomlak: Can the Minister indicate whether any new people have been hired in this office in the last year?

Mr. Derkach: Madam Chairperson, there have been several new people hired in the office. Some people have gone on into the department, others have come in. If the Member would like to be more specific about which positions, I could certainly elaborate on them, but we have a new executive assistant in my office within the last year, a new special assistant. My secretary, the Minister's secretary, is new and the administrative secretaries are new.

Mr. Chomlak: I note in the detailed Supplementary Estimates at page 27 that there are nine staff years for the Executive Support. Perhaps my question was not broad enough to the Minister. What are those nine staff years, please?

Mr. Derkach: Madam Chairperson, I think I just read out those nine positions to the Member. They are the nine positions within the two offices, the Minister's office and the Deputy Minister's office, including the Deputy Minister.

Mr. Chomlak: Can the Minister indicate what the other fees of \$10,000 in the Expenditures indicate?

Mr. Derkach: Well, Madam Chairperson, the \$10,000 that perhaps the Member is referring to is

the professional fees and other miscellaneous fees and supplies and services in the offices that figure refers to.

Mr. Chomiak: On page 26 of the Supplementary Estimates, it is indicated that the Executive Support provides policy advice to the Minister. Can the Minister indicate who specifically provides that policy advice?

Mr. Derkach: Madam Chairperson, that advice is provided by a variety, of course, of people; but basically we are referring to, in this particular section, the Deputy Minister of Education and Training, and perhaps the special assistant to the Minister.

Mr. Chomiak: Can the Minister indicate whether or not it is in this area that the five-year strategic plan has been developed, that the Minister referred to in his opening remarks?

Mr. Derkach: The strategic plan that I referred to in my opening comments was actually developed by the entire department. It was a co-operative effort by the various branches within the department, but the work of compiling all of the comments, and all of the input from the various branches was done in the planning and research area.

Mr. Chomiak: Can the Minister indicate whether the Deputy Minister meets on a regular basis with the interested parties that are, to use the Government's words, partnership with the Government in the education field?

Mr. Derkach: Yes, Madam Chairperson, I would like to indicate that not only the Deputy Minister but the Minister as well meet with the various interest groups including the Teachers' Society, the School Trustees, the Manitoba Association of School Business Officials, the superintendents' association. I make it a point to meet with the various players, at least the elected representatives of the Manitoba Teachers' Society and the Manitoba School Trustees Association on a monthly basis.

We have also embarked on meetings with the presidents of the universities, and we try to meet from time to time with as many of the key players in education as we can.

As a matter of fact, I could indicate to the Member, that in the last two days we have met with the president of the University of Winnipeg, and this morning we met with the president of the St. Boniface College. These are kinds of meetings that take place on a regular basis. Sometimes they have

to be postponed because other matters come into play of a very urgent nature, but we certainly attempt to keep in close communication with many or most of the key players in the education field.

Mr. Chomiak: Yes, is the Minister satisfied that his staffing levels at the Department of Education are adequate?

Mr. Derkach: I guess we could always welcome more staff, but I think we have to balance the staffing levels that we have within the department with the tasks that need to be performed and also the fiscal capacity that we have as a Government and as a province. I would have to say that, in a general sense, staff are performing their duties very well. Certainly everybody is working hard. I do not see anybody sitting around their desks not having anything to do. I am quite satisfied with the staff levels that we have in the department and the work that is being done.

Mr. Chomiak: Yes, I would like to get into the question of the priorities and mandate of the department. I do not know if it is the appropriate place at this point, or whether we should wait till we get to Research and Planning and deal with the strategic plan, et cetera.

Mr. Derkach: Madam Chairperson, I think those kinds of questions, because they deal with planning and perhaps priority setting should probably be dealt with in 16.(c) which is Planning and Research.

Mr. Chomiak: One other question, which again may or may not be appropriate, but perhaps the Minister can also direct me with respect to the reconciliation statement contained in the main Estimates, where does the Minister suggest I deal with the figures in that particular statement?

* (1610)

Mr. Derkach: Well, Madam Chairperson, I do not know quite what specific section the Member is referring to, but we can deal with his questions right at this time. I will try to answer them.

Mr. Chomiak: Just for my own clarification, Madam Chairperson, the transfer of functions of the \$16,100,000 transfer from the Department of Agriculture, can the Minister provide me with the specifics on that? I am assuming it is the transfer of the rural ESP onto consolidated revenues.

Mr. Derkach: Madam Chairperson, that is the transfer of the farm education levy to the department.

Madam Chairman: 1.(b)(1) Executive Support, Salaries—pass; 1.(b)(2) Other Expenditures \$110,000—pass.

1.(c) Planning, Research and Policy Co-ordination: (1) Salaries \$469,700—is it the will that this item pass?

Mr. Chomlak: I note that the section is now changed. Research and Planning is now called Research, Planning and Policy Co-ordination. What policies does this section now co-ordinate?

Mr. Derkach: Well, Madam Chairperson, this department co-ordinates the department's planning process and that means that in terms of strategic planning, our mid-term and our long-term operational planning, and the inter-branch and inter-divisional planning process. It conducts surveys, program evaluations and reviews of departmental programs and services. It analyzes the trends and the policies and programs, and conducts policy oriented research and develops policy options. It develops and maintains data bases and it consults with members of branches, school divisions and external organizations concerning all areas of education.

Madam Chairperson, I could elaborate on some of the examples if the Member would like. There is an example in terms of the projects that have been participated in. A summary and a synthesis of the department's response as to the High School Review is an example. The Structural Drafting program at Red River Community College is another one and the Business Administration Program Evaluation, just a whole myriad of programs that I perhaps could table for the Member, if he would like that list.

Mr. Chomlak: I note that in last year's Supplementary Estimates that particular branch was to facilitate a results-orientated management approach within the department. Was that activity carried out?

Mr. Derkach: Madam Chairperson, can I ask the Member to repeat his question? I am sorry, I did not catch it. I am having a little bit—

Mr. Chomlak: Yes, Madam Chairperson, thank you. Last year in the Estimates process, that particular branch had as one of its objectives and I quote, to facilitate a results-orientated management approach within the department. Was that activity carried out?

Mr. Derkach: Yes, of course, it was, Madam Chairperson. That is the program that I referred to, the process I referred to in the strategic plan. The strategic plan is in fact the results-oriented process that we would embark on over the next five years, if you like, in setting some of the priorities of the department. It is not that there has not been a plan in place in the department, it is just that it was time to review it and renew it. That is what has taken place over the last year.

Mr. Chomlak: Will the Minister table that plan?

Mr. Derkach: Madam Chairperson, we are just in the final stages of finalizing the plan and, therefore, the copies of that are not available. As soon as that is available, I will be happy to share it with Members of this House and especially the Opposition critics.

Mr. Chomlak: I thank the Minister for that response. I note that the Planning, Research and Policy Co-ordination Branch conducts surveys. Can we obtain a list of the surveys conducted by this branch over the past year?

Mr. Derkach: Madam Chairperson, I would be happy to provide a separate list, but the list that I just tabled had included in it the various surveys that have been conducted by the department. So if the Member wishes, I can have the list of surveys taken from that list and provide a separate list.

Mr. Chomlak: I am sorry, Madam Chairperson, is the Minister saying that all of the surveys conducted by that branch are contained in this master list that I have?

Mr. Derkach: Yes, Madam Chairperson, but the list that the Member has does not include just the surveys. It is various projects as well.

Mr. Chomlak: Madam Chairperson, item 21 on the list that the Minister just provided me indicates strategic plan. This is the strategic plan that we have been talking about. That is correct?

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

Mr. Chomlak: Can the Minister indicate whether or not this branch or any branch provides studies or analysis of trends and requirements for aid to private or independent schools?

Mr. Derkach: No, Madam Chairperson, there has been no study with regard to trends to support to independent schools. I have not asked the department to do a survey or a study of trends in terms of financial support to independent schools.

Mr. Chomiak: I will be the first to admit that was a terribly worded question. Let me rephrase the question, Madam Chairperson. Has this branch carried out any activities that would justify the Government's increased funding to private schools?

Mr. Derkach: No, Madam Chairperson, there was never such a plan or survey done. This was an initiative that was carried out by Government last year in recognizing the fact that independent schools in this province, vis-a-vis other provinces, were somewhat underfunded, but more importantly, that there was no accountability measure in place for independent schools.

Indeed under the former administration, if I may say this, there were examples of double funding being carried on to independent schools, something that no longer exists because we were able to bring in a mechanism where there is now true accountability in the various areas, not only in financial areas but also in program areas as well which has resulted in some institutions getting less funding this year. Perhaps it is an institution that the Member for Kildonan (Mr. Chomiak) will be most familiar with because I think it is one of his alma mater, if I might use the term, that indeed found itself with less funding this year because we have eliminated much of the double funding that existed before.

Mr. Chomiak: The point I am trying to get at with the Minister is, he has indicated a policy initiative based on some interprovincial comparisons and based on obviously some comparisons with previous administrations in this province. Where was that initiative originated and is there any documentation that would help Members on this side of the House understand why those decisions were taken?

* (1620)

Mr. Derkach: Madam Chairperson, the documentation is there if we look at the funding that was given to the independent schools prior to this accountability mechanism being put in place. As a matter of fact, if you take a look at how institutions were funded before this, you find that students who were from out of province were also being funded by the taxpayers of this province to attend a private institution. That is another one of those areas that no longer exists because we do not fund students who are from out of province anymore.

This was again a part of the whole exercise of accountability, but ensuring that independent schools get a fair share of funding in this province because indeed those students are members of this province. Their parents pay taxes in this province, and we believe very much in accessibility to education and we believe very much in choices.

So therefore, Madam Chairperson, I would have to indicate that there was lots of evidence before us that indicated that there were many glaring inadequacies in the approach and the system that was in place prior to the changes that have been made to independent school funding and accountability measures.

Mr. Chomiak: The Minister indicated there were many reports. Can he provide Members on this side with—I am sorry, I may have misinterpreted. Perhaps he could clarify. If there are reports, can he provide Members on this side of the House with a list of those reports?

Mr. Derkach: Madam Chairperson, there are no reports, but I can tell you that all you have to do is look at the method that was used to fund independent schools prior to this process being implemented and you will find the examples I have pointed out: no accountability in terms of goals of learning for those institutions, in terms of school programs, in terms of time allotments for various subject areas, in terms of provincial and local programs being implemented in the institutions, in terms of requirements to comply with the Administration Act, in terms of electives that are available in the high schools, in terms of accessibility to education by mature students or by any students and in terms of financial accountability—no auditors' reports, no statements of surplus, no statements of change in financial positions, no balance sheets, no statement of revenue and expenditure, no notes to financial statements, no supplementary auditor's report to any of these institutions. All of this has now been put into place where they have to comply as does the public school system.

We now have student records or we will be getting appropriate student records. We have had to increase some of our staff within our administration finance branch to be able to monitor independent schools so that indeed they do comply with the requirements that have been put in place. That means that now they will have elected advisory boards which are representative of the people who

send their children there, and indeed there is more compliance with The Education Administration Act as it applies to all public schools.

Mr. Chomiak: I am just turning to the Project Report List that the Minister has provided me, the Planning, Research and Policy Co-ordination Project Report List, the two page document. Can the Minister tell me what a Summary and Synthesis of Departmental Responses to the High School Review report is?

Mr. Derkach: This is an internal document or an internal report that was presented or carried out for the purposes of the Minister and the support staff to be able to appropriately address the issues within the High School Review and the challenges that will be for us in that whole area.

Mr. Chomiak: I do not wish to belabour this but I wish to understand it. The departmental responses, does that mean the responses of the Department of Education to the High School Review report?

Mr. Derkach: Well, Madam Chairperson, if I could just elaborate on that a little. When we received the first draft of Answering the Challenge, or Challenges and Changes, I guess it was—Challenges and Changes were the first documents, Answering the Challenge is mine—we then sent it back out—we have heard a little criticism today about not consulting. When we received that document in the first place, we sent it back out to the field to ask for responses to that and we received some 230 or more responses to it. We then had to compile these responses into some semblance of order and also get the responses from the department with regard to the document.

After we received all of these, we needed to synthesize them and to put them into some kind of rational order so that we could deal with the matter afterwards and as a result of this, we had the Policy Advisory Committee on the High School Review established to deal with these many responses. Then that is how we came up with the final document for the High School Review.

Mr. Chomiak: With respect to item 4 on the Project Report List, can the Minister table the Gifted Policy Report?

Mr. Derkach: Madam Chairperson, last year we embarked on two initiatives. One was to put in a guideline for special needs and once that was completed, we indicated that we would move into the whole area of gifted education. As soon as we have that completed I would be happy to table it. As

at this time that particular document has not been completed in its final form. We are looking for it in the next few months.

Mr. Chomiak: Similarly the STEP Program, item 6, will the Minister be prepared to table that?

Mr. Derkach: One of the areas that I had some concern about, Madam Chairperson, when I took office as Minister was the effectiveness of the STEP Program within the department. One of the ways to see whether or not we were making effective use of the students that we were hiring was to carry out a small study to give us the information accurately. This is really the result of that, and that is what that particular item refers to.

Mr. Chomiak: Can the Minister table that report?

Mr. Derkach: Once again, Madam Chairperson, that was an internal document for our use within the department so that we could better utilize the staff or the individuals that we were putting on the STEP Program.

Mr. Chomiak: Item 7. Home Schooling - Provisions, Regulations and Policies Provincial Comparisons. Will the Minister table that report?

* (1630)

Mr. Derkach: I have to indicate to the Member for Kildonan that much of the work that this department carries out is done for advice to the Minister, and a lot of this kind of material is for internal use only. Once again this is an area where we are dealing with at the present time. There has been no particular announcement of the regulations or provisions for home schooling other than those that have been in place for some time. These kinds of reports are done for the use of the Minister and the Deputy to try and come up with a rational approach to how we are going to address some of these issues, and Home Schooling is one of those. It is a corporate planning unit not really meant for public distribution.

Mr. Chomiak: Can the Minister indicate when we can expect the policy announcement on the Home Schooling program as a result of this report?

Mr. Derkach: It would be too cute to say in the fullness of time, so I will indicate that the department and staff of the department are working on this particular item. We still have many, many barriers, if you like, hurdles, to cross with regard to home schooling and much deliberation to go through with affected parties. This again is an issue that we have been discussing with the key players being MAST,

MTS, the home schoolers, parents, for some time. It is not one that I can say that we have resolved to our satisfaction at this point in time and one that requires more work. I cannot give the Member a definite time line as to when we will be able to come up with this, but I can tell you that we are working on it.

Mr. Chomlak: With respect to item 11 on the list, can the Minister just indicate for me what the study entails and, of course, would he be prepared to table it? Competency Based Learning Review.

Mr. Derkach: Madam Chairperson, the Competency Based Learning program at the community colleges is one that has been there for some time. The report itself is intended to guide ongoing program development and improvement of this approach to learning. It is meant to help staff, to help students, to help the administration in how they address the whole area of competency based learning. The report itself is an analysis of the assessment information provided by focus groups, surveys, interviews and information forms.

The seven programs in the CBL area which were reviewed included the Hotel and Restaurant Administration program, the Child Care program, the Clerical Bookkeeping program, Institutional Food Services Supervisor program, Commercial Cooking program, Nursing program and the Adult Basic Education program.

Mr. Chomlak: Can the Minister indicate why these particular programs were chosen?

Mr. Derkach: Madam Chairperson, from time to time we consult with the various community colleges to see how programs are, in fact, progressing in various areas. These programs that were chosen in this particular survey or report were ones that were identified by Red River Community College as their preference or their priority to look at.

Mr. Chomlak: Will the Minister release the copy of this report?

Mr. Derkach: Madam Chairperson, once again—and I think it is included on the Member's list—that this was again for internal use within the department and for Red River Community College.

Mr. Chomlak: With respect to item 14 on page 2, Human Resource Development Policy: a Proposal, can the Minister just give me a brief description of what that entails?

Mr. Derkach: Madam Chairperson, this particular one was designed to see how the department could better use the human resources that we have in the department and how we could perhaps better in-service the people that we have working for us.

We carried this out to ensure that we make the fullest use in the capacity to respond to the needs of our clients. A policy on professional development was needed to ensure that civil servants were able to develop the necessary skills to effectively carry out the role of the department. Based upon the principles of accountability, equity, excellence and relevance, a draft policy on human resource development has been developed for the department.

Mr. Chomlak: Can the Minister indicate whether this policy has been implemented by the department?

Mr. Derkach: This is at the senior staff level at this point in time. Once it has been considered by senior staff, it will be coming to my office for consideration as well.

Mr. Chomlak: Can the Minister indicate whether he will table this report?

Mr. Derkach: Well, once again, Madam Chairperson, this is a document that can probably be used, not only by our department, but perhaps by other departments as well but it is not the kind of document that is of any use to the public. It is a document that is really meant for internal use by this department and perhaps other departments, so I would say that, no, it will not be released for the public's consumption.

Mr. Chomlak: Just one final question with respect to this proposal or policy, was there any specific incident or incidents that prompted this particular policy review?

Mr. Derkach: Madam Chairperson, if you look at the priorities of this department and the fact that we want to ensure that in the area of a skilled work force we make the best use of the human resources that we have within the province, this also applies to our department and we have to ensure that we make the most efficient and effective use of the people that we have within our department. To do that we have to ensure that they are properly trained and in-serviced so they can carry out their duties properly. That is why this kind of a project was carried out.

Mr. Chomlak: Madam Chairperson, with respect to item 15. Accreditation of Private Colleges, a background paper. Can the Minister indicate which private colleges the paper dealt with?

Mr. Derkach: The Member's question I believe was, how many colleges there are?

Mr. Chomlak: Which college is the—

Mr. Derkach: Madam Chairperson, it is all of the private colleges that we have in the province and I think there are four or five of them. There is the Nazarene, there is the Canadian Mennonite College, Catherine Booth is a private college, the Winnipeg Bible College. I am missing one. I will get the names of the other colleges for the Member in just a minute. I will get the names of those colleges. Everybody seems to have drawn a blank right at this time. We are missing one or two, but I will get the names of those colleges for the Member and I will make sure that they are correct when I read them out.

Mr. Chomlak: I thank the Minister. Will the Minister table this document in the House, please?

Mr. Derkach: Well, once again, Madam Chairperson, this is for internal use and will not be tabled.

Mr. Chomlak: I simply cannot resist the temptation to ask a question about the next item on the Minister's list. The Government's thrust in sustainable development, can the Minister outline for me what this study is about?

* (1640)

Mr. Derkach: Madam Chairperson, this entire initiative was spurred by the report of the World Commission on Environment and Development, Our Common Future, and the Canadian Council of Resource and Environment Ministers, the National Task Force on the Environment and the Economy.

Madam Chairperson, it was a result of the round tables that have been established in Manitoba's round table, bringing together individuals from Government, industry, academic, and other non-governmental organizations. The action that was required—I could go through an entire list of things that have led to this—but I can tell you that Manitoba Education and Training is addressing the issue of sustainable development through its ongoing activities such as program and curriculum revision from kindergarten to Grade 12.

Recently, the World Environment, Energy and Economic Conference was held here in Winnipeg and was a giant success, I believe. We have raised this issue through my participation at the Council of Ministers of Education to the council, and there are further actions that are required.

I can indicate to the Member opposite that when we look at our curriculum, we find that there are certainly some issues as they relate to environment within the old curriculum, if you like, but it needs to be updated and upgraded to include the importance of sustainable development and not just the very narrow issue of environmental protection. We have to ensure that there is a balance and that indeed we address the two issues.

I think we have addressed this in an appropriate fashion. We now have a consultant of sustainable development and environmental issues in the department to ensure that indeed curriculum, right from kindergarten through Grade 12, does have appropriate mention of sustainable development and the environment in it. In this way I think we are addressing the whole issue, the whole important issue of sustainable development within society and within this province.

Mr. Chomlak: I think all Members of this House agree with the Government's thrust in the area of sustainable development. My only concern, and perhaps the Minister can clarify, is why is this activity being carried out at this particular level, this part of the department, when perhaps it should be at Program Development Support Systems, if you are dealing with curriculum? I just do not understand why it is here in this area.

Mr. Derkach: Madam Chairperson, this is the body that deals with the research into this whole area. Whether it is this particular initiative or another one, it will be Research and Planning Branch that will involve itself in developing the plan and developing the policy and the approach. The PDSS branch of the department will do the implementation of the initiative once it has been approved.

Madam Chairperson, while I am on my feet, maybe we could revert back to the question on the Bible colleges as I now have a complete list and an accurate list. We have the Canadian Mennonite College, the Mennonite Brethren College, the Canadian Nazarene College, Winnipeg Bible College, and Catherine Booth.

Mr. Chomlak: With respect to the Minister's comments, would curriculum review be undertaken as well in this section of the department?

Mr. Derkach: No, Madam Chairperson, curriculum review would be undertaken through PDSS but through the Curriculum Review Committee as well—through consultation, I should add.

Mr. Chomlak: Just for my own clarification, therefore, if the department were anticipating to do a review of Family Life curriculum, or a study of Family Life curriculum, would it be done in this section of the department?

Mr. Derkach: No, Madam Chairperson, if we were doing a review of the Family Life Education program, the Program Development and Support Services would do the actual review or the revision of that particular curriculum.

However, if we wanted to do a comparison of our program to other programs, perhaps in other parts of the country or other jurisdictions, we might ask the Planning and Research Division to do a survey or to come back or to do a particular task in that related area.

Mr. Chomlak: Is this a section of your department that is carrying out the study of contract busing?

Mr. Derkach: No, Madam Chairperson, the area of the department that is doing that is the People Transportation Area. I might indicate that it is a pilot program. It is a study which will take a year and will involve a variety of people, but it is not this particular branch that does that study.

Mr. Chomlak: Just returning to the list, Madam Chairperson, item 22, the Northern Education and Training Strategy - A Framework, can the Minister indicate in brief detail what that entails?

Mr. Derkach: Madam Chairperson, this is a background paper which outlines the framework and process for developing a Northern Education and Training Strategy. This is sort of the preliminary work that goes into establishing perhaps the approach that we should take to Northern Education and Training.

Over the last couple of years, the last year and a half, we have taken a very serious and a very in-depth look at what the needs are in northern Manitoba and the kinds of strategies that need to be brought together to address the many training and education needs that we have in the northern part of this province.

As we go through this particular year, I am hopeful that we will be able to make public an approach to education and training in northern Manitoba which will be more comprehensive and a more practical approach than we have had in the past.

Mr. Chomlak: I thank the Minister for those comments. Would this particular framework and this strategy be the basis of the Government's negotiations with respect to the federal Government and the possible renewal of the Northern Development Agreement, et cetera?

How does this framework play into the Government's representations to Ottawa with respect to the continuation of funding in the NDA and other programs?

Mr. Derkach: It was very clear that the federal Government had no intentions of carrying on with the NDA, and the programs came to an end. The federal Government was looking at different approaches to the way, you know, they fund some of these programs or all of these programs. That is what caused the problem last year, when we were entering into a new school year and the funding was not in place from the federal Government.

Our commitment was there and still is and is very strong to the programs that we have. But we have to renegotiate with the federal Government, what their approach is going to be.

One of the problems that we have encountered is that they are not sure about how they would like to approach some of these programs and whether they are going to fund all of the programs that are in existence now. So that is the kind of discussion that is going on with the federal Government.

I am hopeful, very hopeful, that before we get too far down the road in the new year, we are going to have some agreement or at least some approach that we can identify as being a reasonable one for the ACCESS programs, including the BUNTEP program for the next current year, but it is still at the discussion stage at this point in time.

Mr. Chomlak: I thank the Minister for those comments. I can indicate I will be getting into those particular aspects in far greater detail later on in this process. Just returning back to this framework, I am trying to establish whether or not this is the policy framework and the basis upon which the Government is carrying out its negotiations or is forging ahead for the future in this area.

* (1650)

Mr. Derkach: No, Madam Chairperson, I would like to indicate to the Member for Kildonan that it was the Department of Northern Affairs that was conducting the negotiations with the federal Government, because that is the department that had responsibility for the Northern Development Agreement. Now that that agreement has ceased, the Department of Education and Training is discussing the matter with federal Ministers, but it is not this particular branch of the department that is doing that.

Mr. Chomlak: Will the Minister table this document?

Mr. Derkach: Once again, Madam Chairman, many of these documents are in a format that is not necessarily to be used by the public and are for advice to the Minister, to the Deputy Minister, on perhaps some of the pros and cons of various approaches and for that reason, reports of this kind are internal documents and should not and will not be tabled for the public.

Mr. Chomlak: Turning to item 23, White Paper on Legislative Reform, revised office draft, is this the PSA review?

Mr. Derkach: Yes. This is the review of The Public Schools Act that we were speaking about earlier today. We have talked about this for the last year. Our department staff have been busy rewriting the White Paper to ensure that we do approach it properly. There has been some consultation and we are looking at releasing it when there is approval by Government to do so.

Mr. Chomlak: Can the Minister give me some indication as to what the thrusts will be in that particular review?

Mr. Derkach: It is going to be fairly wide-ranging, Madam Chairman, but the intent is to try and update The Public Schools Act from where it is now. Clearly, The Public Schools Act has not been updated for some time. It is not only outdated, but there are sections in there that really do not pertain to education as we see it today and need to be taken out, and others need to be perhaps revamped. For that reason, we are going to try and make sure there is consultation on the wide range of areas that The Public Schools Act will cover. It also relates to The Education Administration Act as well.

Mr. Chomlak: With respect to the consultations, what consultations does the Minister envision will take place in regard to the reform of The Public Schools Act?

Mr. Derkach: It could take a variety of forms, but we envisage going out to the various regions of this province and ensuring that there is an opportunity for the public, all of those who have a view that they would like to express with regard to education, that they are given the opportunity to do that.

I cannot say that we will visit each and every small community in this province, but we are going to try and make sure that we are visiting each region and that people will have access to either make public representation on their views with regard to The Public Schools Act.

Mr. Chomlak: Will the Minister provide a commitment that all Manitobans, all groups and all individuals involved, will have a chance to make representation on this process prior to it being carved in stone? The Minister knows how legislation does get drafted.

Mr. Derkach: Madam Chairperson, I have to indicate that, yes, we will give every opportunity possible for all Manitobans to come forth if they so choose, through groups or individually. Before we come up with the final document, it will come before this House and even the Member for Kildonan will have an opportunity to express his support for it as well.

Mr. Chomlak: I thank the Minister for that, and just by way of advance notice, I wonder if the Department has reviewed, I believe, the recently revised Quebec and Alberta Acts in terms of direction and some of the Acts in Australia in terms of general thrusts and new directions for education?

Mr. Derkach: Madam Chairperson, we receive copies of School Acts that are passed by various provinces, at least ones that are revised, and Ministers from those jurisdictions are only too happy to share their new Acts with us. We have one from the Yukon and one from Alberta and the department is always willing to receive any that other Ministers may be wishing to share with us.

Mr. Chomlak: I thank the Minister for those comments. I will editorialize on two quick points. Firstly, that one hopes that the new Act will make more mention of children than the past Acts, recognizing that the previous revision done by one of your predecessors was actually quite a good job and recognizing that, but hopefully the new Act will make more mention of children.

Moving on to item 24 on the list. Can the Minister indicate what this study has concluded?

Mr. Derkach: Madam Chairperson, this is a topic that has been around for some time. The previous critic for Education, when he was Minister of Education, the Member for Flin Flon (Mr. Storie), once made the comment that he was not brave enough to venture into that whole area of the school boundaries review when he was Minister of Education at that time. This just shows that this is a fairly volatile kind of initiative to get into, but nevertheless it is one that I think everyone is recognizing that needs to be done.

We have heard the Leader of the Third Party (Mrs. Carstairs) today lash out at me for not mentioning it in my opening remarks, but I have to indicate at this time that we have met with the various players. We have met with the Teachers' Society, the school trustees, we have met with the superintendents, the secretary treasurers, municipalities—their representatives, both urban and rural—to discuss this issue and, at that particular meeting, I can tell you that there was no overwhelming support to go with the boundaries review. I think the time is approaching when we have to look at whether or not we should be venturing into it very soon, but we need to make sure that we have the support of people like these major players before we go into it because if we do not it is certainly going to be a failure and a disaster and we do not want that to happen.

Mr. Chomlak: Can the Minister indicate whether this revised background paper is going to be revised again?

* (1700)

Mr. Derkach: No, I think from hereon in it is a matter of establishing when we are going to embark on that initiative and making sure that we have consulted adequately with the levels of Government and important players that we have in the province with regard to education. As the Member knows, over the last two years we have embarked on a fairly ambitious agenda in this department.

Look at High School Review, which has taken some time to plan and to make the announcement and now we have the implementation to do; the Ed-Finance Review, which is going on at the present time and is taking many resources from staff. Indeed, as soon as we have resources available that is an initiative that we can consider. As the Member knows, we are presently going through the Franco-Manitoban Governance issue as well.

Staff resources are limited, I can tell you that. We cannot just spread our staff around to cover every issue but as soon as we have completed some of these issues, this is one that is certainly going up in terms of priority.

Mr. Chomlak: I can indicate to the Minister that was one of the reasons for one of my earlier questions with respect to whether or not you had the proper complement of staff over at the Department of Education.

Does the Minister have a rough idea of what the time line might be on this school division boundary question?

Mr. Derkach: No, Madam Chairperson, I am not in a position at this time to indicate the exact time frame for this kind of a project or initiative, but as we progress through our mandate I am hopeful that we will be able to address this in an appropriate fashion.

Mr. Chomlak: I know, on page 29 of the Supplementary Estimates, that the footnote indicates an increase in costs of \$60,000 for the consultation paper on The Public Schools Act review? Who is this \$60,000 paid to?

Madam Chairman: The hour being five o'clock, it is time for Private Members' hour. Committee rise. Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' BUSINESS

Mr. Speaker: The hour being 5 p.m., it is time for Private Members' Business.

SECOND READINGS

BILL 9—MANITOBA INTERCULTURAL COUNCIL AMENDMENT ACT

Mr. Speaker: Second Readings, Bill 9, Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba.

Mr. Kevin Lamoureux (Inkster): I move, seconded by the Member for Crescentwood (Mr. Carr), that Bill 9, The Manitoba Intercultural Council Amendment Act be read a second time and be referred to a committee of this House.

It is a good Bill.

Motion presented.

Mr. Lamoureux: Mr. Speaker, I did want to make a couple of general comments in regard to Canada

being a multicultural nation and the benefits of having a mosaic rather than what we see down south, where we have a more melting pot idea of immigration and multiculturalism if you will.

I also want to deal with some of the concerns that we have in the Liberal Party in regard to multicultural policy. The reason why I say that is because Bill 9 deals with the need to de-politicize multiculturalism in the province. We have been seeing a direction in the last couple of years that really has not boded too well for our multiculturalism throughout the province.

Maybe I can start off by commenting on some of the remarks that the Minister of Energy and Mines (Mr. Neufeld)—instead of referring to the Minister of Energy and Mines, it is better referred to as the Acting Minister of Culture and Heritage.

The reason why I do this, Mr. Speaker, is as I say, because the direction that this Government is going toward multiculturalism and the direction this particular Bill is suggesting that the Government should be going. It is opposite in terms of what the Acting Minister of Culture and Mines had to say. -(interjection)- Plenty.

We had comments in this Chamber a week ago Friday from the Acting Minister of Culture and Heritage, who talked about—

Point of Order

Mr. Speaker: Order, please. The Honourable Minister of Culture, Heritage and Recreation, on a point of order.

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Mr. Speaker, the only person that speaks on behalf of the Minister of Culture, Heritage and Recreation is the Minister of Culture, Heritage and Recreation.

Mr. Speaker: The Honourable Minister did not have a point of order. It is a dispute over the facts.

* * *

Mr. Lamoureux: Mr. Speaker, the Minister is somewhat concerned with the remarks as well she should be concerned with the remarks that the Acting Minister has put on the record inside this Chamber, and then has gone outside this Chamber and talked about the remarks, because it is in general, the same—the Government is very sensitive to this issue, and as well they should be sensitive to this issue because they have insulted

many members of the multicultural community by some of the actions that this Government has chosen to take.

If they will be somewhat patient and listen to what I have to say, they will see how it falls in sync with this particular Bill.

Mr. Speaker, the Acting Minister, who is there when the Minister responsible for Culture and Heritage (Mrs. Mitchelson) is unable to be there, has expressed comments and concerns that I have to call into question. Many members of different ethnic origins have brought to my attention a bit of disappointment in terms of the Minister of Culture and Heritage not jumping to her feet, or suggesting, or contradicting or saying anything in terms of opposing what her Acting Minister has said or put on the record.

Mr. Speaker, we have seen the Government put forward the question today in terms of the direction they are taking the department of multiculturalism, and they are taking it in the same direction that they took MIC and the Manitoba Grants Advisory Council. They are taking it from being a potentially good apolitical organization or department through political patronage, trying to get their hands into wherever they can when it comes to handing out grants.

I know the Minister of Health (Mr. Orchard) and others were somewhat offended when I had brought up some names today inside the Chamber during Question Period. I believe the Minister of Health did not really understand what it is that I was trying to imply is so unethical about this Government.

Mr. Speaker, if this Government feels confident in the appointments or the people that it is hiring, that they in fact have the qualifications, then why would they oppose allowing it to go to open competition? I would suggest that Mr. Langtry would do very well in open competition. They had nothing, no reason to think that he would not do well.

If you take that down to the other positions, the chairperson and the policy analyst position that have been filled, I do not believe that the Minister was interested in criteria. If she was, then one would have to ask—or qualifications, I should say—if she was, then I would have to ask why it is that she chose not to open up those positions for competition. What is it that she is trying to tell multicultural or ethnic communities? -(interjection)- The Minister of Health

(Mr. Orchard) asked me, what is it that I am trying to tell him?

* (1710)

I am trying to suggest to the Minister of Health and his Government that if they want to be able to have good, qualified individuals who are just as worthy of these appointments, of these jobs as the Minister has put and hired in place, that they would have allowed those positions to be open for competition. What this Government is currently saying is that the jobs that are there, the appointments that are to be made have to be made—

Point of Order

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

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, in the first 10 minutes of the Honourable Member's contribution to the debate on Bill 9, in those first 10 minutes out of a maximum 15 minutes the Member is going to get, we have not yet heard him talk about Bill 9, and I wonder if the rules of relevancy ought not to apply in this debate this afternoon. Since his Bill is so important to him, it is surprising to me that he should leave only three to four minutes out of a 15-minute speech to talk about the Bill. We have to question how serious the Honourable Member is about Bill 9? -(interjection)-

Mr. Speaker: Order, please. The Honourable Member for Inkster, on the same point of order?

Mr. Lamoureux: To the same point of order, if the Minister or Attorney General have read Bill 9, he will find that what it does is it talks about de-politicizing the Government actions regarding MIC and MGAC. What I am talking about in my speech is, in essence, the same thing. We are suggesting to the Government that, in fact, it be de-politicized.

Mr. Speaker: On the point of order, the Honourable Acting Government House Leader did not have a point. The Honourable Member for Inkster to finish his remarks.

Mr. Lamoureux: Mr. Speaker, I did want to make reference to those facts because I feel that the Government is doing an injustice to our multicultural community by the decisions of making the appointments, with the decision of taking the funding of power away from MIC and giving it to a body that it itself has created, making it more

political. Bill 9, in itself, ensures that the presiding member of MIC is elected from the membership of that council.

Mr. McCrae: I apologize for raising that point of order which turned out not to be one.

Mr. Lamoureux: I accept the Attorney General's apology, his humble apology.

Mr. Lamoureux: Mr. Speaker, one has to ask why it is that the chairperson of MIC is not elected from the board and why the Government—and not only this Government but the previous Administration—had chosen not to allow the committee, MIC that is, to appoint their own chairperson.

Another aspect that the Bill deals with is ensuring that the senior staff person at MIC, that being, of course, the executive director, be employed through MIC, whereas we currently have MIC's executive director being appointed by the Government. Again, we seem to see a sense of no trust with this organization. If you take a look at the Folk Arts Council and you compared MIC to the Folk Arts Council, you will see that there is a difference. I have to question the intention of this Minister, because she has not taken any action to try and rectify that particular aspect along with the election of the chairperson. I do not know if the Minister responsible for Culture and Heritage (Mrs. Mitchelson) will ever agree with us that MIC should be the approving body for grants to multicultural groups.

The other two areas, Mr. Speaker, the presiding officer and the executive secretary, is something that would be positive. I would at least suggest to the Minister that if she finds the third point hard to take and can not support it, because it does not fulfill the Government's policy on multiculturalism, that at least she look at the other two points and seriously consider bringing in those two points.

This Bill was first introduced by my former colleague, Mark Minenko, back in November 28, 1988, but in the next Session by the previous Member for Selkirk, Gwen Charles. It is a pleasure for me today to be able to stand here and once again reintroduce this Bill because I do believe it sets a big difference between the Government of the Day and the Liberal Party. It says the way in which this Government wants to treat the multicultural

community compared to what it is that we are trying to accomplish.

I did want to conclude my remarks by saying to the Minister responsible to once again go over the comments that the Acting Minister has put on the record, to once again look at the appointments and ask yourself if Manitoba would be better served if those appointments or hirings had been open to competition. It is not necessarily to say that these individuals do not have qualifications, it is to say that there are many other Manitobans that would have loved very dearly to do, and to sell short these individuals is somewhat unfortunate.

On that note, Mr. Speaker, I would encourage the Minister to do just that. Thank you.

Mrs. Mitchelson: Mr. Speaker, this is the second Session in a row that I have had the opportunity to speak on this legislation that was introduced by the Liberal Opposition last Session, and the Third Party this Session. I guess I will respond somewhat in the same manner this Session as I did last time and indicate to the Liberal Opposition, the Second Party Opposition, that in fact there is not any piece of legislation that does not need to be reviewed and looked at over a period of time. Obviously with the support from the NDP last time around, legislation that they introduced they recognized as being flawed.

* (1720)

We have never indicated on this side of the House that legislation should not be reviewed, and if there are flaws in that legislation they should very possibly be changed, but it should not be in sort of an ad hoc knee-jerk way, it should be done in a manner, when we are taking a look at multiculturalism in the Province of Manitoba, and those amendments or changes should all be made at a time when new legislation might be introduced.

Mr. Speaker, I have to preface that by saying that back in May of this year the Premier and I unveiled the first ever multicultural policy for the Province of Manitoba after 120 years. We brought in a policy that addressed multiculturalism which was applauded by the community. I have to say that the Manitoba Intercultural Council was a part of the consultation process, and a very active part in determining what kind of a policy we would introduce.

The community at large, and I believe even the Opposition Parties, if they take the policy and read

through it, would agree that we are moving in the right direction and we are trying to unite the people of Manitoba by indicating that we are all very special people, we all have different backgrounds. Some of us have been here for a long period of time, some of us were born and raised here in the Province of Manitoba and others moved to Manitoba, immigrated to our country and ended up in Manitoba for whatever reason. We all have something to contribute and we all have something to offer to this great province and this great country of ours. We should all be equal partners in this province and should be equally respected for that contribution that we have to make.

Mr. Speaker, I think that our policy addresses that and there were specific initiatives that were announced as a result of the policy that was introduced in May. The first initiative that was initiated at that time was designating a Minister responsible for Multicultural Affairs. I am pleased and proud that the Premier (Mr. Filmon) saw fit to make me that Minister responsible for Multicultural Affairs, because I do want to say that over the two years that we were Government I worked long hard hours consulting with the multicultural community and trying to work with that community to develop this policy. I am pleased and proud that I am able to continue to carry out the initiatives that were introduced on May 15.

The second initiative that we implemented was the opening of the Multicultural Secretariat back in August of this year, and I am very pleased and proud to say that we have someone of the calibre of David Langtry to head up that secretariat as the executive director. You know, when you have a person that has committed years and years of volunteer service to a community and, Mr. Speaker, it had to be a fairly tough decision for one David Langtry to make because he had a very active and very successful law practice which he gave up because of his commitment and his dedication to the multicultural community. I am sure that his salary that he is receiving today is considerably less than what he was making as a lawyer in the Province of Manitoba.

Mr. Speaker, I have every confidence that the community will be extremely well-served by a person as committed and as dedicated to the cause of multiculturalism in this province as David Langtry.

Mr. Speaker, when the Lotteries Needs Assessment was done, after we first took over as Government, and there was indication that there

should be more accountability for Lotteries funds and it was recommended right in that needs assessment that we put in place a Multicultural Grants Council to distribute that funding, we accepted that recommendation. Because the mandate of the Manitoba Intercultural Council, through legislation, is an advisory body to the Government to advise Government on issues that are of concern to the multicultural community or on issues that we ask them to look at throughout the multicultural community, and it works both ways.

They come forward with recommendations to Government on what they hear from the community, and we ask them to go out into the community and make recommendations to Government on certain issues or concerns. That is their primary role and function, and that should be their primary role and function, and they should not have to be bothered with worrying about giving out grants to the community. That was the reason that the recommendation came forward through the Lotteries Needs Assessment to set up a Multicultural Grants Council. Mr. Speaker, we did exactly that, and I think that over the past year or so since that Grants Council has been in place that the multicultural community has been well-served. I have not had a letter from the community indicating that that Grants Council is not doing a good job.

I do want to indicate too that the Multicultural Grants Council, yes, is appointed by Government. Those Members are appointed by Government, but they are all volunteer members of the community. They are not paid remuneration for sitting on that board, and they spend hours and hours going over applications and consulting with the community and determining what types of grants should be given for what reasons.

I will tell you that the community out there is very pleased with the process that has been put in place. They are receiving grants for the right reasons. I have had many letters from throughout the community commending us on the job that the Multicultural Grants Council is doing, and Mr. Speaker, we are going to keep that Grants Council in place.

I want to talk a little bit about the chair of the Multicultural Grants Council because, Mr. Speaker, we have a man there—we had David Langtry there before who committed volunteer hours again to serve his community. The chair that we have just appointed is another man that has been committed

to the multicultural community, not just the multicultural community because he served in the area of social services throughout the province and served people of this province for many, many years throughout his whole working career. He is very qualified to do the job and I make absolutely no apologies for appointing someone from the visible minority community to head the Multicultural Grants Council.

The Member for Inkster (Mr. Lamoureux) sits in his seat and is very critical. I am sure he is quite surprised and probably quite upset that there are some people out there who support the Conservative Party that really have concerns about the multicultural community, too. It must really upset him because I am sure he has felt in the past that it might only be Liberals, those that support the Liberal Party, that have concern for our fellow man throughout the province.

Mr. Speaker, there is a good number, and obviously with the results of the last election, the majority of the people of Manitoba had confidence in our Government as the Party that could govern in a reasonable manner all of the affairs, whether it be multicultural affairs, whether it be economic affairs, whether it be women's issues.

Mr. Speaker, we have proven over the last two and a half years of a minority Government that we are able to govern. We are able to do the right things for the right reasons, and I believe that our initiatives, as a result of the multicultural policy, have shown the community that we have a commitment.

I talked a little bit about the secretariat, and I would like to talk a little bit about the Outreach office which is another one of our initiatives that we are proceeding with, and we will have that Outreach office open in the new year.

Mr. Speaker, we also have committed to a multicultural Act for the Province of Manitoba. Within the context of that Act we will be addressing some of the issues that have been raised by the Liberal Opposition about how the Act that incorporates the Manitoba Intercultural Council will fit into the overall picture of a multicultural piece of legislation for the Province of Manitoba.

* (1730)

In that context we will deal with some of the issues that were raised, but we are not about to, as a Government, take an ad hoc approach to amending legislation, rather than taking a look at the whole

overall picture and doing all of the right things for all of the right reasons at the right time. That will be coming forward and we will be addressing any changes to deal with the Manitoba Intercultural Council in context when the Act is introduced.

Mr. Speaker, I just want to again read into the record our Government's commitment and what we believe Manitoba is.

We believe as a Government, Mr. Speaker, that Manitoba is a multicultural society. The Government of Manitoba believes that a multicultural society is not a collection of many separate societies divided by language and culture, rather Manitoba is a single society united by shared laws, aspirations and responsibilities within which persons of various backgrounds have the freedom and opportunity to express and foster their cultural heritage, the freedom and opportunity to participate in the broader life of society, and the responsibility to abide by and contribute to the laws and aspirations that unite society.

There are three fundamental principles for this policy, Mr. Speaker. I will just reiterate these for the Members opposite so they can get straight in their mind what our Government's policy is and what our direction is. The first principle is that the cultural diversity of Manitoba is the strength and a source of pride to Manitobans. I am proud to be a Manitoban as I know my colleagues on this side of the House are proud to be Manitobans and proud to be part of a Government that is moving in the right direction on multicultural issues.

The second principle in the policy, Mr. Speaker, is that Manitobans, regardless of culture, religion, or racial background, have the right to equal access to opportunity to participate in all aspects of the life of the community and to respect for their cultural values. We believe that everyone, no matter who they are, has something to contribute to our society, and we have a lot to learn from each other. I think that sometimes Members on the other side of the House have a lot to learn from certain members of the multicultural community. I would ask them that rather than speaking before they think, or speaking before they consult, or talk with members of the community, they should take a little more time to try to reflect on where people are coming from, where they expect to go and how they want to be a part of one united society.

Mr. Speaker, the third principle is a partnership. It is not just Government with one multicultural organization, or Government with one multicultural group, but it is Government with all members of society. It is one ethnic group working with another ethnic group and attempting to understand each other that is going to make us truly a society that respects and accepts each other for what we are. That partnership is a very important third principle in the whole overall aspect of multiculturalism.

I will say, Mr. Speaker, that we are on the right track; the community believes we are on the right track, and we will continue along the track and the path we have set.

Mr. Speaker: Order, please. The Honourable Minister's time has expired.

Ms. Marianne Cerilli (Radisson): It gives me great pleasure to rise to speak to this Bill today. I will be dealing with a number of areas which are a particular concern to myself and my caucus.

I would like to add that if the present Government is concerned about multiculturalism, as they claim that they are, the issues that I raise will also be of great concern to them.

The growing alienation of the intercultural community, in fact the public at large, is something that all of us who are in this elective office should be aware of and concerned about. Unfortunately, there are times when Members of this House are not as concerned with the causes and effects of this alienation as they should be. I am referring specifically to comments made by the Acting Minister of Culture, Heritage and Recreation -(interjection)- That is the one.

Mr. Speaker, I was shocked to learn that the Premier's (Mr. Filmon) attitude towards multicultural groups and funding for them is so cynical and callous that he would appoint a Minister who went on record here in this House saying that he does not believe and does not endorse funding to multicultural groups. Instead of supporting Government policy as he is obliged to, he repeated his statements on radio and in the paper.

Further on that point, the Minister went on to say some very divisive things with regard to different cultural groups and their place in our society. I have to say that I was appalled to hear a Minister of this Government behave and speak in such an irresponsible way. I believe that Government, at its best, can and should help different groups in society

work together, and that by co-operative effort, the economy and society as a whole will gain.

I hardly think that comments like those made by the Minister of Energy and Mines (Mr. Neufeld) and like those made also by the Minister of Northern Affairs (Mr. Downey) when he said that people in the North do not know how to vote, can be seen as bringing diverted interest in the community and Manitoba together.

The second area I would like to deal with, with respect to multiculturalism, is the decision-making process used to allocate funds among ethnocultural groups. I think that people are often upset with decisions that are made, but if we can point to a democratic and fair process, then some concerns will be alleviated.

When decisions are made that seem to contradict the practice that the Government says it is following, it is more important than ever to have a good process to fall back on. If this is not the case, there is a potential for the groups to become even more upset over decisions, because they feel that issues have been handled poorly.

We have an example with MIC where they could feel that decisions are being made for them and not with them. In the case of multicultural issues and funding, Mr. Speaker, it seems to be exactly what we are seeing. We have a situation where the decisions and public comments that were made are destructive. This is a particular problem in the area of consultation.

While we have heard a lot of rhetoric from this Government time and again about how concerned they are about the consultative process and input from parties which are affected by Government decisions, complaints come forth on a regular basis from groups who feel they have been left out of this process.

My Party believes that the funding formula was put into place in 1985, under the mandate of the previous Act, was a funding formula that allowed for community-based elected representatives of the various organizations to collectively determine the priorities, and therefore, the resources based on those priorities for the various organizations.

It is hardly surprising that this Conservative Government is more than willing to listen to the business agenda and to consult with business groups, but how good can this Government and its policies be if they are unwilling to hear another side

of the story, gain another perspective and consult with other groups in the community?

* (1740)

It seems they are only considering the consultation with groups when it will buy them time or when it will serve their own interests. When the Intercultural Council gives advice to the Government and to all of us on multicultural issues, they are providing both advocacy and advice to us on the views of over half of the people in the Province of Manitoba. Mr. Speaker, that means that they are advocating for all members of the ethnocultural community. That is their mandate. The council cannot provide advice in an effective way without fulfilling an advocacy role as well, so the Government should recognize that the Intercultural Council cannot do its job properly without functioning in both roles as an advocate and as providing advice to the Government.

The decision to remove funding authority from the council's mandate is one of the worst decisions this Conservative Government could make, as I suspect, Mr. Speaker, given the comments from the Minister of Energy and Mines (Mr. Neufeld) that there is wide-ranging support from Government Members for ending funding altogether in some areas. I believe that no system can adequately replace the fairness and equity inherent in the system of community based, democratically elected representatives which was formerly in place. A system of patronage appointments and Government bureaucrats determining the priorities of the ethnocultural communities shows as much disrespect to the people of Manitoba as any comments made by the Minister of Energy and Mines or the Minister of Northern Affairs (Mr. Downey). Multicultural groups in Manitoba do not want paternalistic multicultural policy handed down to them.

I am not saying that the Intercultural Council was perfect, but the route that this Government chose to take in dealing with the issues and problems that were present with the organization was the most extreme and intolerant choice that they could possibly make. They did not say there is a need for some improvements in accountability here, or even that if there was no improvements that they would take away the funding authority from the group. There really is no reason why the Government could not now reverse its decision on the whole funding issue for the Intercultural Council, no reason except

a lack of political will to do the right thing in consulting community groups and putting some trust in these groups.

Mr. Speaker, the process which I spoke about before can be in no way called democratic. There was never any time or opportunity for improvements on the part of the Intercultural Council, no help or support from the Government; it was simply an "off with your heads" kind of reaction. How can the groups involved in the issue under the umbrella status of that organization help but feel the process and the decisions achieved at this end were bad decisions. Debate on this Bill is very fundamental within the Chamber, and it gives a clear depiction of the philosophies of the different political Parties and the way they treat and approach grass-roots and community-based organization and the extension of those philosophies to ethnocultural groups.

This Government claims to have no ideology, and here it is obvious that they do not believe in a democratic process, a process which will give power to people, a process which will democratize Government structures and ensure that the community participates in a meaningful way in an area which affects them directly. All of us who have been elected to sit in this House—

Mr. Speaker: Order, please.

Hon. James Downey (Acting Government House Leader): Mr. Speaker, I wonder if the Member would submit to a question.

Some Honourable Members: Of course she will.

Mr. Speaker: If the Honourable Member has time, she has indicated she would.

Ms. Cerilli: Many of us in this House represent minority groups ourselves. This is indicative of the way in which our society is changing. There has been enormous growth in the number of new Canadians, and there is no reason that we should deny these people access to democratic institutions while political appointments make decisions which may have a significant impact on their lives.

I believe that it is now more than ever important that we all understand the issues involved and that we gain our perspective on those issues from such a body as the Intercultural Council, with appointments made not on political patronage, but based on genuine desire that what is important to ethnocultural communities must be represented to Government.

Since I was elected, I have taken several telephone calls and received letters, and have been in contact with a number of different groups. I believe that it is often very difficult to get a universal perspective on important issues without some kind of umbrella group that can synthesize the major issues.

Mr. Speaker, when the Government made the decision to change the funding structure and decision-making authority of the Intercultural Council, I believe that groups and the people directly involved were justifiably concerned with the real results of those changes. Given the comments that we have heard in this House, I think that we can safely say that some of their concerns have certainly come to pass.

We are barely two months into the Conservative mandate of this majority Government and already their right-wing agenda has clearly taken over, and while business groups are consulted on every detail of Government policy and decision-making, community based groups are largely ignored.

While relationships with business groups are cultivated, the relationship of the Government with ethnocultural community groups is being brought into serious question by the comments of Members of this Government.

The disenfranchising of the MIC is a serious concern. Where is the fairness and the justice, Mr. Speaker? Do we not trust ethnocultural communities enough to allow them to make decisions on funding for their own groups in their own way and to not take advantage of taxpayers' money?

I would also like to make note that it is not taxpayers' money that is allocated by MIC, it is most often Lotteries money. I believe that through this Bill and through the debate, we should all take another look at our views on multicultural funding, at the way we are perceiving ethnic minorities and the preservation of different cultures and languages in our society.

We should all take a very close look at this Bill and what it means, and what the actions of this Conservative Government mean. I would like to have them clearly state their reasons for disenfranchising MIC in this way.

I believe that the actions taken by the Tories were considered to be bad moves by the community groups that were affected by those cutbacks. I also

believe that those actions were a sign that the Government does not think that those groups have the maturity and competence to deal with their own funding issues and their own financial decisions. They certainly should appoint their own Chair.

I note, Mr. Speaker, that this Bill was brought forth last Session and received much debate at that time before the Conservative Government blocked a vote on it. I hope that during this Session, the Government will take this issue seriously enough to vote to pass it. It may be a chance for them to regain some of the confidence of ethnocultural communities.

The real essence of this issue is one of trust, one of hidden political agendas and one of empowerment for all groups in our society. It is also an issue of philosophical differences and making the right choices with the correct information. By their actions in dealing with ethnocultural communities, I think that the Conservative Government has made it virtually impossible to get information in a lot of cases, to get the opinions and ideas of volunteers and community-based groups of elected representatives. These are the people who should ultimately be responsible for decision-making advisory roles and advocating to the Government.

Many of the ethnocultural groups, which Members of this Government have said that should be denied funding, provide all sorts of other services besides preserving their culture of origin. They provide valuable settlement services, translation services that go beyond what Government agencies and non-profit organizations could provide. These groups must be heard first hand so that we can better understand the challenges of trying to maintain one culture while surviving in another.

MIC must not become a token committee. This Government cannot continue for its full mandate to hide behind—

Mr. Speaker: Order, please. The Honourable Member's time has expired. Order, please.

Hon. James Downey (Minister of Northern and Native Affairs): Mr. Speaker, I rise to speak on the Bill. The Member answered the question which I was going to ask in her concluding comments, so I do not have to ask the question.

* (1750)

Mr. Speaker, let me start my remarks today—and I normally do not do this—but I think it is important that we do and that all Members of this Legislative

Assembly clearly understand that when we or any Member attacks an individual personally, as the Member for Inkster (Mr. Lamoureux) did today, it is totally without proper taste. It lacks statesmanship, and it absolutely should not be tolerated in this Assembly.

I would expect the Honourable Member for Inkster to write a letter of apology to David Langtry for the demeaning comments of which he put on the record here today.

An Honourable Member: Scurrilous attack.

Mr. Downey: A scurrilous attack on that individual, Mr. Speaker, and I would think to show the kind of leadership that the Liberal Party, if he as an individual would not do it, that his Leader, that Members of his caucus, would pressure him to clearly put on the record his apology. An apology to that individual in writing so that we know that he is not taking advantage of an individual who does not have the same privilege of defending himself openly and publicly, as he has to stand in this House and put on the record, and to other individuals, as well.

I think it reflects badly on all Members of this Legislature when that in fact takes place. If the Member is as honourable as I think he is, he should proceed to do that to remove all question and all doubt as to how this Assembly operates and how it reflects on individuals who do not have the ability to stand up and defend themselves.

More importantly, Mr. Speaker, is the fact that the individual who was hired for the job is extremely qualified, well-received by the community of which he will be working for, and I think he is to be commended for the contribution which he will make.

Now there is a lot to do, the Members opposite can make a lot about hiring political people. Mr. Speaker, the NDP are always the first to criticize individuals who are hired by other Parties, but the first to act and to do it. I will just give a couple of examples as to what I found when I became the Minister of Northern Affairs.

An Honourable Member: What did you find, Jim?

Mr. Downey: What did I find, Mr. Speaker? Well, I found half the former New Democratic Caucus working for the Department of Northern Affairs, not only provincially but federally. That was the choice of that Government as they saw fit; as it was the choice to find the qualified person that my colleague—no, individual was qualified, very capable and very acceptable to the community, a

decision which my colleague, the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson), made and made it in the context of the capability of the individual.

So I think it is incumbent upon the Liberal Party, if not the Member, to apologize to the people who he demeaned in the House today during Question Period.

Mr. Lamoureux: Mr. Speaker, I am wondering if the Minister would give me an opportunity to ask a question and that you never know what might come of that question.

Mr. Speaker: Order, please. The Honourable Minister, to continue his remarks.

Mr. Downey: Mr. Speaker, I would be more than pleased to have the Member for Inkster ask a question if it will lead to an apology for the individuals who he demeaned in the House today.

Mr. Lamoureux: Mr. Speaker, I do not want to say that it is conditional that I will apologize. What I am going to ask the Minister is, while he was in Opposition, I am wondering if the Minister can make the Chamber aware if the Government ever rose during Question Period and asked about political patronage. If they did stand and ask political patronage, is that what they are doing to justify what this current Government is doing to the multiculturalism throughout the Province of Manitoba?

Mr. Speaker: The Honourable Minister of Northern and Native Affairs (Mr. Downey), to continue his remarks.

Mr. Downey: Mr. Speaker, I am not sure as to what the Member is making reference. He said he wonders if when—

Point of Order

Mr. Speaker: Order, please. The Honourable Member for Flin Flon, on a point of order here.

Mr. Jerry Storie (Flin Flon): Mr. Speaker, I just wish that the Minister of Northern Affairs was continuing his remarks and the direction of his remarks, I was rather liking them.

Mr. Speaker: The Honourable Member does not have a point of order.

* * *

Mr. Downey: Mr. Speaker, I was not exactly clear as to what the Member for Inkster (Mr. Lamoureux) was asking, whether or not when I was in Opposition—although he referred to being in Government, I think—as to whether the Government ever asked to raise a question as it related to patronage.

I may say, and I cannot quite recollect, Mr. Speaker, when we were in Opposition as to whether we ever asked those questions, but I could do some research. I could do some research as to whether or not we did, and I will proceed to do that.

Mr. Speaker, I will conclude my remarks today by saying, my colleague in the Government, through the Needs Assessment Program process, asked the community how this matter should be handled. Consultation was fully done, fully developed, and decisions taken from that consultation. It was done in the development of the policy which was introduced, by the way, a policy which the former administration could talk a lot about, but could never put down in a meaningful manner.

I want to conclude, Mr. Speaker, by saying I would hope the Member for Inkster (Mr. Lamoureux) would be man enough, would be honourable enough, to stand in his place on behalf of himself and this Legislature and the Liberal Party to apologize to the people who he demeaned today in Question Period and, in writing to David Langtry, write a letter apologizing for the manner in which he criticized him and the job that he is doing. I think it is only incumbent upon the Member to do that so that he and all Members of this House can continue on as Honourable Members and not take advantage of people who are unable to stand and defend themselves in this Chamber as they should be able to.

We can take the slings and arrows in here, Mr. Speaker, but individuals who are unable to defend themselves should not be attacked in a personal manner, so I think it is incumbent upon him, for himself and the Liberal Party, to fully apologize and I am sure a full apology would be accepted. Mr. Speaker, I will -(interjection)- that is right. There are many examples of when apologies have been made, and I am sure they would be accepted if they are meant in the spirit of which most apologies are made.

I will conclude with those comments. I can say that my colleague has done an excellent job in her capacity as Minister of Culture, Heritage and Recreation (Mrs. Mitchelson). The work that she has done with the multicultural community is to be commended to the people of the Province of Manitoba. They judged on September 11. They judged what they thought of the Liberal Party as they did when they judged the New Democratic Party, Mr. Speaker.

I think it clearly spells out the mandate which we have was supported by the people of Manitoba, and we plan to continue on in the same pattern of which we have over the past two and a half years. Thank you, Mr. Speaker.

Point of Order

Hon. Donald Orchard (Minister of Health): Mr. Speaker, on a point of order, my honourable friend, the Minister who just finished speaking, left enough time for the Member for Inkster (Mr. Lamoureux) to apologize to those three individuals that he insulted today, and I would ask leave of the House that he be able to do that.

Mr. Speaker: Order, please. The Honourable Minister does not have a point of order.

Mr. Speaker: The Honourable Member for Thompson on Bill 9.

Mr. Steve Ashton (Thompson): I found it interesting to hear the Member having an interesting lapse of memory because I remember very well when he and many other Members of the House raised the issue of appointments a number of years ago quite vociferously. I remember statements made in Estimates continuously. People had no opportunity to respond. What I found particularly ironic is that this is the Minister of Northern Affairs (Mr. Downey), who is the proponent of the philosophy that if you vote right, you get rewarded; if you do not, you get punished.

Well, Mr. Speaker, he has expanded that to include the entire region of the North, but let there be no doubt that also applies—and I am sure to be the first one in the North to suggest that if you happen to vote his version of the right way in the North, you might have a chance of being rewarded in some way, shape or form. I think the fact that his former assistant, executive special assistant in the Cabinet office in Thompson was appointed to the head of the CEDF, a very highly paid position, \$62,000 position. She did run subsequently for the Conservative Party after her appointment. The appointment I do not believe had anything to do with whether she ran for the Conservative Party or not.

I think it is interesting to hear the Minister getting up and taking great offence at what has happened. I remember what he said when he was in Opposition, and I know his philosophy as expressed on the floor of the House. His philosophy is one of the 1950s. He, I believe, is the Minister responsible for patronage and he is accusing the Minister of Labour—

Mr. Speaker: Order, please. I am having great difficulty in relating the Honourable Member's remarks to Bill 9. I would ask the Honourable Member to keep his remarks relevant to Bill 9, The Manitoba Intercultural Council Amendment Act.

Mr. Ashton: The bottom line is that in terms of this resolution we are dealing with, in terms of the Intercultural Council, the concerns expressed by the Member for Inkster (Mr. Lamoureux) do not deserve this feigned indignation from the Member opposite, Mr. Speaker. The Minister responsible for pork barrelling in the Province of Manitoba was quite proud of that fact and should not waste his time in legislation.

Mr. Speaker: Order, please. When this matter is again before the House, the Honourable Member will have 13 minutes remaining.

The hour being 6 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

Legislative Assembly of Manitoba

Tuesday, November 6, 1990

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