



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

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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39-40 Elizabeth II

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*Published under the  
authority of  
The Honourable Denis C. Rocan  
Speaker*



**VOL. XLI No. 35A- 1:30 p.m., MONDAY, MARCH 23, 1992**



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

**Members, Constituencies and Political Affiliation**

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NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
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
MALOWAY, 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, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 23, 1992

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Ms. Becky Barrett (Wellington):** Mr. Speaker, I beg to present the petition of Dolores Hebert, Louis R. Marchildon, Manon Harvey and others requesting the Minister of Justice (Mr. McCrae) call upon the Parliament of Canada to amend the Criminal Code to prevent the release of individuals where there is a substantial likelihood of further family violence.

**Ms. Jean Friesen (Wolseley):** Mr. Speaker, I beg to present the petition of Tammie Forsythe, Kirsten Lindal, Daljeet Sanan and others requesting the government show its strong commitment to dealing with child abuse by considering restoring the Fight Back Against Child Abuse campaign.

### READING AND RECEIVING PETITIONS

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

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

THAT the bail review provisions in the Criminal Code of Canada currently set out that accused offenders, including those suspected of conjugal or family violence, be released unless it can be proven that the individual is a danger to society at large or it is likely that the accused person will not reappear in court; and

The problem of conjugal and family violence is a matter of grave concern for all Canadians and requires a multifaceted approach to ensure that those at risk, particularly women and children, be protected from further harm.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to request that the Minister of Justice (Mr. McCrae) call upon the Parliament of Canada to

amend the Criminal Code of Canada to permit the courts to prevent the release of individuals where it is shown that there is a substantial likelihood of further conjugal or family violence being perpetrated. (Mr. Reid)

\* \* \*

I have reviewed the petition of the honourable member, and it complies with the privileges and practices of the House and complies with the rules (by leave). Is it the will of the House to have the petition read?

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

THAT child abuse is a crime abhorred by all good citizens of our society, but nonetheless it exists in today's world; and

It is the responsibility of the government to recognize and deal with this most vicious of crimes; and

Programs like the Fight Back Against Child Abuse campaign raise public awareness and necessary funds to deal with crime; and

The decision to terminate the Fight Back Against Child Abuse campaign will hamper the efforts of all good citizens to help abused children.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to request that the government of Manitoba show a strong commitment to deal with Child Abuse by considering restoring the Fight Back Against Child Abuse campaign. (Mr. Dewar)

I have reviewed the petition of the honourable member, and it complies with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

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

THAT child abuse is a crime abhorred by all good citizens of our society, but nonetheless it exists in today's world; and

It is the responsibility of the government to recognize and deal with this most vicious of crimes; and

Programs like the Fight Back Against Child Abuse campaign raise public awareness and necessary funds to deal with crime; and

The decision to terminate the Fight Back Against Child Abuse campaign will hamper the efforts of all good citizens to help abused children.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to request that the government of Manitoba show a strong commitment to deal with Child Abuse by considering restoring the Fight Back Against Child Abuse campaign. (Ms. Wasylycia-Leis)

### TABLING OF REPORTS

**Hon. Harold Gillshammer (Minister of Family Services):** I would like to table the Annual Report 1990-91 for the Department of Family Services, also the Supplementary Information for Departmental Expenditure 1992-1993, Family Services.

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, I would like to table today in the House the 1990-91 Annual Report of the Manitoba Labour Board.

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon, from the Hedges Junior High School, fifteen Grades 8 and 9 students. They are under the direction of Mr. Richard Strongman. This school is located in the constituency of the honourable Minister of Consumer and Corporate Affairs (Mrs. McIntosh).

Also, from the Crestview School, we have twenty-four Grade 5 students. They are under the direction of Patricia Lohr. This school is located in the constituency of the honourable Minister of Consumer and Corporate Affairs (Mrs. McIntosh).

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

### ORAL QUESTION PERIOD

#### North American Free Trade Agreement Manitoba Position

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

Tomorrow, the First Ministers' meeting will again start in Toronto culminating with a meeting on Wednesday, and this is our last opportunity to raise questions in the Chamber prior to the departure of government ministers for that very important meeting. This will be the third First Ministers' meeting on the economy of Canada over the last three and a half months, Mr. Speaker, and yet we see thousands if not millions of people unemployed in this country, 1.5 million unemployed, thousands of businesses on the edge of bankruptcy, investors very concerned about the conditions of our country and rising welfare right across this country by people devastated by the recession.

We also have at the same time negotiations going on between Canada, United States and Mexico on free trade. Many people, many Manitobans are phoning us—I am sure they are phoning members opposite—concerned about the secrecy of these negotiations, concerned about the timing and the speed of these negotiations, and concerned about whether their jobs will be maintained or not maintained after these negotiations are completed.

I would ask the Deputy Premier: Will the government of Manitoba be making a strong stand at the First Ministers' meeting on the economy on the free trade agreement in North America, a strong stand on the secrecy, on the timing and on the impact of the trade agreement on behalf of Manitobans at that meeting this week?

\* (1335)

**Hon. James Downey (Deputy Premier):** Mr. Speaker, there is no secret as to the position of this government as it relates to the North American free trade agreement. The Premier last week again spelled out the conditions of which any discussions or negotiations in fact would be taking part.

The Leader of the New Democratic Party last week, and his party, missed the opportunity to help all Manitobans and those people in Manitoba by voting against the budget, a dastardly thing to do on a document and initiative that this government has established. He voted against youth employment programs, support for the health care systems, and I think the people of Manitoba have caught on to him and his irresponsible tactics.

**Mr. Doer:** Well, all the Manitobans watching the government's position on free trade with Mexico and United States will be very impressed by the Deputy Premier's rhetoric here this afternoon.

### **North American Free Trade Agreement Labour Adjustment Strategy**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, a further question to the First Minister on the proposed free trade with Mexico.

The government has not told us whether they are going to make a statement tomorrow at the economic meeting, and I do not know why they would miss that opportunity. The government has stated that they will only support free trade with Mexico if it includes a labour adjustment strategy.

Notwithstanding the fact that we have had training budgets cut in net terms over the last two budgets that the provincial government has brought in in Manitoba, Mr. Speaker, Canada has not given Manitoba anything in terms of a labour adjustment strategy after free trade. In fact, the only labour adjustment strategy we have seen in Canada has really been a massive increase in people being laid off and, unfortunately, going on welfare. That has been the only labour adjustment strategy we have seen in this country, the only strategy.

I would ask the Premier: What agreement does he have with the federal government for a labour adjustment strategy with the federal government, and to whom will that adjustment strategy be applied to? Which workers in Manitoba will be directly impacted that they will need the labour adjustment strategy the Premier has called on as one of his conditions?

**Hon. Gary Filmon (Premier):** Mr. Speaker, in the case of the Free Trade Agreement with the United States, the previous administration of which the Leader of the Opposition was a part called for a labour adjustment strategy without knowing specifically which industries might or might not be affected.

The fact of the matter was that it is fail-safe so that regardless of where there might be adjustments within the economy, it would apply. There was an identification of particular areas prior to the Free Trade Agreement.

The Minister of Industry, Trade and Tourism (Mr. Stefanson) has indicated that his department is doing the same kinds of consultations with specific sectors of the economy, and we are aware of areas that are of concern to us. Those areas will obviously be ones in which any adjustment strategy would be applied.

**Mr. Doer:** Mr. Speaker, let the record show that we were opposed to the Free Trade Agreement with the United States. We did not say, as the Premier did, that there would be 15,000 new net jobs in Manitoba. We said there would be thousands of jobs lost in the food processing industry, and therefore, we had a different position than the members opposite on this very, very vital set of negotiations.

### **North American Free Trade Agreement Impact Crown Corporations**

**Mr. Gary Doer (Leader of the Opposition):** A final question to the First Minister (Mr. Filmon).

In light of the fact that he does not have a negotiated deal with the federal government on labour adjustment strategies, or he has not come forward with one to date, Article 402 of the proposed draft agreements may change or will change, as drafted, the conditions under which Crown corporations and provincial governments operate vis-a-vis the Free Trade Agreement with the United States.

I would wonder whether the Premier has any analysis of whether in fact this will impact on the Crown corporations. What will be the impact on jobs and services in Manitoba with a change from the Free Trade Agreement which is, of course, one of their conditions of not approving free trade with Mexico?

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Speaker, I think as the honourable member knows, we recently received a copy of the draft text from the federal government, a text which outlines a Canadian position, a U.S. position and a Mexican position.

We are in the process of reviewing that entire text, as I said the other day in the House, consulting with various sectors of our economy, various industries within Manitoba. Part of that is also the effect on procurement, on Crown corporations, and that will be a part of our response to the draft text.

I should point out that other jurisdictions have not even adopted positions to date. For instance, I received a document at the end of last week from British Columbia, and they say the provincial government has made it clear that it will reserve judgment on any final North American free trade agreement until the province has seen one and had an opportunity to determine whether it will benefit

British Columbia—clearly, from their perspective, a rational position; ours, we have put our position on the record.

We now have a draft text that we are working from, Mr. Speaker. We will analyze that in consultation with Manitobans and come forward with a position at that point.

\* (1340)

### **Health Care Facilities Bed Closures**

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, the Minister of Health has been very vague and unclear about this government's agenda when it comes to the overall budget situation of our hospitals and beds in our urban facilities.

In response to questions on Friday, the Minister of Health suggested that he has not asked the Health Sciences Centre anything specific in terms of budget cuts or bed closures. We have, Mr. Speaker, a memo from Mr. Rod Thorfinnson, who is president of the Health Sciences Centre, to all staff, dated March 20, 1992, indicating that there has been a clear message conveyed to the Health Sciences Centre about restructuring the system. There are grave tones in this memo, talking about working with staff in these difficult days.

Mr. Speaker, it is clear that there is a restructuring plan. There are budget directives and cutbacks going to hospitals. I want to ask the Minister of Health if today, finally, he will let us know in this Chamber, let all Manitobans know how many beds are being cut or requested to be cut at the Health Sciences Centre and St. Boniface. How many dollars are being reduced from the budgets of our urban hospitals?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I simply want to welcome the critic for the New Democratic Party into health care reform of the 1990s.

The system clearly is going to go through restructuring exactly as the memo from the president of the Health Sciences Centre to the staff of the various departments of the Health Sciences Centre is stating. If my honourable friend thinks for one minute that that restructuring is not going to happen in this province and across Canada, then indeed she is engaging in old think.

Mr. Speaker, the difference in Manitoba, the process, is that there is a 5.7 percent increase in

funding this year, \$101 million—\$53 million more to the hospitals in the province of Manitoba. That contrasts sharply to the Ontario situation where the increase for all of Ontario hospitals approaches some \$75 million. How would she like to have that budget agenda before her? That would equate to approximately a \$15-million increase in hospitals in Manitoba this budget, not \$53 million.

The restructuring, yes, will go on. Mr. Speaker, whether my honourable friend understands the process or not will remain to be seen as we debate the Health Estimates over the next number of hours.

### **Health Care System Reform Consultations**

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, in light of concerns being expressed by the Manitoba Medical Association, which the minister dismissed with contempt on Friday, and now concerns expressed by on-the-line doctors working at the Health Sciences Centre, will the minister indicate to this House whether he is prepared to consult now with doctors, with nurses, with health consumer groups, with patients and with the Manitoba public at large about its restructuring plan so that we can all be informed and understand the direction this government is taking our health care system in?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, those discussions have been and will continue to be going on. That is the whole focus of the Urban Hospital Council.

Specifically, since my honourable friend wishes to offer concerns that she has in echoing the MMA, I wonder where my honourable friend stands as official party critic for the New Democrats and the concern I have that we cannot afford the MMA's asking price of last year's contract of 12.1 percent. I have a great concern about that, and as I stated in the paper correctly on Saturday, if 12.1 percent more resource goes to physician services, there will naturally be less of them performed.

I wonder if my honourable friend shares that concern, or is she in bed with the MMA union?

\* (1345)

**Ms. Wasylycia-Lels:** That is, Mr. Speaker, how the minister treats the head of orthopedics, the head of pediatrics—

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

### Health Care Facilities Bed Closures

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, I would like to ask the Minister of Health about these bed closures, specifically ask how many beds are being closed at the Health Sciences Centre and St. Boniface Hospitals in order to open the beds promised two years running in the capital Estimates of this Minister of Health and this government, at Concordia, beds at Deer Lodge and beds at the municipal, how many beds are being—

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

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, my honourable friend quite rightfully identifies a number of capital construction projects which have been undertaken by this government. I need only remind my honourable friend that the last time she sat around cabinet table, in the glory years of Howard Pawley and the NDP, the entire capital budget of the province of Manitoba had been frozen in a skulking decision at midnight behind closed doors, not even communicated to anybody.

I recognize my honourable friend's sensitivity when a number of construction projects have been ongoing and will continue to be ongoing to meet the legitimate care needs of Manitoba, in an appropriate location, providing appropriate service levels. That may include Concordia Hospital, which has a construction project long awaited for, twice delayed and postponed and cancelled by the NDP under Mr. Schreyer and under Mr. Pawley.

In terms of restructuring the system, yes, there are going to be patient services moved from our high-cost centres, such as our teaching hospitals, with the patient to a lower-cost centre of delivery. The patient, the consumer of health care, will not be compromised in this, Mr. Speaker, because the service will move with the patient. I hope my honourable friend finds the goodness in her heart to consider the patients in all of this.

### First Ministers' Conference Government Agenda

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** My question is to the Premier.

Mr. Speaker, the recession and the bad economic outlook have Manitobans confused. They have them angry, scared and, if one goes by the behaviour in this House, particularly on Fridays,

very testy. Tomorrow the Premier is leaving for a First Ministers' Conference on the economy to try and develop, one hopes, a national co-ordinated strategy to bring our country out of this recession.

Can the First Minister tell us what new initiatives, proposals or plans he will be bringing to the First Ministers, in that his Finance minister seems to think that everything the federal government is doing is just fine, if one uses his reaction to the last federal budget as an indicator?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I just want to say that the Leader of the Liberal Party should not misrepresent the comments that were made with respect to the budget by the Finance minister. The Finance minister applauded the fact that taxes were being held down, something that does not happen often enough by federal governments. Certainly, those of Liberal persuasion who were there for so many years throughout the '70s and early '80s did nothing but raise taxes in this country and raise the deficit. The fact that the federal government's budget kept taxes down, kept the deficit down was something that was applauded by the Minister of Finance (Mr. Manness).

The Leader of the Liberal Party should know that the meeting we are embarking upon tomorrow and carrying on Wednesday is a continuation of meetings that began in December. When at the first meeting, we established certain directions and certain agreements about priorities and put on the table certain ideas, some of which were incorporated ultimately into the federal budget, things like reduction of the down payment for CMHC mortgages, use of RRSPs for financing new home purchases and so on, carried on with a second meeting in the first week of February that established a series of six priority areas that we wanted to work upon because we felt they had the greatest opportunity for improvement in the near term of our economic prospects as we come out of the recession in this country.

\* (1350)

I could go into detail, but I am sure that the Leader of the Second Opposition has the newspaper and media coverage at her disposal in which we laid out those six areas. They have been worked upon by committees of ministers and senior officials, and they are putting now on the table for this meeting tomorrow and Wednesday the results of those deliberations in the form of position papers or

proposals that we as First Ministers will deal with. The new ideas are a collection of the input of all of the provinces, and they will be the basis upon which we will look for individual actions and initiatives that we hope will be positive to the economic growth of this province and this country.

### **Education and Training Initiative**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, Premier McKenna at the last meeting talked about the need for a co-operative program to bring forward a national education and training initiative. In December, the First Minister also indicated his support of such a training initiative.

Can he tell us today what kind of discussions have taken place between this province and the province of New Brunswick with respect to a national plan on education and training? Will they be presenting tomorrow a joint initiative on education and training?

**Hon. Gary Filmon (Premier):** Mr. Speaker, because of a desire to move forward effectively with respect to position papers and proposals, this province was given a lead role in the area of trade, both external and interprovincial. In fact, that was split down between British Columbia and ourselves, with British Columbia taking the lead on external trade and us on internal trade within Canada.

New Brunswick took the lead on the training paper, and that paper has been put together in a form that I think has many positive features to it. We believe that with further discussion there will be some positive initiatives that will come out of that particular paper. I am encouraged by some of the things that are being proposed as a result of the consultations that have taken place amongst officials throughout the country.

**Mrs. Carstairs:** Mr. Speaker, in light of the fact that community colleges are being funded at 1990-91 levels, in fact less than 1991 levels in this province, can the Premier tell us today what specific ideas this province contributed to a national education and training concept?

**Mr. Filmon:** Mr. Speaker, as the Leader of the Second Opposition knows full well, the budget calls for about \$2.5 million of new initiatives in the area of Education and Training, particularly to be delivered in the post-secondary level by, not only the community college system, but through our Workforce 2000 program involving training in the workplace. I am sure that she will be interested in

debating and discussing that with the Minister of Education and Training (Mrs. Vodrey) when her Estimates come up for review in this House.

### **Race Relations Policy Education System**

**Ms. Marianne Cerilli (Radisson):** This government, Mr. Speaker, is not taking a leadership role in preventing the proliferation of racism in schools. Like so many other responsibilities, schools and school boards are expected to deal with this responsibility on their own. This government chooses instead to put new staff into the minister's secretariat while eliminating positions in the Department of Education that work in schools.

Will the Minister responsible for Multiculturalism work with her colleague the Minister of Education and Training (Mrs. Vodrey) to ensure that all school divisions in Manitoba will have a policy on race relations?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Mr. Speaker, at the outset, I want to say congratulations to many of the school divisions and many of the schools that really did undertake antiracism initiatives last week and especially on Friday. I want to commend them and say to them, yes, no one can do it alone. Government cannot do it alone, and the school divisions cannot do it alone. We need to develop partnerships, and we need to have people out there in the communities speaking against racism wherever it might occur. I do know that many schools throughout the province of Manitoba have undertaken very positive initiatives, and I want to say to them today congratulations and thank them.

**Ms. Cerilli:** It would be good if the minister would answer the questions. They are very direct questions, Mr. Speaker.

Will the minister also ensure with her colleague in the Department of Education that school divisions will have programs in place, specific programs, to ensure that all staff in school divisions are in-serviced on a crosscultural training?

**Mrs. Mitchelson:** Mr. Speaker, we are working together with the Department of Education with my department and with the Multiculturalism Secretariat. I know we are at the present time looking at a multicultural education policy that will be announced in due course.

\* (1355)

### Programs Funding

**Ms. Marianne Cerlill (Radlsson):** Mr. Speaker, will the government get its priorities straight then to put resources into the community and into schools rather than into the minister's escort staff?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Mr. Speaker, as a result of our restructuring and moving the Citizenship Division within the Department of Culture, Heritage and Citizenship, we have reorganized. We have set up and established an Immigrant Credentials and Labour Market Branch. We have also set up a Citizenship Branch. Within that Citizenship Branch, we announced last week—and I think it was a very positive announcement because we often hear criticism from members of the opposition that we are not doing enough within government.

We have restructured that branch so that in fact we will have an antiracism co-ordinator who will be dealing internally with breaking down barriers within government that might prohibit some people from accessing government services and government jobs.

I think it is a positive move in the right direction, and I am really disappointed that members of the opposition are not coming forward and applauding this government on the positive moves that they are making and the positive direction that we are taking.

### Legal Aid Services Labour Dispute

**Mr. Dave Chomlak (Kildonan):** Mr. Speaker, my question is to the Justice minister.

Last year's annual report of the Legal Aid commission talked of crisis conditions amongst Legal Aid staff and warned the minister that unless he undertook discussions with all those involved in the legal aid system, serious problems would develop.

Now that the government has failed to follow this advice, what contingency plans, if any, does this minister have to deal with the possible labour action to occur in the North and perhaps throughout the province?

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, we are determined as a government to provide services to disadvantaged people in this province under our Legal Aid program. I understand that some of the

members of the legal profession in Thompson, led by one Bob Mayer, who is not unknown to honourable members in the New Democratic Party and is on a first-name basis with pretty well every union boss in this province—

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

### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** Mr. Speaker, on a point of order. The minister was asked a very serious, straightforward question about contingency plans for legal aid. He ought not to stoop to personal attacks, and he also ought to check with some of his political confreres in Thompson who also are opposed to this government's cut in terms of legal aid.

**Mr. Speaker:** The honourable member does not have a point of order.

\* \* \*

**Mr. McCrae:** There can be no question that other lawyers besides Mr. Mayer would be disappointed with the necessity for tariff reductions this coming fiscal year. The bottom line for the government is delivery of service to disadvantaged people. I do not know how it helps disadvantaged people in the civil law side of legal aid, which is not the subject of any tariff reduction. I do not know how it helps disadvantaged people to withdraw services from them.

On the other hand, the government of Manitoba is, as I have said, determined to see that disadvantaged people in this province are provided with legal aid, and we will see that that happens.

\* (1400)

**Mr. Chomlak:** Mr. Speaker, I would like to ask the minister how he proposes to deal with those legal services in the event that they are not available, since already Legal Aid staff are unable to deal with the volume of work that is occurring presently today. How does the minister propose to deal with the withdrawal of services, because today, already, there are Legal Aid certificates being passed on from staff lawyers to the private bar?

**Mr. McCrae:** As I said to the honourable member, Mr. Speaker, the government of Manitoba is committed to ensuring that disadvantaged people in this province receive the legal services they require.

This government has placed in the Legal Aid account this year an increase in funding of \$1.3

million. That is about 11 percent for the Legal Aid account. The reason for that kind of an increase, the major reason, has to do with dwindling resources at the Law Foundation, which normally grants \$2 million to the Legal Aid account. Well, that is down this year to \$1.2 million. There is \$800,000 there which had to be made up, and in addition, since 1989-90, the federal government capped its share of its contribution to the Legal Aid program. That had to be taken care of, for a total of \$1.3 million additional into the Legal Aid account this year. That is an increase of about 11 percent, Mr. Speaker. To me that sounds like a commitment to the people of this province.

**Mr. Chomiak:** Mr. Speaker, my final supplementary is: Can the minister assure this House, since the family bar and the criminal bar are one and the same in the North, that no domestic violence cases, no cases of abuse and no other cases of that nature will suffer and people will not be put back out on the streets as a result of this government's lack of action in dealing with this matter?

**Mr. McCrae:** Mr. Speaker, I know that an option being put forward by members of the bar, of which the honourable member is one, is to cut back on the eligibility of people for Legal Aid services and also to bring in user fees. I say to the honourable member that perhaps he should use whatever powers of persuasion he has to talk his colleagues out of that kind of idea. We looked at those suggestions, Mr. Speaker. I have undertaken to look at them again, but that is not our preferred—[interjection]

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

**Mr. McCrae:** User fees and reduced eligibility, Mr. Speaker, are not really the first priorities of this government. Maybe the honourable member wants to put those ideas forward, but I do not immediately accept them.

We have in place plans to ensure that service delivery is not in any way reduced, Mr. Speaker.

### **Headingley Correctional Institution Psychiatric Care Facilities**

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

This minister appears quite clearly to be seeking to escape the intent and spirit of the new amendments to the Criminal Code of Canada, which

require mentally ill individuals who are mentally unfit to stand trial to be sent to a hospital to be medically treated if they are to be kept in custody at all. Mr. Speaker, that law was the direct result of the Supreme Court of Canada decision approximately one year ago which set a new standard for fairness for these individuals who are not prisoners but patients who have not gone through a trial and been found guilty of anything but have simply been found mentally unfit to stand trial.

Mr. Speaker, my question for the minister: Can the minister table in the House today accreditation documentation showing that Headingley qualifies for this minister's designation as a psychiatric hospital in compliance with that new federal law and in compliance with the Supreme Court of Canada?

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, there are five cases presently at Headingley Correctional Institution identified as not criminally responsible, and the designation made earlier of Headingley was done on a temporary six-month, interim period basis.

The honourable member will know that later this year, there will be a 20-bed psychiatric facility constructed at the Health Sciences Centre. In addition, there are possibilities for a designation of spaces at the new provincial Remand Centre, the medical floor which is separate from all the other floors.

The key to the future, of course, is a long-term forensic treatment facility, hopefully at Selkirk. There are problems in this respect. The honourable member knows about the evolution of laws and how laws that get changed quickly sometimes create problems, such that the honourable members opposite in the New Democratic Party will know that in Saskatchewan, for instance, not just a few beds in one facility have been designated, but four. In their entirety, four prisons in Saskatchewan have been designated by the NDP government of Saskatchewan as hospitals.

We have some short-term, interim difficulties to get through, and we will do so as sensitively and as carefully as we can, keeping in mind the federal involvement that is required for the long-term planning for these people.

**Mr. Edwards:** Again for the same minister, Mr. Speaker, this minister has known that this was coming for a year. It was a year ago that the

Supreme Court of Canada handed down its decision, so the minister's definition of "quickly" has to be questioned.

Why after a year can he not give members conclusive evidence that this government is prepared and able and willing to comply with the law which, again, was set down by the highest court in this land, because the individuals he is keeping in custody, if it is illegal, will be let go—does he not understand that?—possibly injuring themselves and members of society? Can he deal with that?

**Mr. McCrae:** Mr. Speaker, I have a very clear understanding of this issue. The Department of Justice, over a long period of time, has engaged in frequent correspondence with the federal government, working at the officials' level in developing the new law.

We are not happy with all of the aspects of the new law, but that is not for lack of input on the part of the province of Manitoba. We have known for some time that there was potential difficulty involving criminally insane individuals and their care in the future, so as I told the honourable member, in answer to the first question, I referred to interim measures being taken at the Health Sciences Centre, potentially at the Remand Centre and longer term at Selkirk.

Here, the honourable member will remember, most of the people found not responsible, if they were found to be sane, would be serving federal time in federal penal institutions, so there is no way I suggest that the federal government ought to be trying to evade responsibility for helping in putting together facilities to deal with the long-term care of the people whom the honourable member is asking about.

**Mr. Edwards:** Mr. Speaker, only this Minister of Justice would presume guilt without a trial. These people are not guilty—

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

**Mr. Edwards:** Mr. Speaker, my final question for the Minister of Justice—I am glad that his department has been involved. Can he table in this House a legal opinion from his department indicating that this facility qualifies as a facility in keeping with the new law and in keeping with the Supreme Court of Canada? Can he table a legal opinion saying that this will constitute a psychiatric facility?

**Mr. McCrae:** Well, the honourable member knows, Mr. Speaker, we do not generally table internal legal opinions made available to the department. Maybe he, together with the honourable Leader of the Opposition (Mr. Doer) and his New Democratic Party colleagues, would ask Premier Romanow or Attorney General Mitchell what kind of legal opinions they are following with regard to four prisons in Saskatchewan that have been designated as hospitals. I assume that in the province of Saskatchewan, those designations are not intended to be permanent any more than they are in Manitoba.

### **Retail Trade Sector Sales Decline**

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

Mr. Speaker, statistics released today show that retail sales in Manitoba declined in January by 2 percent over the previous January. No other province declined in January. In fact, Canada as a whole showed an increase of 2.8 percent of retail sales, and this follows on a 2.5 percent decline in Manitoba in 1991 and a zero percent situation, a no-go situation, in 1990.

Mr. Speaker, my question to the Minister of Finance is: Why are retail sales continuing to sag in Manitoba? Why are we performing so poorly? Why are we 10 out of 10?

\* (1410)

**Hon. Clayton Manness (Minister of Finance):** Well, I guess, Mr. Speaker, I could ask the question: Why is the member opposite so happy? See the smile. I make my point.

I have not seen the article in question, and I have not seen the analysis. I can tell the member I have seen my sales tax revenue for the month of January, and certainly it was increased over that which was budgeted for. I would say to the member opposite, that was also the case for the month of February. I have to believe that on the consumption side over the last three months, there has been a growing optimism within this area and that the trend is looking favourable.

I am hoping that events over the last two weeks, particularly the interest rate jump, are now over. I hope that indeed the bank rate continues to drop so the consumers once again can have this developing feeling of confidence overtake them and that they

will continue to purchase durables in the fashion as they were over the last two months.

**Mr. Leonard Evans:** Mr. Speaker, we are talking about actual over actual, not actual over budgeted amount.

Mr. Speaker, will the minister now concede that our weak retail sector in Manitoba is as a result of very high unemployment levels, 52,000 last month, coupled with lagging wage increases in this province, where we rated nine out of 10 provinces in 1991? Consumer spending cannot expand if household income is not growing.

Is this yet another sign of poor economic performance in Manitoba under this government and the failure of the policies of the Minister of Finance?

**Mr. Manness:** The short answers to all those questions are no, no, no, no and no.

Mr. Speaker, let me say to the member that as he is well aware, consumer confidence, of course, is very much dependent upon expectations around interest rates, expectations around security of employment, expectations around government taxation.

Let me say, after we brought down the fifth budget, as we have, where there have been no increases in taxes, there have been signals of decreases certainly on the business side. I would say to the member that one of the conditions has been met with respect to re-establishing confidence within the consuming public, that is, the provincial government is not interested, as indeed most other provincial governments will be, in increasing taxes. I would have to say that will certainly help consumer confidence.

### **First Ministers' Conference Goods and Services Tax Elimination**

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I would like to ask the Premier, will he be prepared to advocate a reduction in the GST, if not the total elimination of it, at the forthcoming economic summit meeting of First Ministers in order to stimulate the consumer spending in this province and in this country and help us to get out of the longest recession experienced since the 1930s?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I find it interesting that the New Democratic critic from Brandon is always willing to spend someone else's money.

When he was in government, he sat at the cabinet table that increased our sales tax by 40 percent in this province, from 5 percent to 7 percent in just six budgets; that put in a 2 percent tax on net income that devastated every wage earner in this province; that put in a payroll tax that destroyed thousands of jobs; and that increased the tax on personal incomes in this province by 138 percent, the personal income tax take, over a space of six years.

That is the kind of tax-tax-tax approach that member had when he was sitting at the cabinet table, and now he is very anxious to spend somebody else's money, but he has no positive ideas about the economy, about what to do with the huge impact of taxation that he personally, with his colleagues in cabinet, placed on the people of this province. Shame on him, I say, Mr. Speaker.

### **Abinochi Preschool Program Closure**

**Mr. George Hickes (Point Douglas):** Mr. Speaker, my question is to the Minister of Native Affairs.

Last week I asked the minister to look at the funding of Abinochi preschool program, which is vital to aboriginal people in all of Canada, not only here in Winnipeg.

Recently, the minister advised Abinochi preschool that they must close their doors. I would like to ask the minister to tell this House whether this was his decision alone, or did he take this to cabinet?

**Hon. James Downey (Minister responsible for Native Affairs):** Mr. Speaker, I do not accept the preamble. I did not tell Abinochi to close their doors. In fact, last June they received a letter from the Deputy Minister of Education saying that there would be no funding this year, and in October, the Minister of Education and myself forwarded a letter again saying that there would be no funding for this coming year.

We are sympathetic to the whole question of continuing of native languages, but as I said last week, we have to sort out what we are capable of doing. One has to look at the educational needs of all the people who fall within the jurisdiction of the Department of Education. This is a preschool program that there is not any program funding available for.

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

### Nonpolitical Statements

**Ms. Becky Barrett (Wellington):** Mr. Speaker, I wonder if I might have leave to make a nonpolitical statement.

**Mr. Speaker:** Does the honourable member for Wellington have leave to make a nonpolitical statement? Leave? It is agreed.

**Ms. Barrett:** Over this past weekend, several of the athletic teams in our city and our province have shown themselves to be remarkably competent athletes, and I would like to congratulate several of those teams, if I may.

First, in the provincial boys' championship, an incredibly exciting game took place at the Duckworth arena with the Daniel McIntyre Maroons, from the provincial constituency of Wellington, in overtime, beating the Transcona Titans in a very exciting game. I would like to congratulate both of those teams as well as all the other boys' teams that were in the tournament.

On the young women's side, the Glenlawn Lions made it two out of two by being the provincial champions in both volleyball and basketball this season, beating the Dakota Lancers in the final game of the basketball, and congratulations go to them as well.

Finally, the University of Winnipeg Wesmen were in the final four in the CIAU championships held in Halifax this last weekend. While they did not get into the final game for their first appearance in the national championships, they acquitted themselves very well. On behalf of all of us, I would like to congratulate them for that victory.

Also, the University of Winnipeg has a remarkable achievement in that they have achieved the final four this year in both men's volleyball and basketball and women's volleyball and basketball. That is a remarkable achievement, and I would like to congratulate the University of Winnipeg athletic department and those scholar athletes on that remarkable achievement. Thank you.

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**Mr. Nell Gaudry (St. Boniface):** Can I have leave for a nonpolitical statement?

**Mr. Speaker:** Does the honourable member for St. Boniface have leave to make a nonpolitical statement? Leave? It is agreed.

**Mr. Gaudry:** Mr. Speaker, on March 19 to the 21, the Nelson McIntyre Collegiate's Grades 11 and 12 girls' varsity team participated in the provincial AAA basketball championship that was held in the city of Thompson. The team players were Colette Normand, April Pelland, Chantal Saurette, Anna Weber, Heidi Weber, Toivi Gee, Andrea Phillips, Sandy Klause, Tara Tootoo, Jane Cameron and Jessica Gessell. The coaches, Wilf Slobik and one of our Pages here, Ian Grant, were very proud to see this hard-working team finish third during this provincial tournament.

Congratulations not only to the Nelson McIntyre girls' varsity team and their coaching staff but also to Heidi Weber for having been selected as the second all-star player for this tremendous championship. Job well done! Thank you very much, Mr. Speaker.

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**Mrs. Shirley Render (St. Vital):** Mr. Speaker, may I have leave to make a nonpolitical statement?

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

**Some Honourable Members:** Leave.

**Mr. Speaker:** Leave? It is agreed.

**Mrs. Render:** Mr. Speaker, it gives me great pleasure to once again stand up in the House and say congratulations once more to the Glenlawn Collegiate varsity girls. This time, they have won the provincial championship, and in fact, they beat out another St. Vital team to do this.

This is twice in just a few months that I have been able to stand up in the House and say congratulations to the coaches and to the Glenlawn Collegiate girls for winning another sports event. They have shown once more that they are at the top of their class in everything. Thank you.

\* (1420)

### Committee Change

**Mr. Edward Helwer (Gimli):** Mr. Speaker, I would like to make a committee change.

I move, seconded by the member for Sturgeon Creek (Mr. McAlpine), that the composition of the Standing Committee on Municipal Affairs be amended as follows: the member for La Verendrye (Mr. Sveinson) for the member for Emerson (Mr. Penner).

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

## ORDERS OF THE DAY

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), 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 Health and the honourable member for Seine River (Mrs. Dacquay) in the Chair for Executive Council.

\* (1430)

## COMMITTEE OF SUPPLY (Concurrent Sections)

### HEALTH

**Mr. Deputy Chairperson (Marcel Laurendeau):** Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 255 will be considering the Estimates of the Department of Health. Does the honourable Minister of Health have an opening statement?

**Hon. Donald Orchard (Minister of Health):** Yes, Mr. Deputy Chairperson. Prior to the opening statement, I want to make two apologies to my honourable friends the critics from each of the respective opposition parties. First of all, I think it is fair to say we were not necessarily going to be starting Estimates until after next week, so I have only just received before walking in here the departmental supplementary on the Estimates, which I will distribute to my honourable friends.

The second thing is I have a copy of my statement that I will make in my opening remarks. Page 1 is a covering letter, so it starts at page 2. I will apologize ahead of time for any potential typographical or other errors, because as my honourable friends have been working on their statements, so have we been working on this one. I assume all responsibility for any of the errors that may well be in there and will attempt to correct them if I catch them during the opening remarks. Mr. Deputy Chairperson, with the will of the committee, I will commence.

I am pleased to present today the working Estimates of the Manitoba ministry of Health for the fiscal year ending March 31, 1993. I will be asking this committee to support my request of \$1,860,688,400, an increase of \$101,166,200 or 5.7 percent over the Adjusted Vote of last year.

Once again, I wish to pay tribute to the many dedicated workers throughout the health care system. Thousands of dedicated people within the system can be commended for their willingness to put foremost the well-being of the Manitobans whom they serve.

In particular, I want to especially commend those committed professionals who have continued to give of their time, effort and creative ideas to facilitate the process of change that the health system is experiencing. I know I can count on them and on all the other dedicated members of the system to continue to support the reform needed to maintain and enhance Manitoba health as the best in Canada and one of the best, if not the best, in the world.

Also, Mr. Deputy Chairperson, I would again like to thank the community groups, professional associations, universities, volunteer agencies and individuals with an interest in the health of Manitobans whose counsel continues to make contributions to decision making as we continue to build on the partnerships which are a key feature of the ministry's activities.

Since I became Minister of Health, I have announced a number of significant initiatives such as the development of goals for health and health care; the Health Advisory Network; the establishment of Manitoba's own bone marrow transplant program at the Health Sciences Centre; reform of the mental health system, establishment of a Quick Response Team to investigate emerging issues in health services; the Health Services Development Fund; Health Human Resource Planning, including among other initiatives a National Nursing Symposium and a physician human resource strategy in conjunction with other provinces and the federal government; \$3.7 million linear accelerator for the Manitoba Cancer Treatment and Research Foundation; \$2-million joint federal-provincial heart health project in partnership with the Heart and Stroke Foundation and the University of Manitoba, Faculty of Medicine; Strategic Health Research and Development Fund; the introduction of Healthy Public Policy; World

Health Organization Collaborative Study on Quality of Life in Cancer Care, a grant of \$1.2 million over four years to the Manitoba Cancer Treatment and Research Foundation; Manitoba Centre for Health Policy and Evaluation; the Substance Abuse Strategy, including establishing a Women's Centre for Substance Abuse; the Urban Hospital Council; strengthening Continuing Care services and a large number of other program policy, legislative and organizational changes.

In addition to these and other accomplishments, we have been able to significantly increase the Health budget each year that I have been Minister of Health, over 9 percent in 1988, almost 7 percent in 1989, 6.4 percent in 1990, 5.4 percent in June of 1991 and this year, as I have already mentioned, the increase will be over 5.7 percent. This represents an increase of over half a billion dollars in the four years that I have been the Minister of Health.

Now, Mr. Deputy Chairperson, I do not intend to dwell on these achievements, and I would prefer not to open a sterile and lengthy debate with members opposite, should some of them once again try to suggest that an increase of over \$101 million in 1992 is somehow a cutback or that the list of achievements somehow represents underfunding. Instead, I would prefer to build on the expressions of support I have received from members opposite about the approach we are taking to restructure the health care system. That is the kind of positive and supportive co-operation we will need if we are all to work together to protect and improve the health status of Manitobans in the years to come, because let me declare at the outset, as long as I am the Minister of Health, the health status of Manitobans and the interests of patients are my first and foremost concern.

That is the principle that has guided me since before I became Minister of Health, and that is the principle that will guide me in the future. That is the principle that is guiding me now as we launch into the most comprehensive and far-reaching reform of any health system in Canada, and I repeat quite deliberately, the most comprehensive and far-reaching reform and restructuring of any health system in Canada.

Mr. Deputy Chairperson, I do not say this to boast. I say this because I want to convey to you the immensity and complexity of the tasks we have undertaken, and I want to convey to you the enormity of the challenge faced by Manitoba's

health care system, the same challenge faced by every jurisdiction of every political stripe in Canada. Before I go into details regarding our approach to restructuring, I would like to give you some idea of the order of magnitude of the challenge and what other jurisdictions are doing about it, so that our approach can be better understood in the context of what is happening elsewhere.

Provincial governments across Canada are struggling with what is widely viewed as a health cost crisis. There are concerns in some parts of the country that Canada may no longer be able to afford our system of universal medicare or that there will be no alternative but to reduce health services to Canadians. We do not hold that view, and I will come back in a few moments to tell you why we do not hold that view.

The cost crisis is as real in Manitoba as anywhere else in Canada. Canada and Manitoba spend the highest amount per capita of any publicly funded health care system in the world. In fact, we spend the second highest amount per capita next to the United States of any system in the world, but here is the paradox. There does not appear to be very much of a relationship between health care expenditures and the health status of nations or provinces.

The United States spends the most per capita on health care, \$2,354 in 1989, but their life expectancy is among the lowest of the industrialized nations. Their infant mortality rate, a very powerful indicator, is over 10 per 1,000 according to 1987 data. Japan which spends among the least, some \$1,035 in 1989, has the highest life expectancy and an infant mortality rate at five per 1,000 in 1987. That is less than half that of the United States, and all indications are that their health status is just as high. For example, the Japanese have among the lowest death rates for heart disease in the world. Canada spent almost \$1,700 per man, woman and child in 1989 and our health status is high.

Life expectancy at 76.8 years for 1987 is just behind that of Japan and Sweden, but there is little evidence that it is our high expenditures in health care which have contributed to our health status. In fact, Great Britain, Spain, Greece and New Zealand all have equal or better life expectancies than Canada even though they spend less than half per capita than Canada.

Mr. Deputy Chairperson, we know that throwing more money at the health care system will not lead to better health. We know that many of the determinants of health, such as healthy lifestyles, environmental factors, socioeconomic factors go beyond the health care system. Emerging research is also beginning to discover that ever-escalating expenditures can actually have a negative effect on health. In fact, a growing body of research is showing that our health status improves in direct correlation to the wealth and prosperity of our nation, that the best health program is the availability of secure employment in a growing and vibrant economy. The best health program is a secure job. We see over and over again in economies that are growing that do provide those secure jobs with relatively high incomes to the citizens of their nation that health status improves.

\* (1440)

Japan had the lowest life expectancy post-World War II, and with the industrial revolution that Japan has had since World War II, they have gone from amongst the lowest of the industrialized nations in life expectancy to among the highest.

What the growing body of research is saying is that what is more important to the improvement of one's health status, longevity, infant mortality and other indicators of improved health status is a healthy economy providing secure jobs so that the individuals in those countries can buy better housing, better food, better recreation and enjoy better lifestyles. The high tech, expensive institutional and medical approach, characteristic of the North American, Canadian and Manitoba systems needs to be revisited.

Again and again, nations have demonstrated that they have improved the health status of their citizens through provision of services beyond the formal health care system, such as clean drinking water, effective sewage disposal, better diet, better housing, all of the underpinning social amenities that we take for granted in this country and in North America and the free world, but those are all products not of a health care system with increased spending, but of a vibrant economy which has created the wealth to enable the individual citizens of that country to buy better water systems, buy better sewage disposal systems, buy better diet and food, buy better housing and buy better recreation for a more perfect lifestyle.

If the economy and the provision of secure jobs is important, how ought we to approach that, Mr. Deputy Chairperson? Today's economy is going through a tremendous shift because we are facing global competition. We are no longer competing in Manitoba with Alberta, with North Dakota. We are competing with Europe. We are competing with Japan. We are competing with the Pacific Rim. We are competing globally.

When we compete globally, how do we survive? How do we create the jobs that can allow our citizens to buy the amenities in life that improve their health status, as a growing body of expertise would say, in a greater amount than our formal spending on health care? How do we do it?

Well, we are going to accomplish secure jobs that provide good economic returns for the individual citizens of our country when we can produce goods that can be effectively and competitively sold on the world and global markets and when we make sure that more of our dollars go toward doing the research and development spending, the retraining and the restructuring needed to make us competitive, rather than an even greater share of our provincial dollars going toward illness care, illness instead of health.

Even if we wanted to go down that road of greater and greater spending for less and less resulting health, we are no longer in a position to do so. Over the past 10 years, Manitoba's spending on health services has increased by 178 percent. In other words, total health costs have far more than doubled. That is not just the result of inflation. The consumer price index has increased only 71 percent over that same period, and Manitoba's population has increased by only 6 percent over that period.

Since Manitoba's taxes are already among the highest in Canada and the province faces severe deficit problems, we just cannot afford to let health costs continue to spiral. No province and no part of Canada is immune to the health costs crisis. Across Canada, provincial governments of all political parties are wrestling with the danger that escalating health costs may make Canada's health system unaffordable. In some jurisdictions the problem is even more acute, and the response by some governments appears drastic compared with Manitoba's approach.

For example, the government in Newfoundland is actually reducing funding, especially to hospitals,

closing 440 active treatment beds. The New Brunswick Premier has suggested the province consider installing user fees, making people pay part of the cost of health services directly. Although they have not yet proceeded with such fees, they too are reducing funding and closing hospitals.

Nova Scotia is closing hospital beds and converting other hospitals to community health centres. They are also limiting the number of specialties hospitals can offer. The government of Quebec is examining a variety of user fees including charging people for visits to a doctor or for room and board while in hospital. They have also discussed making the cost of health services a taxable benefit.

The government of Ontario has put a cap on doctors' earnings and is actually reducing the amount of money the province gives to support hospitals and other health care institutions by limiting increases in budgets to less than the rate of inflation. This is resulting in the closing of hundreds of hospital beds in all parts of the province.

In Saskatchewan, according to MHO Inc., a 1.5 percent increase in hospital funding resulted in major reductions in hospital-based services with a growing emphasis on preventative and community-based services.

In British Columbia, the province has identified a target of 25 percent reduction in hospital beds and is moving to limit payments to physicians as part of an overall strategy to transfer resources to preventive and community-based care.

In other words, the health cost crisis is a truly national problem. No government in Canada has any alternative but to strive for improved management of health services as the only means of ensuring that we will be able to continue to afford our national health care system.

In Manitoba we reject the idea of user fees for hospital or medical services. This government and the people of this province are committed to the basic concept of medicare as a system that provides universal access to health services to all our citizens. I know the members opposite share our views, and they agree with our commitment to reject user fees.

We do not believe that simply reducing government funding for health services is the answer either. Reduction in spending increases that are not backed by an overall strategy for change

just disrupt the system and place the quality of our health services in jeopardy.

Closing hospital beds or removing other institutional services without developing lower cost but equally effective alternatives as a part of an overall strategy is not an acceptable strategy for Manitoba. We have to find better and more effective ways to provide health services to Manitobans, and we have to manage the changes in our health services system in a way that will contribute to improved health for all Manitobans.

Over the past four years, since I have become Manitoba's Minister of Health, I have been working to find the answers to that challenge. I have sought advice from every part of what I have called the health services community in Manitoba, from physicians, nurses, and other care providers, from advocacy groups like the Canadian Mental Health Association, and seniors organizations across the province.

Throughout these consultations I have made two things very clear. The first is that I do not believe the challenge we face in Manitoba is simply a matter of health costs. I have explained that I am not the minister of health costs, I am the Minister of Health. It is my job to find ways to preserve and improve the health and quality of life for all Manitobans. So as I have sought answers to keep to the challenges we face, I have never asked only how can we keep costs down, I have also asked how can we improve health services and the health of Manitobans.

The second point I have made very clear throughout these consultations is that I do not believe that the government or any other single group can answer the challenge alone. It is not just a government problem. It is not a doctor's, or a nurse's or a hospital's problem, it is a problem that affects everyone in Manitoba.

The only way we can succeed is to form an effective working partnership in which all parts of the health services community and all parts of the community at large play a positive and responsible role in discovering ways we can make health services both better and more affordable without compromising the spirit of medicare.

There have been some disagreements. Some in the health services system have been tempted to focus on protecting their own turf rather than finding the better ways of providing health services that Manitoba needs.

We face difficult adjustments as people learn to look at the whole health system rather than focusing on their own institution or their own fields of practice. We need to learn new ways of thinking, to abandon the old ways where the bed is the symbol of power, where the threat of loss of professionals is the second symbol of power, or traditional union thinking is the third symbol of power, or frightening the public with the spectre of loss of services, it is a fourth symbol of power. Because these symbols of power have nothing to do with the improvement of the health status of Manitobans, or with keeping the interests of patients first and foremost.

We are fortunate in Manitoba, there is a remarkable degree of agreement among Manitobans, and especially those Manitobans who work within health services. We all believe that we can make health services both better and more affordable in this province. We all agree that there is need for a fundamental shift towards more effective programs of health promotion and prevention of illness, of disability, and a stronger focus on achieving improved health status for the people of Manitoba.

Working together, we have laid the foundations for a restructuring action plan that would let us do exactly that. The strategy calls for careful management and planning. It calls for some hard choices and adjustments within the health services system. It provides for a greater role for patients and their families in health care decisions, along with the systematic efforts to make sure that individual Manitobans have the information they need to play that role. It is based on a fundamental change towards a much clearer focus on the health needs of individual Manitobans, rather than on the interests of various professions or institutions.

In Canada, when we have spoken of health services, we have tended to think of hospitals and physicians. A more balanced view—one that takes all of the determinants of health into account—would see health services as being composed of a wide continuum of services from educational and preventative initiatives through programs of community support, through a range of other possible health services, all the way up to the high technology environments of modern teaching or tertiary hospitals. There is no question that a truly effective health services system must have all of these services to respond to the very health needs of our population, but they must be rebalanced to

more appropriately meet those needs in Manitoba and the rest of Canada.

\* (1450)

We need to strengthen development of preventative and community-based parts of that continuum of services. For example, too many Manitobans have been placed in mental health institutions, who, with appropriate community-based services and supports, could have remained in their homes, and could have enjoyed far richer lives. That is why I implemented Manitoba's partnership for mental health—phase II.

For example, thousands of other Manitobans, primarily senior citizens, with appropriate community supports, can remain in their own homes and avoid hospital or personal care home admission, can retain their independence and continue to live in their own homes with their own families in their communities. That is why we have increased spending on home care from less than \$45 million a year in 1988 to almost \$68 million in this year's budget—34 percent more in only four years.

The imbalances in Manitoba's health services system with their unintended bias towards the highest cost, the most intrusive health services, has operated across the entire spectrum of our health services with little evidence that this contributes positively to the overall health of our population. We have a pattern of people moving from community hospitals to the even higher-cost teaching or tertiary hospitals. There is no certainty that the bulk of this movement contributes to better health outcomes. It is certain that it contributes to higher health costs.

So, Mr. Deputy Chairperson, one of the fundamental foundations of Manitoba's strategy for restructuring our health services has to be supporting the full continuum of services, so that we can shift more of our total services from high-cost institutional settings towards lower cost and more affordable programs of prevention and support services and home care to help people avoid illnesses and avoid delay or reduce their need for institutional care. The basic logic we have been describing here, of a shift towards lower costs but equally effective health services, is not news to those who have been involved in health services in Manitoba, and I know the members opposite would agree with that logic.

Common sense would tell us that if we expand our programs of community-based services so that these services are available to many more people in Manitoba who might otherwise have had to be hospitalized, or have had to stay longer in hospital, the incidence of hospitalization and/or the average length of hospital stay should go down, and hospital and total health care costs should be reduced. Historically, that has not been the way the health services system has worked in Canada. Instead, each new service that was developed and provided as an alternative to high-cost medical or institutional care has tended instead to be an addition to the existing set of services. Hospital usage and hospital cost did not come down proportionately as alternative services grew, either here in Manitoba or elsewhere in Canada.

Clearly, it was not enough simply to add new services and assume that these resources would result in a lower increase in overall system costs. The real need is to manage all of the elements of the continuum of health services to ensure that they work effectively together to meet the needs of the population. Because that is true, our action plan for restructuring the health system addresses the need for overall strategic management of health services in the province.

Mr. Deputy Chairperson, the restructuring of the health system, not the health care system, the health system, will be accomplished in the context of sound principles, and they are as follows:

Foremost in consideration, improved health status of Manitobans and protect the interests of patients and families;

It must be consistent with goals for health;

The highest priority will be assigned to providing services to those individuals or groups who are most at risk or in need of services;

The integration of institutional and community health services along a continuum of care, ranging from prevention through treatment to palliation and rehabilitation, in the context of healthy public policies;

Services shall be planned, developed and delivered in the context of appropriateness, cost effectiveness, efficiency and efficacy, in terms of outcome and value for money based on current scientific evidence;

Restructuring will involve a phased approach to ensure appropriate alternative services are put in place to accommodate the shift;

The focus for restructuring will be on the most appropriate locus and level of care to enhance accessibility in communities where families live and work;

Patient empowerment through education and enhancement of patient choice will be a major feature of restructuring; and

Monitoring and evaluation of impact on patient care and health status outcomes will be by external evaluators, including medical consultants.

Mr. Deputy Chairperson, these are sound principles and a sound vision, and I have made the commitment that we will be guided by those principles and that vision as we restructure the system. But, Mr. Deputy Chairperson, principles are not enough. Making changes in a system as complex as the health care system requires the development of strong foundations on which to build.

Mr. Deputy Chairperson, when I became Minister of Health, I recognized the importance of building these foundations. That is why we established our goals for health and health care. That is why we restructured the ministry to integrate the role of Manitoba Health Services Commission with the ministry's community health services along a continuum of care, instead of the two solitudes that existed between community and institutional services.

That is why we established a number of important mechanisms to build partnerships and to build consensus among the many stakeholders, such as: the Health Advisory Network; the Urban Hospital Council; Regional Mental Health Councils; the Westman Integrated Strategy for Health Project; the National Nursing Symposium; community consultation on substance abuse; joint workshops with Manitoba Health Organizations incorporated to develop strategies and objectives for improving the health status of Manitobans; a range of partnership policy documents—Mental Health, Phases I and II, Health Promotion, Continuing Care, et cetera—collaboration with MHO to develop mechanisms for a rural equivalent of the Urban Hospital Council.

That is also why we have established a number of committees of key stakeholders to take a

comprehensive look at particular programs and disease entities across the entire spectrum of services ranging from Healthy Public Policy through health education, early detection, treatment, rehabilitation, continuing care and palliation.

That is why we have established the Health Services Development Fund, a unique funding mechanism that provides health care institutions and others in the health system with the flexibility to make the transition to a more balanced system.

That is why we have implemented the Healthy Public Policy Steering Committee. That is why we established the Manitoba Centre for Health Policy and Evaluation, to give us the sound scientific basis for our planning, which makes Manitoba unique in Canada in its ability to engage in fundamental restructuring. That will continue to keep the interests of the patients and the health status of Manitobans as the foremost consideration. Mr. Deputy Chairperson, these are solid foundations on which to build.

I would like now to turn to our action plan for restructuring and rebalancing the health care system. Number one, the first and foremost component of our action plan will be to strengthen and develop appropriate alternative services including: strengthening resources to the continuing care program, including the development of ability to respond more quickly to emergency home care requirements; an array of community mental health supports, including the Mental Health Crisis Mobilization Team; opening appropriate personal care beds; opening acute care beds in community hospitals close to where families live and work; redirect acute and long-term psychiatric beds in the system consistent with Mental Health Reform.

Number 2, the second major component will be to develop mechanisms to put the individual and the patient first and foremost through public education and patient empowerment. For example, we have seen that our approach to mental health reform is demonstrating that patient empowerment through mental health advocates including patients, former patients and their families, is leading to more appropriate services.

I know that informed choices and decisions of individual health care consumers can be a powerful force that will lead to better and more affordable health services. That is why I am committed to ensuring that there are realistic alternatives, that

individuals have the best and most current scientific evidence and information about the existence and implications of those alternatives, and most importantly, that individuals have the right to choose.

That is why we will be working with Dr. John Wennberg and others at Dartmouth-Hitchcock Medical Centre, at the Centre for Clinical Evaluative Sciences, to provide patients and their families with effective information about the nature and value of various medical interventions. For example, testing in the U.S. has demonstrated that when information about prostate surgery is made available to patients in the form of an interactive video program, many patients, over 40 percent, choose not to accept this routine procedure. The videos are prepared under the guidance of leading medical experts and are an exceptional example of creative medical leadership in health reform.

\* (1500)

We will provide similar information resources on a variety of subjects, some of which will be developed here under the guidance of leading Manitoba physicians and based on Manitoba analysis of the health outcomes of various alternatives. People need information in order to be able to control their own lives. Ensuring that patients and their families have clear and accurate information about the available health services and about the nature of common medical interventions is a key part of the action plan to empower patients.

A good example of informing Manitobans about the true risks and benefits of interventions is the recently released report by the committee on breast cancer screening regarding mammography screening. There appears to be no evidence that widespread mammography screening leads to reduced incidence of breast cancer, nor that it contributes to improved health outcomes for individuals who are affected.

There is also significant uncertainty as to the longer term health impacts that frequent exposure to X-rays may have on otherwise healthy women who are subjected to this procedure. Therefore, our approach will be to fully inform Manitoba women and health care professionals about the latest information on this issue.

In particular, we will continue to work closely with the medical profession to encourage all women to use breast self-examination to detect irregularities

or other possible early symptoms of breast cancer. Manitoba Health will sponsor the development and dissemination of an educational program on breast cancer, including a video tape, to provide women and their physicians with the most current medical analysis of the risks and value of mammography and other screening techniques.

Mammographic examinations will continue to be available to all women who, for whatever reason, be it family history, perceived breast irregularities or simple concern, feel themselves to be at risk of this disease. Manitoba Health will establish an ongoing advisory group of leading health experts to monitor advances in breast cancer screening to ensure that practice here reflects the highest possible standards worldwide.

At the end of the day, I believe the patient or potential patient must have information about all the alternatives and about the implications of each. Then she, in concert with her family and her family physician, must make the choice as to the best means of screening for this disease, and mammography will be available for those who choose to use it either as a regular part of a check-up or in response to other symptoms or concerns. But mammography will not at this time become routine in Manitoba. There is simply no basis in medical research to make it so.

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

The third component of our action plan for restructuring the health care system involves reforming the hospital system. There is growing scientific evidence that Manitoba has more hospital beds in total than are necessary to meet the needs of our patients.

For example, British Columbia has identified that up to 25 percent of their beds could be reduced through more appropriate admissions and lengths of stay. In addition, a disproportionate share of total beds are in our teaching or tertiary hospital sector, the highest cost part of the health care system. The relatively very high cost and rapid rate of increase in cost of hospital services is a major concern.

In addition, hospital resources and the highest technology hospital resources in particular, are relatively heavily concentrated in Winnipeg. Residents of rural or northern Manitoba make significant use of these urban resources, not simply in cases where that is appropriate, but because in

many instances there are few alternative services in the form of rural or northern institutional or community-based services.

In part, this overdependence on hospital care reflects the gradual imbalancing of health services that has occurred in Manitoba and Canada since the 1960s, with its growing concentration on these highest forms of service. Our heavy reliance on hospital-based services has also reflected the relative underdevelopment of other aspects of the health services system in Manitoba and a lack of knowledge of existing alternatives among patients and service providers.

One of the greatest sources of pressure on hospital facilities and hospital services is from patients who do not need to be there. Research done in other jurisdictions indicates that up to 40 percent of admissions to hospitals are inappropriate. That is, the admissions were either not necessary or would have been unnecessary if alternative services were available.

Preliminary indications in Manitoba are that up to 36 percent of admissions to our teaching hospitals from rural or northern areas were for less complex routine admissions, the kind that would normally be expected to be in community hospitals or as outpatients. Our action plan will see the reallocation of hospital resources toward a more appropriate and effective range of services including reduced reliance on teaching hospital beds, transferring some beds to community hospitals and establishing long-term care beds in community institutions.

The management approach we are using to address the question of numbers and kinds of hospital beds has been to engage representatives of the hospitals themselves in identifying services they are now providing that could more appropriately be provided in a lower-cost hospital, an alternate institution or in the community.

Once these services have been identified, resources will be moved from teaching hospitals to urban hospitals, to community hospitals or long-term care facilities and from institutions to the community-based services where that is appropriate. In the process, each hospital and each kind of hospital will define its role more clearly, and this will lead to improved quality of services and to a reduction in duplication and inefficiencies in the system.

It is not and cannot be simply a question of closing hospital beds. The reduction in bed numbers cannot occur in isolation. Alternative services appropriate to the person's needs have to be available to replace those institutional services, but where there are lower costs but equally effective ways of providing services, resources will be reallocated to ensure that those alternatives are provided.

Mr. Acting Deputy Chairperson, the rebalancing of the system will be done in consultation with health care professionals on the basis of the best scientific evidence available. We will implement ongoing evaluation and monitoring in conjunction with outside medical consultants to ensure that appropriate patient care is not affected.

Mr. Acting Deputy Chairperson, we will take the same approach when we look at waiting lists and priorities in the hospital sector. The ever-escalating demand in Canada and Manitoba for more and far more complex procedures with little scientific evidence of improved health status illustrates the need for clear medical and scientific guidelines and protocols that hospitals and physicians can follow in making appropriate decisions relating to urgent referrals and scheduling within the health care system.

To meet that need, I have established the Appropriate Access Review Group. This group includes the medical vice-presidents of Manitoba's two teaching hospitals, the executive director of the Manitoba Cancer Treatment and Research Foundation, the medical vice-president of Victoria General Hospital—all leading Manitoba physicians—and the executive director of the Evaluation and Audit Secretariat of Manitoba.

The group's work will be assisted by Dr. C. David Naylor, the Director of the Clinical Epidemiology Unit at Sunnybrook Health Centre in Toronto, together with representatives of the Manitoba Centre for Health Policy and Evaluation and the Department of Community Health Sciences from the Faculty of Medicine at the University of Manitoba and a leading Winnipeg cardiologist.

The group's mandate is to develop better mechanisms for managing urgent referrals scheduling in the Manitoba health care system, focusing in particular on orthopedic surgery, cardiovascular surgery, angioplasty, oncology and cataract surgery. Within six months, this group will

have reported and recommended protocols based on protection of patient health status, consistency, appropriateness, equitable access.

Another aspect of the action plan for hospital reform will review the way hospitals are funded. The Manitoba Centre for Health Policy and Evaluation is producing a report on hospital funding to be released shortly. Throughout the next year, my ministry will work with the hospital sector to develop mechanisms to strengthen funding accountability and to redirect funding more precisely to the range and mix of services provided by hospitals.

That is also why in this throne speech there was reference to the Health Status Improvement Fund. The fund will be implemented to provide an important incentive for continuous quality improvement, also known as total quality management in the hospital sector. TQM has been endorsed by the Canadian Council of Health Facilities accreditation as an integral component of effective utilization management.

Mr. Acting Deputy Chairperson, the fourth component of our action plan for restructuring will look at health human resource requirements and allocation. One of the greatest strengths of Manitoba's health services system has always been the outstanding quality of physicians who practise in this province.

Manitoba's physicians have been and continue to be among the most skilled, dedicated and best equipped in the world. Theirs is a crucial role in our efforts to improve the quality of health services in Manitoba. Physicians in Manitoba and across Canada have been among the leaders in our shared efforts to provide a range of appropriate health services to meet the needs of our people.

Physicians themselves are also a very significant element in total health costs, directly through the fees they are paid under medicare and indirectly through their control of access to hospital and other health services resources. Any serious effort to achieve better and more affordable health services must also involve the medical profession.

Our action plan has three key goals for its interaction with the medical profession in Manitoba. They are: to ensure that Manitoba has an appropriate number and mix of physicians to meet the needs of people in all parts of the province; to provide compensation to physicians in a manner

that is fair and that reflects the health services needs of Manitobans and the values we share as a community; to support the leadership of the medical profession in its effort to continually enhance the quality and the health outcomes of medical practice throughout Manitoba.

The number of physicians in Manitoba and across Canada has been growing far more quickly than our total population. Health Ministers of Canada have identified this growth as a significant contributor to rapid increases in total health costs.

Between 1968 and 1988, the number of physicians in Canada increased at about twice the rate of population growth for the same period. During the last decade alone, the number of physicians in Manitoba increased by over 20 percent, while the population increased by only 6 percent. At the same time, paradoxically, we have had shortages in rural and northern Manitoba and shortages of particular specialists.

Mr. Acting Deputy Chairperson, Manitoba, in concert with the other provinces of Canada, has developed a strategy to manage the total number of physicians. Our provincial action plan also includes measures to ensure that there is an appropriate number of rural physicians to meet the needs of all parts of the province. The thrust of the overall strategy is to slow the growth in total number of physicians.

At the same time, we will be working closely with the profession to ensure adequate medical services in rural areas. This represents a challenge, both to the profession and to medical training in Manitoba. We will continue to use a variety of incentives to encourage doctors to set up practices outside of Winnipeg, but the reality is that if we are to provide appropriate health services to the people of Manitoba, more physicians and a more balanced mix of physicians must choose to go where the need is, to rural and northern Manitoba.

Government will do its part in ensuring that appropriate facilities exist to support rural practice and that the financial rewards are commensurate with the value of the contribution physicians can make to these parts of the province, but we also look for leadership from the profession in meeting that challenge.

Mr. Acting Deputy Chairperson, we are in discussion with the Faculty of Medicine to establish new funding mechanisms to achieve deliverables

related to rationalizing the number, mix and allocation of postgraduate medical education positions in the context of identified Manitoba population health needs, including reduction in funded positions, reallocation of funded positions between areas of practice to address specialty maldistribution, establishing programs to train generalist specialists for nonurban-based practice, rationalization-regionalization of subspecialty training programs.

Mr. Acting Deputy Chairperson, another critical group, the nursing profession, including registered nurses and licensed practical nurses, play a key role in both institutional and community-based health care services in Manitoba. Both the training and range of career options for nurses are evolving rapidly in Manitoba and across Canada. We are told there is a significant change underway in the mix of nursing skills required in the health services system.

The number of people registered and employed as nurses in Manitoba has been growing faster than our population over the past two decades. In part, this reflects the rapid increase in hospital spending and medical activity. It also reflects a gradual broadening of the scope of practice open to nurses as more community-based services and preventative programs are developed.

\* (1510)

But there is a very significant uncertainty in efforts to forecast nursing requirements arising out of changes in the nursing mix that are being adopted in major care institutions. There is an additional set of uncertainties arising from the wide range of new career opportunities and new requirements for the skills that nurses can bring to bear throughout the growing system of alternate health services in Manitoba.

In light of this uncertainty, our action plan calls for the development of a five-year nursing resource plan. I have asked the main employers of nurses in both health care institutions and community-based programs to provide information on their current nursing staff and their five-year projections of requirements for nurses, including specific information on the mix of RNs and LPNs they expect will be required.

In addition to providing sound base line data, this nursing resource survey will provide us with a forecast that can be used in developing longer-term

training strategies. The forecast will be monitored against real trends as these emerge to ensure that our education strategies continue to be responsive to Manitoba's evolving needs. I am committed to ensure that the nursing profession and its unique perspective play an active and creative role as full partners within the ministry's partnership for health.

There are thousands of people who earn their living as service providers within Manitoba's health services system. The restructuring of the system towards a better balance among all of the services on the continuum of services that are so central to our shared vision of Manitoba's health services system of the future will no doubt affect some of them and their careers and options in a significant way. For some, including a wide range of therapists, the result will be a need for more of the skills they have to offer. For other employees in health services, the shift away from our overconcentration on institutional services may require new skills and a new orientation.

The services providing professions that have played the most dominant role in health services, physicians and nurses, will face different and evolving requirements and opportunities in the health services system of the future in Manitoba. The men and women who are employed in Manitoba's health services system have always performed to a standard that is amongst the highest in the industrialized world.

As resources are redirected down the spectrum to more appropriate health services, there will be employment impacts that may affect some of these men and women. Clearly health services managers of government have an obligation to redeployment and retraining as a fundamental challenge to assuring that our human resource strengths are focused on reform strategy.

Number 5, Mr. Acting Deputy Chairperson, I would now like to touch on the final major component of our action plan to restructure the health system. The final component has to do with technology assessment and management.

Medical technology, and diagnostic technology in particular, has had an amazing growth in recent years. Emerging technologies have led to huge and rapid investment especially but not exclusively in the hospital sector. While Manitoba hospitals and others throughout Canada and internationally have invested in technology, a number of serious

management issues that affect both the quality and the affordability of health services need to be addressed. For example, between 1976 and 1988 costs of medical imaging went from \$16 million to \$68 million, an increase of over 450 percent. This has occurred with limited protocols and no outcome evaluation. There is little evidence that this technology growth has contributed significantly to health status.

The action plan will address these issues. That is why the Health Services Development Fund is providing the financing for an evaluation program to establish protocols for access to the MRI scanner at St. Boniface General Hospital. The study will relate use of this high-cost technology to patient benefits and will focus on appropriate choices among various kinds of imaging technology. This is also why we have established a review of the demand for additional CT scanners and why we are continuing to develop guidelines for the purchase, operation and evaluation of CT scanners.

Mr. Acting Deputy Chairperson, in conclusion, this action plan will lead to the kind of restructured health system that Manitoba needs to improve the health of our citizens. We will provide an array of appropriate alternative services. We will ensure that the patient is put first and foremost. We will empower Manitobans to make informed choices. We will ensure that we have the right number and mix of service providers. We will have the appropriate kind of technology, and we will restructure and reform the hospital system towards a more appropriate rebalancing to meet the real health needs of Manitobans.

Mr. Acting Deputy Chairperson, I am not naive. I know that even though the best minds and the leading health professionals in Manitoba and elsewhere, even though the public have all said, yes, this is the right approach, these are the right principles, the best scientific evidence supports what you are doing, even though we have this support, there will be some who will find it hard to resist the temptation to play pure politics to protect their turf, to frighten the public with misleading statements about service cuts, people dying, the like, to put pressure on the government to back down, to accede to narrow interests.

But, Mr. Acting Deputy Chairperson, I urge those people to resist the temptation because we will not back down. Instead, I urge everyone to join in the

partnership which puts the interests of patients and the health status of Manitobans first and foremost.

Mr. Acting Deputy Chairperson, I have been told elsewhere that Manitoba is leading Canada in health reform, and I know that is true. We are unique in our ability to restructure our health care system, to rebalance from illness care toward health. Let us all work together for this unique achievement, and it is what Manitobans expect of us and what they deserve.

Mr. Acting Deputy Chairperson, I present my Estimates for the fiscal year 1992-93. Thank you.

**The Acting Deputy Chairperson (Mr. Reimer):** We thank the honourable Minister of Health for those comments. Does the critic for the official opposition party, the honourable member for St. Johns, have any opening comments?

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Acting Deputy Chairperson, I appreciate this opportunity to put some opening remarks on the record as we begin this session of Estimates. I appreciate the remarks of the minister and his very detailed report at the outset of what will be, undoubtedly, a long and grueling process. I hope it will be a constructive process, and I hope that the minister will take our questions and understand our constructive criticisms in the light of a positive contribution and not always from a negative point of view.

There are many areas where we will have very substantial disagreement, very significant disagreement. There are some areas where we clearly support the government and have said so in the past and will do so in the future. I think our recent discussion on the issue of mammography and breast screening is an example of where we do see eye to eye and where we can work together. When the minister made those comments in the House and again he has repeated those sentiments and that direction here in his opening speech, we indicated our support for the minister's decision, and this government's decision, to in effect review a previous election promise to reconsider the wisdom of that decision in light of new and emerging data as it affects the lives and health of women.

\*(1520)

We appreciated the fact that this minister indicated a willingness to review new forthcoming data in that context and to consider the ramifications on women's health. We certainly support that approach, and we will continue to look for areas of

common ground where we can work together in a very complex, ever-changing policy field. In fact, as the minister has no doubt experienced, this is probably the most rapidly changing policy area of any before government these days. It is very difficult to keep pace with the latest developments, with the latest statistics and the new approaches being developed with respect to health care delivery.

There is no question from our perspective that health care reform is absolutely essential. We have no disagreement with the minister's statements that restructuring is necessary. We have no disagreement with his emphasis on some of the areas that need to be addressed, areas that have to do with physician supply, areas pertaining to technological developments and, in that context, the benefits of those new advancements in terms of impact on patients' lives and health.

We have no quarrel with the willingness of this minister to look at the whole area of adequate or reasonable mix of service deliverers and types of beds or of services in our health care system. We have always said that any health care reform approach must address the current weaknesses in our system. Those weaknesses, in our view—and I think we have some agreement here with the Minister of Health, those problems, current difficulties—include an institutional-based system, a system therefore that is very expensive to manage and to deliver.

In our view, it is also a doctor-driven system which fails to consider the needs of patients sometimes and the ability of a whole range of health care professionals to make a contribution to our health care system. We believe firmly that our health care system must move from that institutional doctor-driven illness model to one that is more rooted in our communities in tune with family needs, having the patient at the centre with the whole range of health care professionals involved in delivery of health care services, and with an emphasis on wellness and prevention and health promotion.

Those are the broad parameters of health care reform thinking from all political parties and groups throughout our society. Where we have disagreement and where we will continue to have serious and sometimes heated debate will be on how we achieve those objectives, and whether in fact that is the impact or the outcome of the government-stated agenda.

For me and for my party, we begin our focus on health care reform with respect to the current situation status of medicare and going to the heart of that matter, of course, deals with the question of financing and recent, or not so recent, cutbacks by the federal government. For me and for the New Democratic Party, one cannot begin to address health care reform unless one has dealt with and tried to address some current difficulties with respect to financing of our medicare system.

Since last year's Estimates, developments have taken place on that front. Some very serious changes have occurred. The minister knows that I have raised over the last two years the whole question of federal financing and changes to Established Program Financing as it relates to health care. We have raised probably more questions on this issue and on this general matter than probably all other health care issues put together. It has been a fundamental area of concern for us.

Over the last couple of years we have seen the changes to federal financing become more, we have become more familiar with those changes, we have become more knowledgeable about the impact of federal changes and more vigilant and outspoken in our criticisms of those changes.

Since our last set of Estimates, Bill C-20 became law. We had some discussions in our Estimates about Bill C-20, very brief discussions, and they were in the context of this government's intentions to fight the negative changes coming from the federal government, and the cutbacks involving Established Program Financing. Bill C-20, as the minister and everyone else should know, further froze the formula as it relates to funding of health care in terms of direct transfer of dollars and speeds up the day when federal dollars for health care, for medicare, will dry up.

We now know that if nothing else happens, no other changes for the better or the worse are made, that Manitoba will be without federal-direct dollars for health care around the turn of the century. We are not quite sure of the actual date. There are different estimates. It is clear it could happen as early as eight years from today.

That poses serious difficulties for Manitoba and Manitoba's ability to provide universal quality health care services. It poses disastrous consequences for our nation that has prided itself for so many years

on having a national health care program based on some fundamental principles of justice and human rights and compassion and understanding, principles for which again I do not believe that there is disagreement, there is more a question of commitment and action around upholding those principles.

Mr. Acting Deputy Chairperson, one of our areas of greatest concern and criticism has been the inaction of this government around federal changes to the EPF formula. For two years we expressed concern about the fact that this government has not been outspoken, vociferous in its actions and words around these cutbacks, has not been front and centre of the debate, has not headed up a coalition of interests and concerns throughout Manitoba to oppose federal cutbacks, has not clearly expressed the concern of Manitobans around this disastrous federal policy which will, in fact, see the end of medicare unless it can be reversed.

Most recently, around Bill C-20, we expressed the concern that this minister and this government did not take the concerns of Manitobans to Ottawa when opportunity presented itself, when Bill C-20 was before the federal House of Commons Finance Committee. As I said in my own remarks when I went to Ottawa to make presentation to that committee, it would have been much better if the government, if the Minister of Health (Mr. Orchard) and his officials had been there in my place. I gladly would have given up my place for the government to be represented expressing grave concerns about federal cutbacks and the impact of such cutbacks, not only on Manitoba's health care system, but our national medicare program.

\* (1530)

It would have made a difference, I believe, perhaps not a great deal of difference, given the absolute deliberate intentions on the part of the Mulroney government to proceed with Bill C-20 at all costs. In fact, shortly after my presentation to Ottawa on November 26, the bill was pushed through committee, pushed through the House of Commons and was given rapid assent in the Senate, much to the concern of many across this country.

I think probably every national organization involved in health care appeared before that committee or made representation to that committee expressing strong concerns about this erosion of medicare. The same held true for

Manitoba; through their national organizations, Manitobans were represented. Doctors, nurses, health care workers, health care consumers, all were there in spirit expressing concern about the federal changes and, I am sure, would have felt some confidence and a better appreciation for this government's rhetoric or certainly would have believed more in the words and rhetoric of this government if it had been there in Ottawa in some way expressing those concerns publicly, loudly and clearly.

Bill C-20 became law, and we are that much closer to the death of medicare, that much closer to the Americanization of our system, and that is not being extreme in my comments. That is not to exaggerate the situation. That is to reflect a reality because in fact we have to keep in mind as we review the situation since before, during and after, I should say, Bill C-20, many governments across this country, many provinces in Canada, have expressed some interest in pursuing a patchwork of health care systems and asymmetrical health care arrangement across this country.

Several provinces have already indicated or have started to move towards a system of user fees. These suggestions, these actions, this breakup of our medicare system and this abrogation of those five fundamental principles are not just coming from Conservative governments; they are also being expressed by Liberal governments in this country. I think we all were very worried when Frank McKenna came forward with his comments recently at one of our constitutional rounds to express some support for pursuing the notion of user fees.

I hear my Liberal critic, to my right, suggesting that that may have also come from the NDP. Well, he knows from reading the reports and delving into this issue that that is absolutely not the case, that in fact all NDP governments stood up loudly and clearly in opposition to any movement towards implementation, introduction of user fees anywhere in our country.

I refer the Liberal opposition critic to a letter we all received today from the National Federation of Nurses' Unions expressing concern to our Premier, Gary Filmon, about discussions, deliberations, considerations being made with respect to user fees. In fact, in that letter, and I will quote from that letter, the third paragraph: At the February First Ministers' Conference the issue of user fees for

health care was raised by New Brunswick Premier Frank McKenna.

It goes on to say: Nurses were also involved in our conference involving health care reform. Nurses' delegates to the conference directed that I provide you with the perspective of nurses on the issues of user fees in health care reform. Nurses believe that governments must dismiss the concept of user fees once and for all. User fees should never provide a means of controlling growth in the volume of medical services and never be seen as a source of additional funding for the system.

The letter goes on for several pages outlining concerns about Frank McKenna's comments as well as actions of some Conservative governments undertaken in that respect. Manitoba has not been exempt from concerns being expressed by nurses and other health care professionals and consumers here in Manitoba and right across this country. Those concerns were expressed after last year's budget release and during our Estimates. Concern was expressed about the impact and the intentions of this government in moving to deinsure a number of medical services, to introduce a user fee in terms of northern health care services, to erode further our children's dental program and to actually consider some questionable deliberations or considerations, including the selling of health care services to Americans.

There is concern across this country about this government's intentions when it comes to medicare and about the fundamental principles of medicare. We have heard from Manitoba's Premier (Mr. Filmon) and Manitoba's Finance minister (Mr. Manness) following previous Finance ministers' and Premiers' conferences about a support for disentanglement, support for some new principles that are quite divergent from the principles entrenched in the Canada Health Act. We have heard more and more from this government about marketability, about profitability, about cost effectiveness, about cost efficiencies, about the need to find savings in this area because of our overall economic situation. So the concerns are not ill founded. They are not pulled out of thin air. They come out of statements, decisions and policies taken by this government as a whole and certainly by our Minister of Health (Mr. Orchard) and his department.

Over the past year, since our last set of Estimates, many Manitobans have come forward with concern

about the impact of government decisions on their ability to access health care services. We have heard from northerners who are worried about being able to access health care services because of the imposition of the \$50 user fee in terms of transportation. We have heard from Manitobans concerned about the application of the decision by this government to deinsure a number of items and how in fact that has led to, in reality, user fees in parts of our health care system. It is in fact at the beginning of a move to require people to turn to certain parts of our health care system to pay for certain services that previously had been considered part of our universal health care system. We are very concerned about what is in store for Manitobans in terms of other services that this government is considering with respect to deinsurance.

There was no statement, no clear-cut indication when the budget was handed down 10 days ago or so about this government's intentions with respect to deinsurance. We know the discussions, however, are taking place between this government and health care professionals around deinsurance of further items. I would hope that we would have an opportunity in this set of Estimates to discuss such plans, such considerations and deliberations before in fact they become final decisions sealed by a change to regulations under Order-in-Council. I hope that the minister is, on this particular issue, consulting widely about any further attempts to deinsure services under our health care system.

\* (1540)

Also, since last year's Estimates, there have been some new developments, some new decisions taken, some new directions pursued that were not indicated in last year's Estimates, that are clearly part of an overall agenda of this government. All of those issues and concerns have caused a great deal of worry and concern among Manitobans and among health care professionals and consumers.

Time does not permit, in these opening comments, to go into all of those decisions, and I am sure that we will have chances and opportunities to pursue each and every one of them. I think, of several that come immediately to mind, the concern among licensed practical nurses is certainly one. The minister has indicated in his opening remarks that he is reviewing the whole question of the mix of nursing professionals in our health care facilities. He has not, however, in his opening remarks put to

rest concerns being raised by the Manitoba Association of Licensed Practical Nurses that their whole profession is in jeopardy and that the St. Boniface School of Nursing is scheduled to be closed in the very near future.

There is no satisfaction from the minister's remarks in terms of those concerns and no clear statement that nothing will change, that no moves will be taken to put at risk the entire profession, nor that educational opportunities will be lost while this minister studies the situation further. We are left, at this point, at any rate, to believe that once again the minister has two different agendas with respect to something as basic and fundamental as an appropriate mix of nursing staff, nursing professionals, because in fact he again delineates a process for study and review and consultation but, at the same time, does not address the fact that decisions are being made in other circles, in other places.

It is similar to, leading up to this whole critical situation, knowing that decisions were being made at one level while supposedly this council on nursing education was responsible for making decisions or at least making recommendations—something as fundamental as levels of education and mix of nursing staff in our facilities. I hope that some of this will get clarified, and that we will be able to put to rest some of the fears and worries among long-standing licensed practical nurses, some of whom have been working in the field for over 20 years and have either lost their jobs or believe that they will see the end of a career that they love and cherish.

I think also over the past number of months of decisions pertaining to our hospitals, and the fear and concern that patients and consumers and professionals are experiencing because of a quiet agenda being pursued without the benefit of public input and deliberations. Over the last number of months we have raised concerns when news was received that this government was moving quickly to make significant, substantial changes to our health care facilities and our urban hospitals.

I think particularly of the news around the Misericordia Hospital and the clear intentions of this government, as indicated in correspondence from the Deputy Minister of Health and from the Associate Deputy Minister of Health that these decisions and these developments were under active consideration. Of course, I am referring

specifically to the closing of the emergency ward at the Misericordia Hospital and the loss of the psychiatric beds at the Misericordia.

If I could just get clarification on the time?

**The Acting Chairperson (Mr. Reimer):** I think we would not mind if you would just carry on.

### Point of Order

**Ms. Wasylycia-Lels:** Just on a point of order. Sorry, Mr. Acting Deputy Chairperson, I was sort of assuming that we had roughly equal amounts of time. I was not about to take as long as the minister, but I certainly was not watching my time very carefully. However, perhaps you could clarify the general parameters around which opposition critics make remarks.

**The Acting Deputy Chairperson (Mr. Reimer):** According to Rule 65(1), a speech in Committee of Supply, including those of the minister shall be restricted to 30 minutes. However, if it is the will of the committee to—[interjection] Pardon me, but the minister shall be restricted to 60 minutes when introducing the department. If it is the will of the committee to proceed longer than the 30 minutes for the critics—what is the will of the committee?

**An Honourable Member:** Proceed.

**The Acting Deputy Chairperson (Mr. Reimer):** Proceed. It is the understanding of the committee that the time restriction will not be in effect.

\* \* \*

**Ms. Wasylycia-Lels:** Thank you, Mr. Acting Deputy Chairperson, I will try to move along more quickly. I was certainly prepared to equal the minister in terms of time being taken in introductory remarks, but I certainly do not have to go that long. I will try to speed up my remarks.

As well, over the last number of months concerns have been raised with respect to the impact of government decisions with respect to Pharmacare. I just want to very quickly indicate that the increase, unexpected increase I might say, of this government passed by Order-in-Council just before the end of 1991 came as a surprise to not only those of us in the Chamber but also to Manitobans generally and most particularly to senior citizens.

The decision by this government to delist dozens and dozens of drugs under the Pharmacare program is having an impact and causing some serious concerns among all Manitobans, but

particularly more vulnerable groups such as senior citizens and single-parent women and low-income Manitobans. We would certainly like to pursue that issue.

I want to speak very briefly and generally about some concerns we have with respect to the so-called restructuring policy and program of this government, which I might say comes as a bit of a surprise to us. The first mention of this word came from a memo that I referred to in the House today from the president of the Health Sciences Centre, who indicated quite clearly that the hospital was making decisions and having deliberations in response to the government's plans for restructuring.

There has been, unfortunately, no statement, overall indication of this government's intentions to restructure, reform, review, revise our health care system. It has happened very subtly and very quietly. It has in fact happened out of leaks and rumours and reports that individuals in our communities or those of us in the Legislative Assembly have been able to get their hands on. So there has not been an up-front, open process for reforming our health care system as has happened in just about every other province in this country.

The minister has spoken a great deal about Manitoba being singled out as being most advanced in terms of health care reform. My impression is the opposite. My impression is that in many ways Manitoba is really behind the whole need and urgency to reform our health care system. In some ways, the Manitoba government is causing some embarrassment for Manitobans vis-a-vis what is happening on the reform agenda across the country.

I have several concerns that will not come as a surprise to the minister. I have concerns very much about what I would see to be a smoke and mirrors approach to health care reform. The \$100-million increase announced in this budget is coincidentally perhaps but interestingly around the same amount that this government has lapsed over the last number of years for all the time that it has been in government.

\* (1550)

It has lapsed money in certain areas for reasons that really do not seem to have much basis in fact. As I mentioned in my comments in the House, developments around the Health Services

Development Fund are most curious and do need explanation on the part of this minister. The sums allocated for this fund seem to go up and down rapidly according to reasons unbeknownst to us. Certainly they do not appear to be related to the health reform agenda of any political stripe. It does not seem to be at all in tune with demands from the community for help and assistance to pursue some initiatives that would be very important for health care reform.

A second concern that we have pertains to the number of studies, task forces, reviews that this minister has undertaken since becoming Minister of Health. I have no more confidence today after hearing the minister's speech that we are moving from a period of study to one of action. In fact, what we were handed today was a list of many more studies, many more reviews without an accounting for the previous studies and reviews.

For example, a new group is mentioned, the appropriate access review group, which appears to be a group designed to study the whole question of procedures and so on at our teaching hospitals. Sorry, I have read this very quickly, and I will be reading it in more detail over the supper hour and before we come back, but it would seem to me that the minister has put in place another study for which he said the Urban Hospital Council was involved in previously and prior to that the teaching hospital review and prior to that the advisory network. We are not clear at all about what happened to those previous studies. What were the results of those efforts, where did they lead, why is there need for more studies and reviews when in fact we have not heard the recommendations of the previous studies and really do not understand how all of this fits together?

We know that we have dozens of studies under the advisory network that the minister still has not presented to Manitobans or at least to the Legislative Assembly. There are final reports on the minister's desk for many months now that have not been released. There are over 40 urban hospital working groups that are hardly referenced at all in today's address. There is now talk about a similar effort in rural Manitoba, another set of dozens and dozens of working groups for a rural hospital task force or council.

There needs to be a clarification, Mr. Acting Deputy Chairperson, and an accounting for each one of those studies embarked on by the minister

since 1988. Where are the results of each one of those studies? Where are the recommendations? Why do we need another whole set of studies? Where does it all end? When do the studies stop and the action begin?

Related to this whole question of numbers of studies is a question of the openness of this government around health care reform. There is no question in my mind and I think in the minds of many Manitobans that the approach of this government on health care reform has been particularly secretive. It has not been the kind of open review that other provinces have indeed carried out.

As I have already indicated, in just about every other province there was an open public process to review health care reform. Whether they were looking at the B.C. royal commission or the Ontario Premier's council or the massive Nova Scotia commission or the Quebec review, the Alberta commission, just about every province in this country held a fairly lengthy wide open public process so that health care professionals, consumers, patients, the public as a whole would have an opportunity to express views on future directions in health care, with those plans then becoming the basis for future discussions and actions by the government of the day.

In Manitoba's case, this present government did not embark upon such a process. Instead, we have had a series of studies that have been dribbled out, and not fully announced or fully described, with nothing but an impression left of a very secretive, closed-door process involving a select group of individuals.

There is no question that, at least when it comes to the Urban Hospital Council, that study effort, that review process has been closed and limited to a select group of hospital administrators and health care and doctors. There has not been the opportunity for the Nurses' Union, or the MMA, or any other group to have a say, to be consulted, to be advised, to be informed, to be a part of that whole process.

The final comment I would make about the whole present government's health care reform process, and it really does follow on the smoke-and-mirrors, study-to-death, secretive approach: what one ends up with is a lot of conflict and a lot of tension between health care groups and individuals and

professionals at the very time when you need their co-operation and their support.

We are left with a very tense situation in Manitoba presently, with a lot of open conflict happening between this government and some very important groups. Whether we are talking about the MMA, and that certainly has been, I guess, the most recent example of tension and conflict, or whether we are talking about some still bad feelings between this government and the nurses of the province of Manitoba, or whether we are talking about health care consumers who have tried very hard to get the ear of this minister, to sit down and talk about some necessary changes which are integral to health care reform—in each and every case, there are bad feelings, serious conflict, and little hope for resolution at the time when such co-operation and consultation are desperately needed.

There are many other areas to address at the outset of health care Estimates. I would have liked to raise concerns about this government's approach with respect to home care, because again it appears to be—and we obviously will seek clarification—a smoke-and-mirrors approach, with the minister announcing considerable new dollars for home care; yet, at the very same time, we are faced with an incredible growth in the number of cases and concerns being raised with us about cutbacks in home care.

I would have liked to have spent a great deal of time talking about mental health reform. Again we will come back to that, because this in my view is an example of the government being very successful at propaganda, at public relations, at studies, and at rhetoric, with very little substance behind those statements and announcements.

Not too long ago, the minister announced further developments, in his mind, about health care reform that appear to be not much more than a repeat announcement of a previous announcement that repeated a previous announcement, which was not dissimilar from the very first one of this government and this minister back in 1988.

We have concerns about the whole approach of this government on aboriginal health care, about women's health, and the list goes on and on. We will come back to those in great detail.

Let me conclude my remarks by saying, while I hope that the minister will see these points being raised at the outset as constructive, they are

reflections and an indication of what is happening in the broader community. They do not come from my own political bias or an agenda. They are very much being expressed in circles, broadly, and they are the cause for a great deal of concern and unrest among Manitobans, generally.

\* (1600)

I want to say, in conclusion, that I would be most willing and interested to see some of these concerns addressed, and to find areas of common ground to develop meaningful health care reform, because as I said at the outset, we have little time to lose. There is some urgency about reforming our health care system in order to meet changing, growing needs of Manitobans when it comes to health care.

It is certainly my intention to, at every opportunity, go back to the very fundamentals of our health care system, the basic principles of medicare, and to reiterate over and over again that the basis for our comments—and I am sure for all of our collective involvement in this area—is to ensure that health care is maintained and preserved as a fundamental right for all individuals regardless of their economic position in life or their geographic location or their socioeconomic status.

(Mr. Deputy Chairperson in the Chair)

So on those rather lengthy comments, Mr. Deputy Chairperson, I look forward to the many hours ahead of us on health care Estimates.

**Mr. Deputy Chairperson:** We thank the honourable member for St. Johns for those comments. Has the critic for the second opposition party, the honourable member for The Maples, have an opening comment?

**Mr. Gulzar Cheema (The Maples):** Mr. Deputy Chairperson, let me start by saying that this is my fifth Estimates; it is more than 230 hours of Health Estimates I have done with the Minister of Health (Mr. Orchard). In my remarks I will put our party's number of clear-cut directions on the record and reinforce some of the things the minister has done and also ask some of the questions we have.

Let me first say that the minister's statement is 41 pages and has certainly documented many major initiatives that the government has done in the past and some of the new directions they will take in the future. I think that will give us some idea during the Health Estimates debate how we will look at each and every issue, and I think it will take me some time to go through some of his statements.

Mr. Deputy Chairperson, I want to express our appreciation to the staff in the minister's office who have been very helpful in a nonpolitical basis to all of us, as a member of this Assembly. I have worked with them for five years, and certainly say that we have some of the best people who are working in the department, and doing a very good job to preserve our health care system.

For me, health care is more than a bed in a hospital or working for a special group, or working for a special political platform. For me, and our party, it is an issue of defining—redefining the health care system in Manitoba. Number 2 is how to fund the health care system in Manitoba, and third, to sustain what we have today. Fourth, how much can we improve in the long run? I think that is the issue.

I would like to discuss the first issue, which is very essential, that what we have today—and everybody has made those remarks, and for a number of years we have said that we have the best system. I would say that we may have one of the best systems, but it may not be 100 percent accessible. It is clear from all the jurisdictions in this country that it is true. The minister acknowledged, even in his opening statement, that we may not have what we thought we had in the past, the accessibility of the system, and also the definition of the health care.

If we look at the basic five principles and, as I discussed, that was two weeks ago, those five basic principles out of the 1966 Canada Health Act that was initially started by the NDP and CCF in Saskatchewan. Later on, the other political parties picked up that major act. Later, around 1984, it was reinforced by the then Minister of Health under the Trudeau government, the five basic principles that were put into the law for this country.

Each one of us knows them, but I want to put those things on the record as a comprehensiveness, universality, portability and accessibility in public administration. As I said earlier, those five basic principles do not hold true in all the provinces. Simply, that is not true because each and every province has developed its own definition to suit the time and the need under political pressure.

If we look at the simple men who have coverage from coast to coast, we will find so many services which may be covered in Manitoba or may not be covered in Saskatchewan or B.C. We are going to see more of that in the near future, no question about that, because governments have no choice

basically within the financial arrangement and within the demand on the health care services.

So, I think first of all, we in Manitoba, would like to have a commitment from the minister in terms of the five basic principles and that is why we are asking to look at our Bill 51 in a positive sense. Then we can debate the other issues, what are the services which are essential, and which of the services goes in a second, third or fourth level. First of all, are we going to have essential services in the long run? I think that is the issue.

I cannot help if I do not comment on that from the member for St. Johns (Ms. Wasylycia-Leis) because she has made some very good statements on the record, but at the same time, it was all confusing because you cannot say something in Question Period, or say something different here. You are for the change or you are not for the change. I think that is the issue.

I would like to be clearer on those things because first we are saying, well, let us not cut the beds or let us not do this, and then come here, let us have reform. Reform has to be looked at as a reform, but not attached to a bed or a profession or a specific interest group because we will not be serving our purpose. That is the issue, and I think maybe with time we will have those things cleared up.

Maybe I am making a judgment too early, but I want the member for St. Johns to be really cautious here because nobody—she can laugh if she wants to, but people out there, taxpayers, they are not going to buy the political lines. They want to see how we are going to deliver what we have today, and I said from the beginning how we are to continue to have even what we have today.

That is why it is very essential that we have the opportunity right now in this room for 40 hours to put our policies on the table. Let us have a discussion and see how we are going to fund the basic medicare system as we all agree with the basic principle. I am not going to defend or argue on a specific bed or a specific working group. I am going to argue on behalf of the taxpayer keeping those five basic principles in mind, that is the Canada Health Act.

That is going to be my aim throughout the whole 40 hours and to see where we can maybe tell the minister these things can be done in a different fashion and maybe we can improve here, because ultimately, as I said on March 5, 1992, this Minister

of Health (Mr. Orchard) or any Minister of Health will stay or go, that will depend upon many other factors, but what a person in his or her seat is going to do today is going to have a major impact in the long run.

It is a very, very risky area right now in terms of the Health ministers and we can see all around this country what is happening in British Columbia, or we can discuss what is happening in Toronto, we can discuss what is happening in Newfoundland, New Brunswick, and as the member for St. Johns (Ms. Wasylycia-Leis) was saying, even some Liberal Premiers are talking about something which is not the answer. I want this committee to be very clear that from our point of view we are going to discuss health care as a package, as a reform and are not going to put each group against the other. I think we could do it very easily and send all these press releases to a specific area without telling the other group that it is the same tax dollar each and every person has to share.

\* (1610)

As the minister has said, and the member for St. Johns said very well, ultimate responsibility is patient care. We can start simply a pyramid. You start from the bottom, you have a number of groups who essentially want to have patient care, but when the dollar reaches to a particular patient, I think that is when we have to look at how that dollar is being spent and how effective that dollar can be spent either in the institution or outside the institution or in a model which will fit in the changing need, because things will change. There is not going to be permanence in the health care system as we see today. It is simply not going to be. You can read all the reports which have come out of many provinces, all the health care commissions done by one of the best people in the world, but each one of them is making a statement which comes to the reality of life they are running away because nobody wants to take responsibility.

I think I would agree with the minister on a major statement that at least people in other jurisdictions are taking very serious note of what is happening in Manitoba. For us I think it is very essential not to be narrow-minded in this political platform, in this major task. I am not going to do it, because certainly if the Liberal Party feels comfortable with what I am doing and I have the support of my caucus, it is very risky. We are going to follow the direction we took in 1988, and we are going to continue the same platform until the next election. Whether that will give this Minister

of Health (Mr. Orchard) any credit, so be it, if the NDP gets the credit for what they did in the past, but ultimately patient care has to be saved, because there is no way that anybody can deliver the system the way it is today.

Mr. Deputy Chairperson, it is very essential—I think I still have 40 minutes. I want to discuss those things. There are going to be a lot of specific questions I will go into detail with, because I want to make sure that members of this committee and people who will read my comments have a basic understanding that we are not for a specific group, we are for patient care and how we spend \$1.8 billion for 1.1 million people; that is the answer.

I would sincerely hope that something in that regard can be done and we can at least define what is the basic health care system. One thing which is missing from the major reform right now is one I feel very strongly about, and I agree with the member for St. Johns (Ms. Wasylycia-Leis), is the open communication. The minister has the right intention but let us put each and every person at the table and tell them we have this much money and decide how we are going to reform the system, because I am sure people are phoning each and every MLA that they are ignored from the whole debate. I think it is about time that they opened a conference on some sort of major information session as the minister has done on two occasions which was very well received, one was in mental health, the second was in health policy analysis; but on reform, so far no major conference has been done. I think it will be very beneficial for people to know.

The second aspect we would like him to deal with from the peoples' point of view is to educate people and start a campaign in terms of how much money we are spending on health care so they should know when people would know they will make a decision and we will find it out. You see what is happening with the city of Winnipeg taxes, what is happening with our taxes—when they would know that you are spending 33 cents out of \$1, they would be very careful. Do not be afraid of anyone accusing the government that it is going to restrict health care services. That is not the issue. It is how we are spending. If we have to spend \$200,000—just putting a figure—to educate people, so be it. It will teach them a very important aspect of day-to-day living.

As I said on March 5, there is no way that any services—you go into any hospital or any

clinic—when you tell the people how much it is costing them, I think the issue here is they think it is somebody else. It is their money and they will be very, very careful. That is why we said the other day when there was—MMA had a major letter in terms of how many people they have on a waiting list and also Fraser Institute put their own not very scientific data, but it still had some valid points. We have to have a central registry. That could be one part, but I will go into that in detail at a later stage. I think the public education campaign is a must. I do not think we have any choice.

When people would know how much it is costing them they would realize, and I think from there we can learn, ask them to give their suggestions on how we can spend our money smart, whether a person would accept to go to five doctors in one month, whether he or she will realize whether going to two emergency rooms for the same treatment, whether people will start realizing to have four X-rays done for the same thing in one month is the right way. I think those things have to be. We have no choice but then to explain. That is why we think it is very valuable to have a public education campaign, because when you are spending \$1.8 billion you have to. I do not think we have any choice.

Mr. Deputy Chairperson, I think that will address some of the major global issues of health care and certainly people would know that what we have today is valuable, but if we do not deal with it in a meaningful way we cannot preserve it. As the member from St. Johns said, the Bill C-20 will kill the medicare in Quebec in 1995 and in Newfoundland by 2003. Those are the figures the research people are telling us.

I think it is very unfortunate that—it does not matter whether we have a Tory government today or NDP or Liberal. Any minister could be blamed easily, because people do not know that the federal government who put in the law are not footing the bill, and I think that should be one education of the people, because there could be a federal campaign and then each and every M.P. should tell people if they are going to work for the people or are they going to work for their own pensions and long-term benefits.

I think it will be very healthy that the Minister of Health will do one of the most important surveys he has ever done in the public life, because people would be very appreciative to know exactly what is happening. They want the truth. They are not

accusing whether you are Tory or NDP or anybody else. When each and every party has a commitment, and I have no belief in five years that there is any undermining hidden agenda to harm people. That is not the case, because basically when each and every one of us has—we are trying our very best and the minister has taken the major responsibility, so I would like—I should not say I, but I think we would like him to look into that area and, as I said, the mental health reform has come. Some people will say it is a PR relationship, but I think without educating them you would have never been successful. Now you have primed them for a change. Now is the time for a change. The change, as we said the other day on the debate, there is two to four years. Whether you want to do it earlier than that it is going to be impossible. The transition has to come. That is why the education then transition and then have the real thought how we are going to implement the system.

I would disagree with one comment from the member for St. Johns, that there has to be evaluation in terms of teaching people we have changes coming, and now they are ready for a change. Otherwise, if you would have closed one psych bed four years ago, I would have been the first one to make a noise, because we were even not well informed then. Now health care professionals are well informed. The Legislative Assembly members are very well informed.

I think the kind of debate we see in this House, I was told in B.C. and Ontario it is unheard. There they come with a single-bed story and that is the news. Here I think much more is being done and that is very, very positive. So that way I would be doing half a job if I say that the member for St. Johns is trying to also provide positive criticism. We are seeing the change in the tone. That is very good, very good for the taxpayers.

\* (1620)

Mr. Deputy Chairperson, the other issue that I want to discuss affects patient care. As we were discussing, each one of us said the patient is right up there at the top, and we start with the funding formula. We can go with the services delivery of acute care, intermediate care and chronic care, and then the gatekeepers of the health care. I think that is a major issue because no reform is possible without impact, either directly on them, what they do, or the other thing is, "directly" means a monetary gain from professionals; secondly, where there is

specific protection of turf. That is going to come. No question.

I think it will be very beneficial to prepare the data on each and every category of health care providers and compare with the rest of the country, but also compare with the social policy. There is an article I was reading that there is no right or wrong number for health care providers; it is what society can afford and what we can balance. I think that is the issue because the only answer you can give us are the numbers, but they are not practical for our nation.

We have to see how much we can afford. As the minister has said very well, the mix of health care providers, so the nursing profession and the LPN profession have to be given a major thought, and the other profession which is extremely important is the social services. There is no way that we can exclude the social services department from health care in the community-based health care.

I think we need to look at those issues very carefully and develop—I mean we do not have all the resources as a member of the opposition, but ministers do have. I think we should proceed on those directions on a very positive note.

The physician supply and the maldistribution of physician numbers in our province is a major problem. Physicians will talk about that, but when it comes to real life, I think most people run away from that, they do not want to tackle that problem.

The Province of British Columbia tried, and it did not work. Now they are going to have a new bill which will restrict the billing of the physician group. I think we have to draw up the formula in Manitoba to tell them on their behalf how much money is being spent. It is not their physician's fee only; it is a very misguided problem in the community that physicians take all the money. It is all of the services that are used when a physician goes into a practice, how much it is costing in the surrounding services, a very important issue, because without that I think we are dealing with the wrong numbers.

I think that issue has to be discussed very openly. This much money we have, how can we use it effectively? You tell us how you are going to use it. That is why when they are all sitting at the same table and discussing with the Minister of Health (Mr. Orchard) and explaining to the people of Manitoba, then the real answer will come whether we can afford it or we have to have some alternate ways. They can all sit in their own places in the

organization and make noise, or come to the reality of life. I think it needs to be clarified, because I do not think any physician, or any nurse, or LPNs or physiotherapists, anybody, is thinking that they can continue to provide the services at escalated costs, but when the time comes to discuss, they are shrinking from their responsibilities.

Collectively, I think we are failing in that way. I know what I am saying is very, very risky politically for an organization, but I do not think for taxpayers, because they are taxpayers too. You go and talk to them, and they are paying 40 percent to 50 percent of their taxes, so they want money to work for their own tax dollars. We have to talk those issues very openly.

That is why we said that we believe very strongly that the continuation of services in the Department of Health must continue for a period of four years. When there was talk that there has to be a change in the ministry, we said it very openly that nobody is perfect and nowhere are you going to find the master in the health care system, but what you have, we can all improve upon that.

To continue the policy of health care system, you have to have a long-term plan. It does not work; it is not going to show up for election time. It simply is not true. We would like the minister to continue on some of the major policies but continue to inform Manitoba through the members of the Legislative Assembly, through all of us. I think that way we will be conveying a very positive role, and personally I am never hesitant to say if the NDP has done something good or the Tories. We have absolutely no problem with that because that is the reality of life.

The other issue of the health care provider is the LPN. The member for St. Johns (Ms. Wasylycia-Leis) has discussed that issue already, but as I said, the mix of health care professions has to be sorted out. It has to be the growing pains in the changing of health care, that is going to come there. So there has to be some readjustment with the health care providers.

How much retraining would they need? How will they fit into the system? Those issues have to be resolved and put into place now, because as you make major changes, it will become very difficult to find professionals to fit into those needs, otherwise people will start complaining. I think there the education is going to be very important, that we are

on the major health care reform. As the minister has said, focus has to be on the health not on the cost.

When you are focusing on the cost effectiveness of health care, you will save money. No question. Everyone knows it, but that money is going to go back into the taxpayers' pocket. They can spend on their own things, and they will stimulate more economy. It is basically the human circle.

If we come here today and only talk about health care as an isolated issue, I think we are just failing. That is why even when I was speaking on the budget speech, we made it very clear that the Minister of Finance (Mr. Manness) made a good statement that the best job of social services is to have a job but everyone is not born with all the capabilities. Sometimes the environment is not there, we have a recession, so many factors are playing a role. I think it is very difficult at this time to expect that statement to materialize, but in the long run if we keep that in mind and if we keep a person in the middle and you have a healthy economy, healthy environment, protect society and social values, I think we can achieve a lot of goals.

The area of poverty and how many children are hungry in Winnipeg, how many children go hungry in other parts of this nation. In one of the seven countries in the world, we are failing our children and that is contributing to ill health. Poverty is associated with violence, with drug abuse, with sexually transmitted diseases, and malnutrition is contributing to our health care cost in a significant way.

I think that issue has to be dealt with. That is why we are proposing there should be a major economic balance in terms of involving the education of social services in health care reform and make sure that nobody is being left out of the health care reform. The creation of a job is the creation of a healthy person and a healthy economy and a healthy family because they will use less services, they will be more productive, they will contribute more, they will pay more taxes, they will use less resources. That is basic human nature, it has to be there. There is no other choice. So I would like us to proceed in that direction, that there has to be co-ordination between the Department of Education, Social Services, and the Department of Health.

\* (1630)

Mr. Deputy Chairperson, the other changes that have to be looked at, we believe there are five major

areas, and the minister has pointed out most of them. First, health care reform must be looked at from technology and research but with a practical approach in terms of how much technology is giving us good health, rather than how much it prolongs life without meaningful productivity or a meaningful equilibrium in the long run. I think that is why we would like to have a serious debate in this committee in terms of Bill 16. We will hope that the government will bring a bill, because if the government will bring a bill we will be very supportive. It does not matter to us who does it as long as we have a bill which will give patients a right. That should be a part of the reform. Without their right, that is one part of the campaign in terms of their involvement and also the public education that this is you and you have the right. These are their tax dollars even though that should be the last thing in their living will, but that is still a benefit. People know that, but they are afraid to make decisions, because the law is not there. They are feeling guilty about something which may or may not be true, so I think they have to be educated. So we hope that Bill 16, either our bill goes through or the government will bring it.

The next part which is ignored many times is the tremendous amount of drug costs under Pharmacare, not only in Manitoba but the rest of the country. The implication of the patent law and the role of the brand name and generic drug industries must be discussed. I do not have full information on that, but I think it is costing taxpayers a huge amount of money. I think that part has to be looked at.

The other issue which is very essential from a structural change point of view is the physician and the health care providers, the way of paying them, whether it is a fee for service or it is a combination of fee for service plus salary and plus whether we are going to have a salaried physician or health care provider who will be specifically assigned to do certain jobs in terms of the community clinics or a setting of wellness centres. Right now, we do not have even an area where a physician is rewarded or nurses being rewarded to do a job to promote health, because that is not considered acute care. So I think those issues have to be discussed. The physicians' remuneration part has to be discussed. I think each and every province would have to. They have no choice.

The other issue in structural changes, the fourth one, is the in-hospital bed utilization. Each and every party, I believe, from what I have heard in the

four years, wants to have a balanced institution versus community-based care, so when that model is approached, there has to be consolidation of services. No question. When you are going to have high-tech medicine delivered in the teaching hospital, there has to be some adjustment made. I think it is very essential that the teaching hospitals are taking care from that point of view, plus also research and the educational component, because without that component we will miss not right now, but in the future. So I think we should look the health care institutions not only from bed point of view, but from teaching and research, because there may have to be some changes made.

In terms of the community hospital and the rural hospital, I think major evaluation has to be done, because there has to be not one hospital against others. That had been the approach in the past, a very wrong approach to deceive taxpayers. It has to discuss the utilization of beds in all the community hospitals and in the rural hospitals, taking into account the occupancy rate, the needs in the community and also developing new policies. If beds have to be sacrificed because they are not being used, that space must be used for the out-patient clinics in terms of expanding the role of that hospital. That myth that the hospital has to have only beds and without beds the hospital does not exist, that simply is not true. One could have a mix of hospitals with outpatients' clinics. That is the fourth structural change that we would like the minister to proceed on.

Number 5 is the emphasis on prevention and increased emphasis on prevention in education and health promotion. That has to be one of the major platforms, because without the emphasis on the prevention of illness where many diseases can be prevented, people can be educated on how to have a healthy lifestyle, how to prevent one of the major debilitating diseases. I think we will save money in the long run, no question. That is a little risky area because money you put in today will not show for your next election. It simply is not true. It is going to take five to 10 years to have any beneficial effects. So those are five major areas of structural change that I would like the minister to proceed with.

Mr. Deputy Chairperson, can you tell me how much time I have?

**Mr. Deputy Chairperson:** About 10 minutes.

**Mr. Cheema:** Mr. Deputy Chairperson, I will finish within five minutes. I just wanted to end up by

saying, let us have a frank and open discussion and focus on one thing: how we can save the future of medicare in Manitoba and also continue to deliver services in the most cost-effective way.

One area that I should have pointed out earlier is that there has to be co-operation from the other provinces, because this area is an area that crosses all the provincial boundaries. In terms of the requirement for the standard of health care provided, it has to be uniform across this nation. If you see one area where you have a shortage of professionals and the other provinces have qualification requirements which are different, you see the brain shifting from one part to the other part of the nation on the basis of trying to attract them with more financial gain. I think in the long run provinces are not doing service for the taxpayer as a whole because, basically, there should be one standard of practice in this country.

I was encouraged to see that the Canadian Council of Hospitals and the Canadian Medical Association has developed a two-year internship policy and that will take care of some of the problems. Other issues such as the basic discussion about the medicare system, the minister should be very open and frank with other Ministers of Health and ask them to look at Manitoba's model and maybe learn from our experience.

Mr. Deputy Chairperson, I would again emphasize that we will be raising many issues in terms of each and every section but, certainly, let us have an open and frank discussion and be honest with the taxpayers, who are sending us in this Assembly to do a job for them, not for a single political party.

\* (1640)

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

Under Manitoba practice debate of the Minister's Salary is traditionally the last item considered in the Estimates of a department. Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line.

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

**Mr. Orchard:** Mr. Deputy Chairperson, I have my Deputy Minister, Mr. Frank Maynard, who has been deputy since July of '88; Assistant Deputy Minister Fred Anderson; and Denis Roche, who is Director

of the Evaluation and Audit Directorate, under the essential reorganization around our research and planning—he is director of that function.

Mr. Deputy Chairperson, I thank my critics for their opening remarks. I think, if I can be so direct as to conclude, that those are some of the most reasoned remarks that we have had. From time to time we tend to maybe get a little chipper than we should when we open our remarks. I think what it demonstrates, if I can be so presumptuous, is that all of us have been around as either minister or critic of the health care system long enough to recognize that there are not too many easy answers anymore, and recognition of that is evident no matter where you examine the process of change in the health care system across Canada.

If I might, before we get into the line-by-line discussion, both my critics mentioned a discussion around the funding issue of health care, and particularly my official critic. This is a topic I think that has to be discussed possibly over the next few hours before we move into more definitive line by line, because it is a topic which the federal government is an easy target for blame.

I agree with my honourable friend from the New Democratic Party that the federal government—and it is now a trend that started I guess in the early '80s so it is not unique to the current administration, but you know, I simply want to say, try and transpose yourself to where the federal government—I say this with jeopardy, but my honourable friend the member for Maples (Mr. Cheema) challenged us to get into some frank and open discussion, so I want to leave this thought out for you.

All of us in here have read Second Opinion, the book by Dr. Rachlis. In that book, he clearly criticizes our current spending in the health care system, and he says very openly that we spend inappropriately. He is not alone in that statement to the general public.

Just recently—and I simply want to offer this up as food for thought—my counterpart in the province of Ontario ruffled a lot of feathers in Ontario where she indicated 25 percent to 30 percent of health care spending was inappropriate spending, and we ought to refocus it. My colleague to the west of me most recently, Mr. Deputy Chairperson, indicated in a press release that we do not need more funding for health care, we need more reform.

The difficulty that we have in coming at the federal government and trying to bell the cat with the federal government is we have such a growing body of outside analysts who say we do not spend smart enough with what we currently spend. That diffuses the argument that all of us would like to make at the federal level to increase or to reinstate former funding practices, because they will come back as they have, and they will say, well, if more money is the answer, why does a Dr. Rachlis write Second Opinion? Why are statements being made by other Ministers of Health that there is inappropriate spending throughout the system?

The issue of funding debate has to be much broader than simply coming to the federal government for more. It has to focus on how the federal government ought to legitimately participate in the process of change that all of us as provincial administrators of health care have to get involved with.

When that was mentioned by both critics, I think it is a really good open area for discussion, and could carry us for some period of time as we open the Estimates.

Mr. Deputy Chairperson, I would like to just attempt to answer any questions my honourable friends might have on the next section of Estimates, or indeed comments in response to what I have just said too.

**Mr. Deputy Chairperson:** I thank the honourable minister. Item 1.(b) Executive Support: (1) Salaries \$497,600, on page 82.

**Ms. Wasylycia-Lels:** Mr. Deputy Chairperson, yes, this is usually the opportunity to begin some general comments on some broad issues that do not really fit in any particular line. I certainly would like to spend a few minutes at any rate speaking of and having a dialogue on financing and the question of changes at the federal level.

It is clear to me that we do have somewhat of a continuing disagreement around this issue. From all of my readings of Dr. Michael Rachlis, and others who have critiqued our health care system and have come up with some constructive suggestions for reforming our system, there has never been a call for increased dollars, but at the same time there has not been a call for decreased dollars in terms of our health care budgets.

Those proponents of health care reform, like Dr. Michael Rachlis, have been equally vociferous

about calling for a reinstatement of federal financing in the health care field. They have not called for an increase, they have called for a reinstatement, and out of respect for a formula that has allocated to health care, a certain percentage of taxpayers' dollars as a percentage of GNP. It is that formula that has been changed, and it is that which has resulted in a decrease in dollars going to our health care system, which has had a considerable impact on all provincial health care systems, particularly Manitoba's, and has made it very difficult for provinces like Manitoba to really go gung ho on health care reform, because of the need for resources to spark reform at a time when, clearly, one level of government is cutting back.

So I just want to start off my comments by emphasizing that point and indicating that nobody of repute, of notoriety, of profile in this country on the issue of health care reform, has called for a reduction in health care budgets. Yes, they have said we are spending inappropriately. Yes, they have said we need major changes in our health care system, but they have all said we need to reallocate within and keep those dollars in the health care system and not see any dollars lost. The problem is that we have seen dollars lost from the federal government, significant dollars.

I would like to ask the minister if his comments are an attempt to explain the fact that this government and this minister did not make strong representation to Ottawa over the changes in the formula, in particular with the latest freeze in the formula, Bill C-20, or if, in fact, they did make those concerns known in other ways and, if so, in which ways? Could the minister outline the position taken specifically with respect to Bill C-20?

**Mr. Orchard:** Well, Mr. Deputy Chairperson, when we met the first time with the current Minister of Health, the Honourable M. Bouchard—I guess the first meeting was Toronto in June or thereabouts, and as I indicated earlier or at other times, that was the first time that we, as Ministers of Health, had been invited to meet by the federal minister for well over a year and a half. At that meeting, a number of issues were discussed, but we talked about stability in funding and an attempt to achieve that kind of stability in funding with the federal government.

Most recently, at our federal-provincial-territorial meeting that I hosted this past fall in Winnipeg, again we urged the federal government to provide

consistency in funding, predictability in funding. That was not a request made by one province alone; that was a request made by all of the provinces and territories. My honourable friend can appreciate that there is more than one political party recognized there at the conference.

\* (1650)

What I shall do for this evening is provide a copy of the communique that emerged from the September federal-provincial-territorial meeting for my honourable friend, for this evening's discussion.

We, I think it is fair to say, as Ministers of Health, were reluctant simply to say to the federal government, give us more money. That was not the nature of the communique that the provincial and territorial ministers put out. What we wanted, though, and what we asked for, was a stability in the funding. We have been receiving more funding in Manitoba. It is not that we have been receiving less. We have been receiving more funding in Manitoba, and I believe figures this year will have us receiving more federal support to our health care system.

The difficulty is that our costs are growing, or have been growing, at a faster rate than the increase in growth from the federal government in terms of their support. So what we have in Manitoba, not uniquely, but what we have in our provincial systems, is, I think, across the board, a decreasing percentage of the total ministry of Health spending being provided by transfers from the federal government.

That gets me right back to the issue that I introduced prior to this question. Certainly, none of the experts that are there, Rachlis or others, are saying give us less money because we are spending inappropriately. Nobody is saying that, but the federal government, faced with the challenges that they are faced with in trying to create an environment of economic renewal and the other challenges that they have—challenges, I think, that all of us recognize—they are saying that in those circumstances we cannot provide the provincial ministries of health of provincial governments across Canada with the kind of increased resources that they would like to see.

You know, that is a reality that we may not enjoy and certainly do not enjoy, but it is a reality that before one suggests to them, cure it immediately, you have to ask the next question, where are they going to get the resource to cure it immediately?

That is the same problem we face in Manitoba. If I can introduce a slight little modicum of politics in this answer, the tradition across this country has been, from the comfortable position of opposition to say that government, whether it is federal or provincial, should provide more funds, but when faced with the reality of government, those same political parties have demanded more management.

That is the case with the current federal government. When they were in opposition, they criticized the then Liberal government for changing the formula. The formula was changed in 1977. At that time the negotiators of three of the lead provinces were New Democratic Premiers, Schreyer, Blakeney and Barrett. So, you know, in government—and I am sure the opposition parties back in '77 all said, you know, this was wrong or inappropriate, and when these opposition parties become government as has happened in Ontario where the New Democrats moved from opposition to government, they have changed their funding position.

They are not offering 10 percent increase in funding in Ontario, they are offering 1 percent. The same is, I think, going to be evident in British Columbia and in Saskatchewan. The same will be evident in other provinces where we have Conservative oppositions in provincial Legislatures asking for more, if they are. They will not provide more when they get to be government. That is why as Ministers of Health, I think, faced with the reality of managing the system, we were careful not to say to the federal government, we simply need more money.

We indicated to them that we need predictable financing that will allow us to get on with the job of reform that all provincial, territorial ministers and ministries recognize has to be done. That is why we were careful, as Ministers of Health representing the three major political parties, not to give the impression that the simple cure was more money.

I cannot state it any more eloquently than Ms. Simard from Saskatchewan where she indicated in her press release last month that we do not need more money, we need more health care reform. That is not a neo-conservative Minister of Health speaking, that is a New Democratic Minister of Health, newly elected, speaking.

**Mr. Deputy Chairperson:** Is it the will of the committee to call it five o'clock? Agreed? (Agreed)

The time is now 5 p.m. and time for private members' hour. I am interrupting the proceedings of the committee. The Committee of Supply will resume consideration at 8 p.m.

## EXECUTIVE COUNCIL

**Madam Chairperson (Louise Dacquay):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be dealing with the Estimates of Executive Council. Does the honourable First Minister (Mr. Filmon) have an opening statement?

**Hon. Gary Filmon (Premier):** Madam Chairperson, I understand that I have been given permission by members opposite to remain seated so that I do not have to risk falling over in the midst of the debate on my Estimates.

I want to begin by acknowledging the fact that members opposite have once again given me the honour of being in the leadoff position in the Estimates debate, and I would say to my honourable friends that while I appreciate their attention it is an honour that I do not necessarily feel that I must preserve. If there is any time that—just because I am called First Minister, it does not mean that I have to be at the top of the Estimates list every year. If there is any time they want to change the order, I am sure that I would be happy to accommodate them.

However, I am always happy to be able to talk about the Estimates of my department, and the activities that are carried on in Executive Council. There is an obvious advantage to being first on the list. It gives me an opportunity in a formal way to recognize the long hours of dedicated work that went into the preparation of these Estimates. I know, as someone who has sat at Treasury Board now through the development of five sets of Estimates, that there is a tremendous commitment put in by not only every member of the Treasury Board but every person who works for Treasury Board and in the senior staff of each department.

I say to my successor, as chairman of the Treasury Board, the Minister of Finance (Mr. Manness), that he and his staff deserve a great deal of credit, but so do all of those who work very hard to ensure that we could prepare the Estimates earlier this year, and get the whole process of financial approvals in government made earlier this year than we have had for many, many years. I can

say that members spent many, many hours up to and surrounding Christmas. Aside from the fact that they did take a break at Christmas, the period of the late fall and throughout the winter culminating in about the first week of February were very, very busy periods of time for all of the people who participated in the Estimates process.

I believe that our government's overall Estimates reflect a balanced set of priorities, with emphasis on economic development and improvements in our social programs. To help support those priorities, we have continued to hold regular operating costs down, and that is demonstrated in Executive Council Estimates. The Executive Council Estimates for the 1992-93 fiscal year total \$3.2888 million, an increase of \$87,700 or 2.7 percent over the Adjusted Vote for 1991-92. Though the 1992-93 Estimates are marginally higher than those for the year we are just finishing, they are still below the total of two years ago, 1990-91, when we had major responsibility for hosting both a Royal visit and two large-scale intergovernmental conferences.

Virtually the entire increase in the 1992-93 Estimates reflects salary adjustments. The largest component is the adjustment for general salary increase, but there are also allowances for merit increments.

In fact, Madam Chairperson, I just want to point out that the funding requirements for Executive Council resulting from the new MGEA agreement are \$98,500 more than the entire increase in our department's Estimates. Of course, the difference is because we have been able to contain other nonsalary operating expenditures and in fact have reduced them overall within the department.

Perhaps a word of further explanation would be useful at this point. Executive Council's 1991-92 Estimates were adjusted through the allocation of a general salary increase of \$16,900. This was some \$20,000 less than the actual cost to the department resulting from the implementation of the MGEA agreement on '91-92 costs.

\* (1430)

It was possible to fund the difference through the underexpenditure of other salary dollars within the department during the fiscal year. This practice was generally followed throughout the government departments with departments receiving a prorated adjustment depending on the amount of

unexpended salary dollars available within their appropriations.

On another point, the size of Executive Council has not changed year over year. We still have 46 staff years, the same as last year and down two from the previous year. The staff complement in place when we assumed office in 1988 was 59. In other words, we are operating with a staff complement that is 22 percent smaller than that in place at the end of the previous administration.

As I said earlier, nonsalary expenditures have been reduced from last year's total, while the amounts allocated to International Development have been maintained at the same level as in 1991-92.

The annual grant in support of the International Development Program remains at \$474,600.

As members of this Chamber are aware, the grant is paid to the Manitoba Council for International Co-operation which distributes the money among its member agencies that are involved in Third World development projects throughout the developing world.

Successive provincial administrations for almost two decades have continued this grant in recognition of our obligations to international development.

Every year MCIC conducts an open house here in our Legislative Building. The 1992 open house will be two days from now, Wednesday, March 25.

Although I will be away at the First Ministers' Conference, I certainly urge all members of the Legislature, and staff in the building, to take advantage of this excellent opportunity to meet many of the Manitobans who are involved in worthy projects throughout the developing world.

This year there will be some 28 displays set up in the Rotunda and second floor corridors. Again MCIC will be serving refreshments in Room 200.

I know that many hard-working MCIC volunteers look forward to this opportunity to demonstrate to the elected members of this Chamber the very real progress that the funding we provide is able to achieve. The projects will include many related to sustainable development, agriculture and food production, forestry, water supplies, and education and social development.

The 1992-93 Estimates total for the French Language Services Secretariat does not reflect any

change in emphasis in the coming year. The small reduction results from the fact that last year's Estimates provided extra salary authority to cover a period in which the new senior advisor and his predecessor worked together on transitional issues.

Madam Chairperson, in a few weeks I will be completing my fourth year and entering my fifth as Premier of Manitoba. In that time—I recognize the enthusiasm of the member for Wellington (Ms. Barrett) and I appreciate that—I have been extremely well served by the staff of Executive Council. They have done everything expected of them and consistently more. I continue to believe that we have the best such group in the country, and I have seen all the others at first hand.

About a year ago, when I introduced the 1991-92 Estimates, I referred to the fact that despite repeated requests from provincial Premiers, the Prime Minister was refusing to convene a conference of First Ministers on the economy. Although we still have not had a full-scale conference, as members opposite know, I will be leaving tomorrow for the third in a series of First Ministers' meetings on economic priorities which began in December. I am pleased to say that Manitoba played a significant part in persuading the Prime Minister to schedule these meetings.

Our first meeting in December was a direct response to a joint request made by the Premier of Ontario, the Premier of New Brunswick and I, following a meeting that we had in Toronto last fall. The December First Ministers' meeting on the economy was a productive session and enabled all provinces to offer specific suggestions on economic priorities.

I proposed a number of initiatives to encourage recovery and help build confidence across the country: firstly, a tax freeze; secondly, an agreement to control government spending and deficits; and as well, efforts to use capital works expenditures to encourage employment and build up Canada's productive assets.

Other Premiers also offered suggestions and these were reviewed by First Ministers at our second meeting in early February prior to federal and provincial budgets being tabled. The evening before our February conference, I hosted a meeting which was attended by the majority of Premiers.

During those discussions, we agreed on a set of priorities which we felt deserved further work. We

presented those suggestions to the Prime Minister the following day. He agreed to them, and we set up a series of working groups to identify options for joint action. The work which has been done to date will be reviewed by the first ministers' in Toronto on Wednesday of this week. Some of it is quite promising as we talked about earlier in Question Period.

The work covers a wide range of subjects. Investment in infrastructure, interprovincial trade, international trade, effectiveness and efficiency in social programs, training, agriculture, fisheries and cross-border shopping. Our hope is that the federal, provincial and territorial governments collectively can take some immediate co-operative action on each of these priorities. For example, on the first issue, investment in infrastructure, there is a strong consensus among the provinces that it is time to move ahead with the national highways policy.

Much of the preparatory work has been led by Manitoba. As a matter of fact, by the current Minister of Highways and Transportation (Mr. Driedger) and his predecessors in the former government, and by the Deputy Minister, Boris Hryhorczuk, who has brought this concept from an initial gleam in the eyes of some highways engineers to potentially a major new federal-provincial initiative which will strengthen the links that bind Canada together and contribute to safety and at the same time create productive long-term jobs.

It is too soon to say whether the national highways program will be given formal approval at the Toronto conference, but I believe that we are getting very close to a final decision. Our province has had lead responsibility for renewed efforts to strengthen interprovincial trade, to reduce barriers and to eliminate artificial competition for investment amongst the provinces. We hope to make progress in each of these areas and in several others as well.

Here in Manitoba, we have done our part by bringing in a budget with a freeze on personal taxes and a fiscally responsible expenditure program. I will be encouraging other provinces to do the same when they bring their budgets down later this year.

The Toronto conference is scheduled to start tomorrow evening with a working session and a dinner hosted by the Prime Minister. Another working session will follow on Wednesday morning,

and the results of the meeting will be outlined in a wind-up session at the end of the day. I will be pleased to give members a report when I return to the House following the conference.

I should add that I have asked the Minister of Finance (Mr. Manness) and the Minister of Industry, Trade and Tourism (Mr. Stefanson) to join me in representing Manitoba at the conference. I have also, as a matter of fact, asked the Minister of Agriculture (Mr. Findlay) to join our group as there are things emerging from the paper on agriculture that I believe deserve his participation.

As far as I know, Quebec will be represented at the Toronto meeting by the Minister of Finance. Mr. Gerard de Levesque has attended the last two First Ministers' meetings on the economy and has made a positive contribution to both of them. I understand Quebec staff have also had some input in the official's work which has been underway for the last several weeks. At the same time, I know that all of us in this House regret that the government of Quebec has chosen not to participate actively in the constitutional discussions that are now underway.

As my colleague the Minister of Justice (Mr. McCrae) reported to the House week before last, the Ministers responsible for Constitutional Affairs have launched an ambitious work plan aimed at helping develop a satisfactory Canada package and have urged Quebec to become directly involved. Although Quebec officials were present at the ministers' meeting as observers, I understand they were not present at a follow-up officials' meeting last week and that their plans for subsequent meetings are not at all clear.

While I believe it is essential to keep working, even without Quebec, that province's absence from the table raises serious questions about how much real progress can be made. Quebec's absence is doubly unfortunate because, with aboriginal representatives as full participants for the first time, we have the potential for wide-ranging accommodations. This may yet happen but, as the weeks go by, the difficulties mount. Much has been made of the deadlines imposed by the Quebec referendum timetable.

Of course, as the Minister of Justice pointed out to his colleagues in Ottawa, the province of Quebec is not the only province which faces constitutional time constraints. We have our own rules requiring

full public hearings on any constitutional amendment, and we will abide by those rules.

Although there are problems with the proposals which the Dobbie-Beaudoin committee has put forward, some of them serious, the recommendations are a reasonable basis for moving ahead with discussions. We have made our concerns clear, concerns about the Senate provisions, concerns about the need to strengthen the equalization section and concerns about the division of powers that appears to lead to too much devolution.

\* (1440)

At the same time we have not slammed any doors or issued any ultimatums. There is still ample time and there is still a reservoir of good will. But the clock is ticking, and we are losing precious days and weeks. If Quebec does not return to the table soon, it may be too late to work out our differences. We need Quebec at the table as a full partner to help build the kind of Canada that we all want. This past weekend Premier Bourassa made some encouraging comments about his government's views on federalism and Quebec's future in a united Canada.

Those statements, I am sure, were welcomed by all Canadians. However, I continue to believe that it is in everyone's best interest, including Quebec's, to return to the negotiating table now, while there is still time for discussion and review and accommodations.

I believe every province is prepared to respond positively to Quebec's concerns. But this is a Canada round and there are other equally high priorities for other provinces and regions. The only satisfactory way to reconcile them, to find the necessary compromises, is if all partners are at the table. There is another reason for urgency, of course. There is no question that the constitutional debate is having a negative impact on the economy.

The national recession was not caused by the impasse in the constitutional negotiations, but uncertainty about the future is clearly affecting our recovery, and that is perfectly understandable. The statistics show that the Quebec economy is feeling the effects every bit as much as the economies of other provinces, if not more so. Settling the constitutional debate, getting it off the table and behind us could well be as important a confidence builder as any budget any of our governments could

hope to bring down. Economic recovery must be our top priority, but to assure a strong recovery, the country must be whole. With those comments I will turn the floor over to colleagues opposite for their introductory remarks and I look forward to their questions.

Thank you.

**Mr. Gary Doer (Leader of the Opposition):** Madam Chairperson—[interjection] well, see the Deputy Premier (Mr. Downey) is up to his usual ways. I cannot even get my mouth open before he is heckling. I would be very disappointed if the Deputy Premier did not work at a style that is consistent with his past behaviour. He probably would have been more productive asking some of the other backbenchers to hush up their private conversations instead of having the Premier's (Mr. Filmon) opening statement being blocked off by his own colleagues.

Now I will move on to my statement. Madam Chairperson, we will have a number of questions to ask the Premier. We are glad that we are coming up first, because I think the First Minister is the person in charge of co-ordinating all the departments and some of his comments will lead to questions in other departments, obviously, in other sets of Estimates. I think it has always made logical sense for us to have the First Minister's Estimates up early, so that we can get an overview of the government operations, government priorities, in the Estimates process, and that can carry on to other departments.

The Premier obviously co-ordinates and is in charge of every other minister in government, and therefore I think it is consistent with that. We will try not to keep him up too late tonight, because we do know that he is representing Manitoba at a very important meeting over the next couple of days, and on that score, we wish him well on behalf of the people of this province as our First Minister. During our Estimates debate today, we will be asking him about specific cabinet decisions he has made in recent times, the specific changes the government has introduced in cabinet committees. I would note that in the past the Premier has handed out staffing levels in his own particular department and classifications. Hopefully, we can have those at an early point in our deliberations of the Estimates.

We will be raising the question of the priorities of the government in terms of the economic areas of government. This is an area that, of course, the

Premier has assumed increased visibility. He declared his own declaration last September, I believe, was—in fact, I think he announced the economic committee of cabinet not on one occasion but on three occasions. I noticed he resigned from Treasury Board in three separate press releases, so we were thinking we were getting a specific message from those messages. There are a lot of concerns in Manitoba about our economy, and that obviously is the major area of focus in the Premier's Estimates today.

The member for Brandon East (Mr. Leonard Evans) mentioned the retail sales situation, 10 out of 10 in January of 1992, a serious problem when you consider that a great deal of the economy, the GDP of Manitoba, is related to the situation of retail sales.

We will be asking about the optimism that the Minister of Agriculture (Mr. Findlay) has provided us in this Chamber. The Minister of Agriculture is indicating to us in questions and answers that the agricultural crisis is over and agriculture will lead the province out into the 1992 year in terms of economic recovery. I hope the Minister of Agriculture is correct, but we will want to check with the chair of the economic committee of cabinet and what his projections are in terms of prices and the agricultural situation. We are getting some increased optimism in the farm sector ourselves based on feedback we are receiving, but we want to see what analysis the Premier has as chair of that economic committee in areas of agriculture.

In the area of tourism—the third largest industry of this province is tourism. Last week we were questioning the government on the tourism strategy of the government, which we understand to be in a state of chaos, and the fact that Manitoba now has had numbers that are back to 1958 in terms of American visitors. We want to see how that fits with the Premier's role as chair of the economic committee of cabinet, a committee that the Premier indicated in September would be crucial over the next 18 months to turn the economy around in Manitoba. It is 10 months later and certainly in the area of tourism we have a great deal to be worried about.

We were encouraged that the unemployment, in terms of raw numbers, went down last month from 57,000 to 52,000. We were discouraged with the labour force increasing in Manitoba to 8,000 people from the last year. We are one of four provinces with

a declining labour force. Saskatchewan had a declining labour force of a thousand. Other provinces had increased labour forces.

The Premier likes to mention other "NDP provinces," and I am sure that we will hear that right from here to the next election day. I expect that, Madam Chairperson, but one would note that the increased labour force in British Columbia is 44,000 last year. There is an increased labour force in Ontario. There are increased economic possibilities, potentials and vitality in those provinces. The labour force shrinkage in Manitoba is quite different than the early '80s and should be of concern for the government and the chair of the economic committee, that being the Premier.

We are very concerned about the massive increase in social assistance in Manitoba. The social assistance increase in the city of Winnipeg alone is the largest increase of any urban centre in Canada. That should be a concern to members opposite in terms of where we are going and how we are going to get there in terms of the economic portfolios of government.

It has gone up across the country, and the Premier cites statistics from other jurisdictions, primarily NDP jurisdictions, but Manitoba and Winnipeg has had the highest increase of any jurisdiction in Canada.

We have economic indicators that are very worrisome—10 out of 10, nine out of 10, eight out of 10. On the other hand, the kind of human misery index we see in Manitoba is very, very worrisome indeed.

I would suggest very clearly to the Premier in dealing with the positive announcements that he will have to make or the positive news he will have to make that he cites unemployment rates. That is a very important indicator of the province.

I would note that Saskatchewan has the lowest unemployment rate in Canada. I do not care who is in government right now and who was in government before, Saskatchewan is in very serious economic shape.

\* (1450)

You cannot look at unemployment without looking at labour force numbers, which reflect the kind of vitality of a province and the attraction of new people and the maintenance of people to live and raise families in our province.

We want to ask questions to the Premier (Mr. Filmon) about the economic ability of government. How could it be so wrong on major, major economic projects in this province? Where is the economic forecasting?

Then the Minister of Finance (Mr. Manness)—I have raised this before in terms of Repap—how could it go with an expanded operation and chlorine bleach when the whole industry was being phased out, when all over the world the economic predictions, the market predictions, not just the environmental predictions, but the whole prediction for the future was that chlorine bleached products were totally unacceptable to the consumers?

How could we just three short years ago, with the Premier's signature, agree to something which was so fatally flawed economically and environmentally that we went into the largest economic endeavour, when everybody else was going in a different direction, for Manitoba?

I would witness again this last week where Time magazine and People magazine and Sports Illustrated and Fortune magazine all have decided to not use chlorine bleached paper. Many, many companies have announced they are not going to use that kind of product.

How can the government, with all its resources, be that ill equipped in forecasting some major, multimillion dollar deals in the province of Manitoba? How can we now be reacting to events which were entirely predictable?

I mentioned Repap because I think it is the largest economic decision the government had to make. It was fatally flawed in terms of the analysis that was provided to the government and, therefore, the decision which flowed from the draft agreement which the government is now trying to renegotiate with the Repap corporation.

I want to raise questions on trade. The Premier (Mr. Filmon) has not taken a stand on trade. He has not in terms of the pace of trade, the substance of trade and the secrecy of trade.

I know he has put out six conditions through his minister, but many of those conditions now are in jeopardy in the draft documents that his government has.

What kind of analysis is going on in government? Has the Premier been briefed as chair of the economic committee of cabinet on the draft documents? Has he read the draft documents? Is

he concerned about them? Will he be putting his concerns in a statement to the Prime Minister tomorrow or the next day when they meet in public?

We are very concerned about again the analysis that is going on in terms of trade, because analysis is very important in terms of where the government is going and what kind of support it will give to the federal government in its pace.

We continue to be concerned about federal-provincial relations. How many jobs, how many federal opportunities are being lost to the province of Manitoba? The Premier (Mr. Filmon) is the minister responsible for federal-provincial relations. We are concerned about the numbers of jobs that are going to Alberta in the transportation sector. We are concerned about the number of opportunities that are going to other provinces through the federal government. It has been well documented the number of employees federally per capita in Manitoba has declined since the Premier has been in charge of federal-provincial relations, more than any other province in Canada and surely that must be a concern to the First Minister.

We are concerned about the lagging and lapsing agreements with the federal government and the provincial government. All the federal-provincial agreements that are being announced, whether it is mining, or tourism, or a southern initiative compared to the ERDA agreement are not to the same level as previous federal-provincial agreements, and therefore will have an impact on our economy, on our infrastructure, and on the jobs of this province.

We would wish the Premier well in terms of some federal-provincial initiatives that are ongoing. We would wish him well on the national highways scheme, a proposal that the member for Dauphin (Mr. Plohma) made in the '80s, I believe, a proposal that has been carried forward by his government. It is now on the national agenda as opposed to just on the Transportation minister's agenda. We would be interested to know, and we will be asking the Premier (Mr. Filmon), where he would see that going in Manitoba in terms of a national highway infrastructure. Is it going to be east and west or are we going to see it going in different directions?

We are very concerned about the process and the chairing of health care reform as we move from the economy to other important issues. There is absolute chaos now in terms of what is actually happening. We think Manitobans who own the

health care system through their provincial government, which is elected on a temporary basis to provide the stewardship and management of that system, should be telling us a lot more than just leaks from doctors, and leaks from staff, and leaks from administrators. We should know from the First Minister how many jobs are at stake. I asked the First Minister a week ago Friday, how many jobs are at stake? What hospitals are they at stake in? What is going to replace the existing acute care beds? Are we going to see a situation where Manitobans are longer and longer in their lines for health care services in the province of Manitoba for serious operations that are now having waiting lists in our province?

We are trying to deal with this responsibly. When the Fraser Institute does a study and that study is incomplete because of the nurses' strike, we do not come back here in Question Period and ask the First Minister and the Minister of Health (Mr. Orchard) a question based on inconclusive evidence, but we do think that Manitobans deserve, through the First Minister, a more definitive idea of where we are going and who is going to be impacted, instead of getting into this back-and-forth debate and never really getting any straight answers from the government on a very vital issue facing Manitobans. Their economy and health care are the two most important issues that Manitobans expect their government to deliver to them from the elected bodies—health care, the largest spending item, and the economy, one of the most important issues in everybody's daily life.

Yet, on health care, with the largest amount of expenditures that the Premier is in charge of as the First Minister, we still do not know today what is the actual situation.

I expect from the health care Estimates that are going on simultaneously to the Estimate process with the First Minister, we will still be left, after a number of hours, with more questions than answers on the very important decisions the government is conducting.

How are they being co-ordinated? How are these decisions being made. The Health Sciences Centre said today in writing that they are being co-ordinated through the government. We want to know what role the Premier (Mr. Filmon) has with the Minister of Health (Mr. Orchard) and what his cabinet colleagues on health care reform, and how

these decisions are really going to reform the system as opposed to just cutting it back.

We have been involved in shutting about a hundred beds in the past and there were eight out-care surgery beds, facilities, provided, eight day surgery facilities provided, out-patients reduced the waiting lists in Brandon and many hospitals by close to 70 percent. If that was the kind of solution the government was coming back to this House with, then we would listen to it, but we worry that the doctors—and not just the MMA but other doctors—what they are saying is that it is not going to be reform, it is going to be reduction in the amount of elective and vital surgery that is available to Manitobans in those two very important hospitals, and it will not be reform, it will be, in fact, cutback. We do not know. We do not know. We keep asking and we do not know.

We want to ask the Premier what kind of decision-making process he has in place for his Minister of Health. The last time we saw a bed reduction with the government was in the respiratory section of the Health Sciences Centre. This was contrary to the Premier's own promise in 1988 when he said they would not close any beds and they went ahead and closed the respiratory beds of the Health Sciences Centre. Do you know what we see today? If we walk in those hallways today, and I am willing to give the Premier a tour of that same facility, there are offices for administrators. Now, that is not health care reform. That is health care cutbacks. We are interested in the process that proceeding in the government's own health care area.

In the area of Education, Madam Chairperson, we are also very concerned about what is going on. Last year we saw a major reduction in the community college area of government, some \$10 million. We have huge waiting lists now for all the courses, yet the Premier in his own statements to the Prime Minister talks about retraining and development being a national priority, a national priority. He says in the House that there is going to be \$2.5 million back in retraining and development. Well, I suggest to the Premier, if you read the Estimate book of the Department of Education, the \$2.5 million that was in his budget is not correct because that includes the courses they cut last year which do not expire to '93, the engineering courses and some of the other courses at Red River. It is actually 1.1 back into the Education department from a \$10 million cut last year.

When the Premier (Mr. Filmon) raises the issue of a national retraining strategy and a national labour adjustment strategy, we say, how can you reconcile that with your own decisions? We will be asking the Premier those questions in his Estimate process, because clearly he is putting that very high on the national agenda.

We will continue to raise questions about the round table that is chaired by the Premier. I know he gets exercise when we mention the Chamber of Commerce report about it being allegedly a public relations exercise, but I think the Chamber of Commerce did raise some interesting issues about substance versus style, and as the chair of that commission, as the Premier is chairing it with a number of cabinet ministers on that committee, we will be asking the Premier some questions on those issues.

The Premier mentions the level of spending in his budget. There are some areas that are up slightly from previous years. There are some that are up over inflation. There are some that are down below inflation.

\* (1500)

Generally, I believe and I know that the Premier's Office, the Leader of the Opposition's office, the Leader of the Liberal Party's offices, and resources in caucuses, and resources to members, generally are the lowest in Canada. I think we should admit that, and so we will not be taking one tack with the Premier on his resources, we will comment on areas that he chairs that have other resources. We mentioned last year, we raised lots of questions about the Westman communication position, but I notice that person has been rolled into the Premier's Office.

But there has been an Economic Secretariat established, some \$880,000—a secretariat that is shared by the Premier. We will be asking questions about that department to the chair of that body. Generally there are some percentage increases that we will ask about, but I would say on the whole, the Premier's Office in Manitoba has been a lean operation. The caucus, the opposition and the third party, or second party, have been generally very lean areas of resources in relative terms.

We are concerned about other bodies that the Premier chairs: the Sustainable Development Centre and its public relations; the Economic Secretariat is chaired by the Premier, \$880,000 in

that body, and we cannot get answers of how many jobs are impacted. Health care when we ask the questions; cannot get questions answered on free trade with Mexico, how many jobs are at stake. So it does not seem to us to have any value to this Legislature when we ask questions on an economic analysis on certain areas of government and where the government is going and how many jobs are at stake, we cannot get any empirical evidence at all. When the Premier was Premier in 1988, he was able to tell us 12,000 to 15,000 jobs would be created based on empirical government studies and free trade. Where are those empirical studies in their own decision-making and where are those empirical studies on trade?

The Premier has indicated why the French Language Secretariat has been reduced in his opening statement. We will be asking the Premier questions on where the government is going on the whole issue of French language governance in the school boards. We heard some indication from his minister last week, and we still are very unsure where the government is going. It is close to 12 months since the decision of the courts, which was not as definitive as the Minister of Education (Mrs. Vodrey) would indicate in terms of a specific direction to the government of the day.

We have mentioned the federal-provincial relations, we will be asking particular plans on that issue. We would note that the economic meetings are taking place in the next couple of days. This is the third meeting, and I think Canadians will go from being very delighted about the fact that Premiers and ministers are meeting on the economy, to very skeptical if nothing of a concrete nature comes out of the meeting this week. This is the third one, we have working groups, we have all kinds of studies going on, and every time we see First Ministers coming out and saying that we hope that this and that will be in the next budget, we hope that this will mean some kind of a plan, a national plan in Canada. I do not think Canadians will tolerate, quite frankly, a third meeting where nothing specific comes out of the meeting except we had a good meeting.

I think it is now at the point where we have to see some results. The Premier (Mr. Filmon) smiles. I do not know whether he is smiling because he agrees with us or because what can you expect over four months, but my sense of listening to people in the coffee shops and listening to Manitobans, they

are very worried about the economy. They are very scared about their own job and the future of their children, and they want some specific action from the federal government and some specific action from the provinces.

So we hope that there is something specific this time around. We would note that many of the recommendations the Premier made to the First Minister and to the other Premiers in his own recommendations on the economic summit did not happen, did not happen in the last budget, the Mazankowski budget. I think, in terms of the economic development, the markets and the other economic indicators reflected that, with what has happened in our country since the Mazankowski budget has been tabled, and what is happening in our country today, and what is happening in Manitoba.

The Premier also mentioned a considerable amount on the Constitution. He mentioned the talk is clicking, or ticking—ticking, I think, he said—and that we have a very short period of time based on the meeting with the ministers responsible for the Constitution. I would agree with the Premier not to close any doors, not to draw any lines in the sand, not to get into either/or situations.

That is why I was very concerned a couple of weeks ago when the Québec assembly did “disapprove” of the Beaudoin-Dobbie Report, or the Dobbie-Beaudoin Report. I would note that the Premier seemed to us, in evaluating his statements, to be somewhat more sympathetic with the federal government’s proposal in September, when the document came out, than to the most recent document. He seemed to us to be much more opposed to the Dobbie-Beaudoin Report that was released three or four weeks ago, and we will be asking specific questions on that, although generally we agree with the Premier’s analysis of the impact on “small provinces and provinces with less population.” We are with him and share his concerns on this issue.

It kind of makes me wonder, if the Premier of Québec would have just agreed to that Canada clause that we were talking about a couple of years ago in June, when we were trying to get this thing resolved, how much further ahead all of us would be concentrating on the economy, and not dealing with some of the same issues we were not able to resolve, that we could have resolved with some greater flexibility at the June 1990 meetings.

The international relations office, we continue to be very hopeful about the international relations area that the Premier chairs. It is a very important area of government, and I think the volunteers, the thousands of volunteers that work in the international community, have an excellent window on the world to try to work citizen to citizen as Manitobans with the other parts of the world.

I did attend the last numbers of displays. We try to keep in contact with many of the groups ourselves in opposition that are working with the international relations office of the government. Certainly I think it also is not only good government policy on international relations, but we believe it is also positive in terms of future trade. When you work with groups to develop their own resources and skills, in the long run people remember, and it helps Manitoba trade as well as reiterating the point that we are indeed a benevolent province with benevolent people that work tirelessly on behalf of not only our own people in our own province, in our own country, but also on behalf of people across the world.

Just a last point on the Estimates of the Premier that we are debating today, I want to say that as we go through many of the items in his Estimates there will be some areas we agree on and there will be some areas we disagree on. I would say to the Premier (Mr. Filmon) that we continue to be ready to work with the Premier on initiatives that will arise on the Constitution. We are prepared to again work with the all-party format that we used in the past to show that Manitobans speak with one voice, that we do not speak in three separate solitudes with three parties in this Chamber. I think it will add to the strength the Premier takes to the table, to have not only a majority government that he has now but all three parties working together.

I would just say in conclusion in my comments, notwithstanding the disagreements we will have in the Premier's Estimates as we go through them, that I want to say to him again that we stand ready, willing and able to co-operate with the government and the First Minister on the very, very short time line that we do have. We may have a lot longer time than the Premier thinks if the Quebec decision is to have a referendum in October to give them a bargaining position, and we still have 12 months after that. That may give us a lot more time to work.

I cannot read the entrails of the Premier of Quebec's comments. They do seem to be quite

curious from time to time and quite interesting, one week condemning the Beaudoin-Dobbie report, the next week praising considerably at the Liberal convention the assets of Canada and the need to stay in Canada. I cannot quite figure out what the Premier of Quebec's position is in terms of the first referendum versus the second referendum, so I do not know whether we are on a tight time line or a longer time line. I do recognize though that most Canadians want this thing resolved and they want to get on with their fundamental priority, and that is their job, the education of their children, the health care system, our environment that we all are responsible for, and not be preoccupied with the Constitution of the day.

Thank you very much.

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Madam Chairperson, I join in on a discussion today on the Executive Council Estimates with some enthusiasm. I am particularly appreciating the quiet that seems to have descended on this Chamber. Except for a few minutes earlier when the Premier (Mr. Filmon) was speaking, it has been delightful.

I have to say that yesterday when I was entertaining the caucus and their children at a party at the lake, the aboriginal foster child of Anne and Paul Edwards decided that throwing cherry tomatoes might be the order of the day. I used what had always been very effective in the classroom, which was a steely glance and a very strong no, and Joshua stopped in his tracks and immediately deposited the cherry tomato back on the tray where he got it from. I have often wished that such a steely glance and a firm no would work in this Chamber. Unfortunately, Madam Chairperson, it does not seem to. I welcome the silence today and hope that we can continue this until we complete our discussions later this evening.

\* (1510)

There are a number of areas that I want to dialogue with, with respect to the Premier. First and foremost is the economic priorities of the government and the lack of job creation in the Estimates that we have seen across the board.

I wanted to point out to the Premier that we were looking for a very specific form of job creation and not a quick-fix, \$5.50-an-hour job. It seemed to me that if we could find dollars for job creation one very clear avenue where that could be spent was to move

from the traditional, hospital-based model of health care delivery into a more community-based health care delivery system. We have not seen that.

My one concern about the Minister of Health (Mr. Orchard) is not that we will see the occasional bed closure here or the occasional bed closure there, because I think that is inevitable if we are going to deliver health care effectively. What I am not seeing is the kind of openness about what alternatives he is going to provide for that care, so that if we are going to be able to do less surgery at the Health Sciences Centre, then are we going to be able to do more day surgeries at Concordia Hospital or more day surgeries at St. Boniface Hospital? If we can see that kind of quid pro quo and the public can see that kind of quid pro quo, then I think there will be an acceptance of some of the decisions that are being made.

Unfortunately, the openness of that kind of decision making does not seem to be readily available to the public. There is a sense of unease, and some of that sense of unease, I have to say, comes from the official opposition that tends to raise it over and over and over again. It also comes from the Minister of Health, because I do not think that the openness is there to describe what alternatives are going to be there.

If we do not start working on this effectively within this year and the next year, then we are going to see a deterioration of service. That is not what anybody requires in terms of health care, but there is no reason why we cannot look at alternative care.

Just a simple example, the Health Sciences Centre has worked very carefully at decreasing the number of Caesarean sections they are performing in that hospital so that we are quite a bit closer to western European figures as opposed to North American figures for Caesarean sections. Not only is this less costly, it is far healthier for both mother and child.

I think that we have to move to more and more of that kind of initiative, but some of that movement is costly because we have to decide what kinds of alternative services are going to be available. Job creation in that kind of area, I think, would bode well for reduced costs and a long term in the delivery of health care.

I also want to debate in a positive way, I hope, with the government's attitudes towards sustainable development. I noticed once again a commitment

to the centre of \$1.375 million. I do not quite know what that centre is yet doing and again a lack of communication perhaps on just what their programs and plans are for the future, but also I see other things happening in the budget which cause me concern.

How can you be spending money on an International Centre for Sustainable Development to the tune of almost \$1.5 million and at the same time be making 16 percent cuts to silviculture, which is fundamental to the regrowth of our forests in the province of Manitoba? It is no point, it seems to me, in having an international strategy for sustainable development if we are not employing within our local jurisdictions an ongoing attitude toward sustainable development.

I want to really talk about how we can balance those two in order to ensure that we are not just preaching a gospel, we are actually practising that gospel in the province of Manitoba.

I was very concerned, and I am glad the Minister of Agriculture (Mr. Findlay) is here, with regard to his lack of willingness to sign a document, prepared by the supply management people, granted, but which did in fact recognize in its opening paragraph a balanced position. The Minister of Agriculture was only one of two in all of Canada who refused to sign that documentation. I think it was critical that Manitoba very clearly indicate that they were in full and firm support of the supply management sector, because I do not like what is going on at GATT with regard to Canada being to some degree isolated from the rest of the world community.

Certainly, when we negotiated the U.S.-Canada free trade deal, we were told that we did not have to worry about marketing boards under that particular agreement because we would be protected under Article 11 of GATT. Well, no sooner of course had we entered into the U.S. Free Trade Agreement than all of a sudden GATT Article 11 seems to be under dispute. It is the American government along with western European governments that are leading the battle to somehow or other get rid of Article 11, which controls and protects our supply management system. It is a concern that I think we had the opportunity to adequately defend, and we did not do it. I was disturbed at that.

It leads me to say, in what ways are we going to approach the whole North American free trade agreement? Are we going to have that same type

of shyness about being up front about what exactly are the areas of grave concern to us and the issues that are gradually filtering out? I think everyone will admit that the North American free trade agreement is being done even much more secretly than the U.S.-Canada Free Trade Agreement and little information is filtering out.

The amounts that are of concern to all of us, whether it is the fact that they are going to open up the U.S.-Canada Free Trade Agreement because of the textile trade and traffic between the United States and Mexico, while we have been guaranteed all along that the reason we are at the table is that we do not want the U.S.-Canada Free Trade Agreement opened up as part of the North American free trade agreement, whether it is the fact that the U.S. trade representative consistently talks about the need to put culture on the table, despite the fact that we keep getting assurances that culture is not on the table. Those have to be concerns of all of us.

I suspect that at the meetings over the next two days there will be that dialogue with regard to NAFTA, as it has become known, that the Premier is very clear in his statements, not only in the statement given earlier in the House, but to be up front with the other First Ministers in terms of clearly identifying areas of concern for Manitobans.

The issue of the Constitution is one that concerns us all. Like the other two Leaders, I do not know how to read Robert Bourassa; I do not think any of us do. What concerns me, however, is one clear message that he seems to give no matter how warm and friendly his speech is, and that is Canada has to offer Quebec a position. He defines Canada as the federal government and the other nine provinces. He does this consistently, over and over and over again.

The concern that I raised when these multilateral negotiations began is the concern I still have, which is, you know, we come up with a deal and we allow one Brian Mulroney to negotiate for the nine plus one with Quebec. I find that absolutely unacceptable. The fact that Brian Mulroney would negotiate for our province or indeed any province makes me less than confident about the position that we have taken in all-party agreement, but also positions which have been clearly given by all three Leaders in this House. He has no mandate to negotiate on behalf of Manitoba.

The only person who has that authority in this House is the Premier (Mr. Filmon), and I do not want to see this Premier or indeed any other Premier give that authority to the Prime Minister of this land, because the quid pro quo, if you will, the obverse of multilateral negotiations of nine plus one, is then that being negotiated with the remaining province. That is not, in my opinion, the way in which a successful completion of a constitutional deal will be signed, because it simply will not pass the nine Legislatures across this nation or even seven of them if we are going to use the seven, 10, 50 percent formula.

\* (1520)

I am also concerned, however, with regard to certain issues in this House. We have all signed an all-party agreement with regard to the inherent right to self-government of our aboriginal people, and I was very shocked when the Minister of Justice (Mr. McCrae), in a day of pique or whatever, launched into an attack on the chiefs of this province. Well, the reality is those chiefs are duly elected. They are elected by their people. We may not like a particular chief, but quite frankly that is irrelevant. I do not like all of the elected representatives in a number of instances.

So it does not surprise me that an individual may not like this chief or that chief or indeed that chief may not like the Minister of Justice, but to use the issue of aboriginal children and women to kind of castigate the way in which chiefs govern does not bode well for our acceptance of the inherent right to self-government. That inherent right to self-government must obviously have within it a recognition that we will accept their democratic processes.

I had the distinct feeling in that particular day of debate that that was not the position of the Minister of Justice (Mr. McCrae), and I would like to dialogue with the First Minister (Mr. Filmon) about what he believes the inherent right to self-government means. Is it just a phrase or does it in fact have some teeth, and if it has teeth then what are those teeth?—because I certainly feel one of those teeth must be a recognition of their democratic processes.

I am also concerned about Charter issues. The Premier is well aware of the fact that the Charter is very dear to my heart, and the concern that I have is that it is once again going to be sacrificed. I was somewhat surprised at the Leader of the Opposition (Mr. Doer), who indicated that he thinks that the wording presently in Beaudoin-Dobbie is

acceptable with respect to Charter. It is not, as far as I am concerned. I would like to hear what the Premier has to say about that because it is not, in my opinion, an adequate protection for Charter issues.

I recognize that we have a concern in the government about the recent report of the Clean Environment Commission. I spoke about this briefly in my speech on the budget and the Premier, I think, knows where I am coming from on this. I do not always like the decisions of the Clean Environment Commission either. Had I had my druthers, I would not have liked to have seen them accept the office complex at Oak Hammock Marsh, but I made a commitment and the caucus made a commitment that we would respect process, that if this was going to go to the Clean Environment Commission—they were going to hear witnesses, they were going to make a decision—we would abide by that decision, even though we might not necessarily, individually and as a group, agree with that decision.

There comes a point in environmental issues where I think we have to respect the process. Now we have had a Clean Environment Commission report which is obviously causing some dismay because of the requests it is making, not just now, but several years down the line. I think we have to find a way to accommodate the viable economic needs of communities, also with the sustainable development aspects of the report of the Clean Environment Commission. I think they have given some room to find that accommodation within their report, but I would like to see a commitment to the principles that are laid out by the Clean Environment Commission.

As to the salary adjustments and the overall budget of the Premier himself, I also noted that the staff has remained relatively stable. The picture is not quite as glowing as the Premier indicated because of a 14.6 decrease in French Language Services Secretariat; there was an increase in the other two salary lines, of 6.8 and 5.8, but they are not out of line in any dramatic way, quite frankly, when one considers both merit increases and the general salary increase. I would much rather we left this debate on the issues of policy making rather than on the specific nitty-gritty about what A is being paid or what B is being paid. So I will not be asking any questions in that particular area.

I would like very much to get into a dialogue about the future of this province, where we are going. I will close with the following. I am—and I think the Premier (Mr. Filmon) and the Leader of the Opposition (Mr. Doer) know full well, and probably because of my many years in education—very concerned about job training and academic planning and training for our young people. When I look at the economic figures year after year and month after month, I become most disturbed at the very rapidly rising increases for young people between the ages of 15 and 24.

In January, it was almost 22 percent for young men between the ages of 15 and 24. That decreased a little bit in February, I think down to 19-point-something percent, but young women bounced up 2 percent in the same month.

Many of our young people simply do not have adequate skills. In this province we still have 30 percent of our young people not getting a high school diploma. We have to find strategies to stop that, because there are no jobs out there for young people who do not have high school diplomas. In fact, there are getting to be fewer and fewer jobs for those who do have high school diplomas as we require more and more in the way of post-secondary education.

When I see the budget for the community colleges still significantly below what it was in '90 and '91, then I wonder if we have a strategy. I have to say I do not think we do, because the other places where we are putting money, quite frankly—and I have tried very hard to find accommodation within the Department of Education and within the Department of Family Services to find out what kind of evaluations are being done on those programs. The answer I get back is somebody else is doing it, over and over and over again.

If we are offering job training programs out there, nobody is evaluating them. Nobody is saying, is this valid? What happened to the graduates? How successful were they at finding a job? That kind of evaluation is going on in our community colleges, but it is not going on in the millions of dollars we are giving out in other forms of job training.

I think unless we find that accountability, we do not have a strategy that is going to turn these young people into effective workers for the future.

With those comments, I look forward to joining in, I hope, a quiet and positive debate.

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

At this time I would invite the Premier's staff to take their place in the Chamber.

Does the honourable First Minister wish to introduce the members of his staff to the other members of the committee?

**Mr. Filmon:** Yes, I would like to introduce the members of my staff in no particular order: The Clerk of the Executive Council, Mr. Don Leitch; Karen Popp, who is our Director of Administration and Finance; my principal secretary, Jonathan Scarth; and the Deputy Minister of Federal-Provincial Relations, Jim Eldridge.

\* (1530)

**Mr. Doer:** Yes, I would like to also welcome the Premier's staff. I think we have one change at the table from a year ago. I welcome Mr. Scarth to the table. I know he took good care of—

**An Honourable Member:** Careful, he went to Ravenscourt.

**Mr. Doer:** Well, I went to St. Paul's. It is a financing issue that we disagree with—

**An Honourable Member:** Sorry about that.

**Mr. Doer:** That is okay. I know you are sensitive about Ravenscourt. I do not know whether the Liberal Leader taught Mr. Scarth or not, but I do want to say that he did take good care of us when we were dealing with the June 1990 meeting and want to officially thank him for that and welcome all the Premier's staff here today.

I do have just one question for the record on the staffing numbers. The Leader of the Liberal Party (Mrs. Carstairs) said she would not ask any questions; I am just going to ask one or two questions and then I will be moving to deputy minister assignments and cabinet shuffle decisions in terms of the sequence. I would suggest that by agreement that we do the whole department or the whole Executive Council together and pass it as one item tonight. I think that has been our practice on Executive Council, but that is subject to the First Minister and the Chair.

The salary increases in a management administration went up 6.7 percent and 5.7 in Intergovernmental Relations Secretariat. The Premier mentioned that was the general wage

increase and the merit increments. Are there any other issues that would precipitate those kinds of increases, any increase in staffing in either one of those two lines of the Premier's Office?

**Mr. Filmon:** The answer to the question, firstly, is that there is no increase in staff complement, as I indicated earlier. The answer to the question of 6.75 percent is that 5 percent of the 6.75 percent is the GSI increase because, in fact, we provided no GSI increase in last year's Estimates—sorry, a minimal amount, insufficient amount. When the numbers were known by virtue of the settlement for the period from September 30 to March 31, that had to be accommodated within this year's '91-92 Estimates. So the number for '92-93 is not only the 3 percent for the '92-93 increment, but part of the increment from '91-92 that was not accommodated when the Estimates were printed last year.

The net effect is a 5 percent increase by way of catching up for GSI that was not provided for in '91-92. Then you add to that the 2.75 percent that is increment essentially built in there, and you know that none of the staff were given increments in '91-92. In effect, there is quite a lot of eligibility this year for increments.

**Mr. Doer:** Do we have agreement then just to move right through the Estimates in a similar vein?

**Madam Chairperson:** Is that the will of the committee?

**Some Honourable Members:** Yes.

**Mr. Doer:** Moving to the issue of deputy minister assignments, which is the prerogative of the Premier (Mr. Filmon) and the Executive Council, the Premier announced the major "management reorganization" to focus on economic growth on September 4, 1991, a major shift in deputy ministers at that time announced by the Premier placing priority on the economic areas. I was wondering why the Premier would have an individual who is both the Acting Deputy Minister of Industry, Trade and Tourism, and the Secretary to the economic development committee of cabinet, and whether, given the economic crisis we are in, the Premier has short-circuited all the economic areas on that one individual person in his assignment.

**Mr. Filmon:** There is no question that the workload is a very large workload for any individual, but were it not for someone as capable as the person involved who has demonstrated a willingness to work as long and as hard as this individual, I think it is doubtful

that it would have been fair to give that kind of large assignment and workload.

The principal rationale was that there was a lot of restructuring to be done within the department, including setting up of the new Economic Innovation and Technology Council and just evaluating the whole economic development, tourism and other areas of the portfolio, and the effectiveness of it. There have been debates recently and both from within the membership of the government—on this side of the House, there has been criticism. I believe the member for Portage la Prairie (Mr. Connery) has talked about throwing a bomb into the department, and blowing it up and starting all over again.

With a little bit more refinement, I would suggest that there is a major restructuring and a major evaluation of the effectiveness of the department. We are not happy with the numbers that been generated by previous campaigns and previous orientations of campaigns on tourism.

I will be the first to say that the things we are doing involve a total re-evaluation of the focus of campaigns that date back, I might say, to the kind of focus and the kind of direction that was taken by the previous government on tourism. We think that we are suffering by virtue of not having a very good approach on that tourism effort. So everything is being not only re-evaluated, but being restructured to get a much better approach on it.

The intention very clearly is that, once the restructuring is complete, a permanent deputy minister will be recruited, and the individual who is the secretary of the Economic Development Board of Cabinet will remain in that position as his primary focus.

**Mr. Doer:** Madam Chairperson, it seems to us that the individual—I am not denying his work ethic at all, but almost everything we come in contact with—you know, immigration issues or trade issues or restructuring issues, or whatever—the individual who has got both areas, whether in his former job as secretary of Treasury Board, and now in his new job assigned by the Premier (Mr. Filmon), seems to be the public employee, the one person who is involved as the key staff person for those functions and those negotiations and those developments.

I really wonder how any one person, however well meaning they are, can possibly be involved in so many issues, and what qualifications they actually

have to delegate in such a way that they are not having everything on their own plate, and Manitobans are not suffering. I know the individual is an intimate person in the Repap negotiations, which I do not think, as I said before, were very futuristic in the analysis of what markets will change, and therefore what changes are necessary in the new structured deal with Repap.

I would ask the Premier (Mr. Filmon): Does he not feel he is shortchanging Manitobans by having a person—I mean, when the Minister of Finance (Mr. Manness) went up to talk about Repap last week, the individual was there at Swan River and The Pas. When he is involved in something else, the same individual is there. It seems to me that there is just one person always in all of these issues, and I do not think any of them are getting the kind of focus and the kind of attention, the creative attention necessary.

I would ask the Premier: Does he not feel that Manitobans are suffering by having everything short-circuited, you know, in the economic portfolio, divestiture, economic committee and the I, T and T deputy ministry in one individual, albeit an individual trusted very closely by the Premier?

\* (1540)

**Mr. Filmon:** I would point out that the divestiture issues are issues that were completed when the individual was previously involved, so there is not an ongoing responsibility for new divestitures, because there are no new divestitures on the table. So that is an old matter that the individual was involved with and I will say that—

You want to talk about Repap, the wisdom of one approach on Repap versus the other. The Repap agreement contemplated substitution for chlorine as being a major priority.

The difference in approach was that since there was no acceptable economic substitute for chlorine at the time that the agreement was entered into, we went with what we had, with a very firm understanding on the part of Repap that should technology be available by virtue of their own development of Alcell or other forms of chlorine substitution, that would be a part of their responsibility and that the government would be pressing them very strongly to achieve that substitution. That may very well have been a requirement of the Clean Environment Commission assessment process.

The difference was that we were not prepared to do as the Leader of the Opposition (Mr. Doer) was suggesting, was put a gun to their heads and say, if you cannot do it, then you will have to shut down The Pas. We were not prepared to do that. We thought that that was foolhardy in the extreme. In retrospect, all of the things that he wanted to accomplish are going to be accomplished by virtue of the opportunity that we have to renegotiate the process. We were very aware of this for a couple of years now, that that is where everything was heading, but the agreement was entered into prior to that, and it contemplated a substitution for chlorine as part of the agreement.

So we can debate that, but I suggest that he debate that with the minister responsible when his Estimates come up. I suggest to him that the individual whom he is questioning will indeed do an excellent job as secretary of the Economic Development Board of Cabinet, and that it is our intention, as we evolve the new structure for economic development in government, to have a full-time deputy minister, and that recruitment will take place in the not too distant future.

**Mr. Doer:** My question was concerning the short-circuiting of all the economic resources around one senior public employee hired by the government. My question was one of resources, that we have all these initiatives and all these concerns and all these priorities, all tied with one senior civil servant.

The Premier partially answered that with the statement that they are, in fact, concerned about that nine months after they made the announcement, that they are potentially looking, down the road, at hiring a deputy for the Industry, Trade and Tourism area of government.

**Mr. Filmon:** That is what the whole concept of acting is, that that is only a temporary period of time. So the signal was clearly there. There is no change. That is exactly what was contemplated at the time.

**Mr. Doer:** I would say on that score that a person who is acting for nine or ten months, and there is no bulletin or job that I have seen advertised for that position, that is a long period of time, through an economic crisis—

**Mr. Filmon:** It is six months. It is six months so far. It was September that that—

**Mr. Doer:** Well, September of 1991. I suggest to the First Minister (Mr. Filmon), that is a long period

of time in a crisis situation to have everything tied up with one senior civil servant of government. It is a long time. I mean, if the Premier has nobody else he can trust to put in acting, except for the same person who is doing all these other things and has all these other balls in the air on behalf of Manitoba, Madam Chairperson, then I really am concerned about the deployment of resources, or the fact that the government or the Premier only trusts one or two individuals for these major, major areas that are, quite frankly, in a state of chaos.

I mentioned Tourism last week, I mentioned other areas of the economy. This is not necessarily a healthy situation. I would ask the Premier, does he intend on bulletining the position and have the position of Deputy Minister of Industry, Trade and Tourism go through the Civil Service competition system?

**Mr. Filmon:** I am really surprised at the Leader of the Opposition. Deputy ministers were hired by the government of the day that he was a part of, as the appointment by Order-in-Council by the Lieutenant-Governor-in-Council.

They have been the prerogative of the Premier as long as there has been government in this province, and how we recruit those deputy ministers is a decision that this government will make.

We have advertised nationally for two deputy ministers currently under hiring review, the Deputy Minister of Natural Resources and the Deputy Minister of Rural Development. We will make our decision as to how wide and broadly we search for a new deputy minister.

It may well be that the names that have been turned up by the executive search that has gone on for the other two deputies, one of those may be adequate to the job. That is a decision that government will make, but I would make no apologies for whether or not we enter into a process such as he is describing, because that is not a normal process of government.

The search takes place at the pleasure of the government and by virtue of the desires of government to seek the best possible people for these jobs, and we will certainly do that.

**Mr. Doer:** Madam Chairperson, I am not disagreeing with the Premier. He has clearly articulated two different approaches to hiring a deputy minister, both of which have been undertaken by his government and previous

governments before him in the House. Sometimes there are deputy ministers hired on the basis of a Civil Service competition or an executive search, and other times they are basically decreed by the government through Order-in-Council.

I was just asking the Premier (Mr. Filmon) whether he had any definitive course of action some seven months after the appointment of the Acting Deputy Minister of Industry, Trade and Tourism.

**Mr. Filmon:** We are in the final stages of the deputy appointments and search in two other departments, and we have had an executive search undertaken, including consultants, who assisted us in the identification of people. Before I spend additional money and effort on another executive search, I would want to evaluate the qualifications of those who were turned up in the previous search. We will make that decision, and it may well be that we go into a further advertised application for this position, or we may go into a further executive search, but we will be certainly careful to ensure that (a) we have appropriate candidates, and (b) we do not spend money unnecessarily on behalf of the taxpayers.

\* (1550)

**Mr. Doer:** Madam Chairperson, we consider this job a very important one in terms of the economy of Manitoba, and we see it as the No. 1 priority of all the items that are outstanding from the First Minister's press release of September 4, '91. So in terms of having an executive search for some departments—and they are all important, but some of them are more important than others—we certainly would see if the government is making a decision to have an executive search for one or two deputy ministers out of three that were acting from his announcements of September 4. We would see that the priority would be Industry, Trade and Tourism because of the points I have raised previously.

The final question on the deputies shuffle that was made by the Premier: Mr. Forrest was appointed, redeployed from Rural Development to the Public Utilities Board. Mr. Robertson was dropped as chair of the Public Utilities Board. Can the Premier outline the reasons for that decision?

**Mr. Filmon:** As is often the case, I think it is appropriate to change people in various roles in government service from time to time. Mr. Robertson moved from being a deputy minister in the former administration to being the chair of the Clean Environment or at least the Public Utilities

Board. He had been there for a period of about seven years, and we thought it was appropriate to make a change. We concurrently changed two chairs, the Clean Environment Commission and Public Utilities Board and moved two former deputies into those roles, people of long-standing service in this province who we felt were qualified for those positions, just a change of personnel. Mr. Robertson has gone on to consulting work with utilities in the province of Ontario, and we certainly wish him well in that endeavour. It was just a matter of making change at a time we felt was appropriate.

**Mr. Doer:** Yes, there are people in public service that I would consider to be political from our administration and from his administration, and there are people I have considered to be the nonpolitical civil servants or public servants of government. Mr. Robertson came as ADM from Ontario. When he was moved to the telephone system during that situation, he, I thought, performed in an admirable way. Then he was moved by the Premier of the day, our former Premier Pawley, to the position of head of the Public Utilities Board because of the tremendous workload that was going on there.

At the time of that appointment the member for Pembina, now the Minister of Health (Mr. Orchard), called that a "political appointment," which I thought was unfair. I would ask the Premier (Mr. Filmon) whether that had anything to do with the removal in 1991 of a person, whom I consider to be—I could not tell you what his politics are today; I would not even begin to think about them—who had a history of nonpartisan activity working with different levels of government, different political parties as a person with a certain degree of expertise and a certain degree of independence.

**Mr. Filmon:** I too knew Mr. Robertson on a personal basis. He was a neighbour of a good friend of mine, and I saw him socially from time to time, and I could not tell you what his politics were. If I did think he was a partisan, I would not have left him in the position for three and a half years, I can tell you.

**Mr. Doer:** I want to move further now to the cabinet shuffle, again a decision made by the Premier and announced on January 14 of this year. A number of changes were made to cabinet to balance off, as the Premier indicated, the change of status of the member for Rossmere (Mr. Neufeld). Two ministers were added and some duties were

redeployed. I would ask the Premier whether he has any concerns about some media reports dealing with the issue of the Deputy Premier (Mr. Downey) having the role of Energy and Mines and also the role of Northern and Native Affairs.

Right now some native organizations are for the major project that is being proposed by Hydro which answers to the minister. Some native organizations are for it, some are opposed to it, and there have been questions raised in the public agenda of the Premier placing that individual in a potential conflict of interest with his conflicting roles between Energy and Mines and the Native Affairs area of government. Does the Premier feel that the minister is in any conflict at all because of those two very, very important components of different areas in his portfolio?

**Mr. Filmon:** No.

**Mr. Doer:** Madam Chairperson, that will raise some interesting questions down the road perhaps.

The second question on the deployment of ministers. At the time of the announcement of the cabinet change from the member for Roblin-Russell (Mr. Derkach) to the position of Minister of Rural Development, the Clerk of cabinet had a memo to the Civil Service Commission that was handed out by the Premier's—I better get the right title—Director of Cabinet Communications Secretariat to the media. Can the Premier indicate whether this memo was handed out under his instructions at the time of the cabinet shuffle?

**Mr. Filmon:** Yes, Madam Chairperson.

**Mr. Doer:** Can the Premier indicate to the House and the people why this directive was handed out to the members of the public?

**Mr. Filmon:** Yes, Madam Chairperson. There were questions that were raised by particular members of the media that I assume were driven by the Leader of the Opposition and his people to the effect that we were attempting to circumvent the six-month sanction on hiring that was placed on the Department of Education, which was implied to be placed on the minister, the member for Roblin-Russell. In no way do I believe that to be the case, but because the perception was being promoted by the New Democrats and accepted by the media, that in some way we were attempting to restore the hiring privileges of the member for Roblin-Russell and circumvent the decision of the Civil Service Commission to remove hiring

privileges from the Department of Education, I was very up front and said, we will not affect the sanction that was placed on by the Civil Service Commission, and the member for Roblin-Russell will continue to have that review being done by the Civil Service Commission. There was nothing else to the matter.

In my judgment the member for Roblin-Russell has handled himself very well in the carrying out of his responsibilities. He is a very valued member of cabinet and has contributed a great deal to this government. I have every confidence in his ability to carry on his responsibilities on behalf of the government and the people whom he represents, and I am very confident in his ability to do the job in his new responsibilities as Minister of Rural Development.

Because of the suggestion that this was somehow a back-door means of restoring his hiring authority, we were very up front and said, fine, he can continue to be under review for hiring authority because that is what media members and the Leader of the Opposition and his people are calling for.

**Mr. Doer:** Madam Chairperson, the Premier sometimes gives these conspiracy theories too much credibility. I would point out that I did not even know that that would be a way of getting around the hiring authority. I never even suggested it prior to the memo being released but, notwithstanding that, if that was the analysis of the Premier on this "conspiracy theory," then so be it.

Why I never suggested that is because the minister of the Civil Service Commission (Mr. Praznik) in the Chamber had said that the hiring authority—that we did not understand what was going on—the hiring authority, when we asked him questions in December was with the department, not with the minister and, therefore, that any question dealing with the minister was out of order. Then, later, we saw this memo being handed out by the Premier's press secretary calling on the monitoring of the employing authority moving with the minister.

I would ask the Premier: Who has the hiring authority for purposes of when it is being removed? Is it consistent with the memo that we saw handed out in 1992, or is the hiring authority with the department as indicated by the minister responsible for the Civil Service Commission (Mr. Praznik)?

**Mr. Filmon:** As has been said many times in this Chamber, the hiring authority is delegated to the

department, generally under the supervision of the deputy minister. Unfortunately, some members of the media did not, or would not understand that, and they raised the question, as a matter of fact, prior to the announcement that I made with respect to the cabinet shuffle, and in the scrum that took place the day of the cabinet shuffle as to whether or not this was a way of restoring the hiring authority with respect to the particular minister involved. Despite all of our attempts to educate members of the media who were involved, the only way to overcome the perception, in my judgment, was to send this sort of memo and put the matter to rest once and for all, but there was no backdoor attempt to deal with any restoration of hiring authority for anybody.

\* (1600)

**Mr. Doer:** The Civil Service Commission, in dealing with the Department of Education, prepared a report dealing with the delegated hiring authority and the decision to suspend that delegated hiring authority. Did the Premier (Mr. Filmon) ever receive a copy of that Civil Service Commission report?

**Mr. Filmon:** No, Madam Chairperson.

**Mr. Doer:** Was the Premier (Mr. Filmon) ever copied in any correspondence dealing with the allegations of impropriety in hiring by the Civil Service Commission on the reasons for the change in status of the hiring authority in the Department of Education?

**Mr. Filmon:** Not to my knowledge.

**Mr. Doer:** Madam Chairperson, not to his knowledge. Could the Premier (Mr. Filmon) assure the House and the members opposite that he was not indeed copied on the allegations with a check of his mail record in terms of the correspondence from the Civil Service Commission dealing with this matter?

**Mr. Filmon:** I wonder what sort of correspondence the member is talking about. Is it correspondence from the Civil Service Commission to somebody else about this issue? Is it an allegation from some member of the public about this issue? What is it that I am supposed to have been copied on?

**Mr. Doer:** I was just asking whether the Premier was copied—and he said, not to his knowledge—on the alleged improprieties dealing with the hiring authority in the Department of Education pursuant to the decision of the Civil Service Commission to suspend the hiring authority of the department.

**Mr. Filmon:** What correspondence, from whom to whom, am I supposed to have been copied?

**Mr. Doer:** I am just asking the Premier whether there were any copies of any material dealing with the allegations that were forwarded to the Premier's office and the Premier himself.

**Mr. Filmon:** Who was making these allegations that was supposed to have copied me?

**Mr. Doer:** I am just asking the question whether he received anything, and if the Premier says no, that is fine. I am just asking that, if he is sure of that, we accept that.

**Mr. Filmon:** Is he speaking about some member of the public, some civil servant who may have alleged impropriety? Is he speaking about a rumour that somebody was putting in writing, and that I may have received a copy of?

**Mr. Doer:** I would not expect the Premier to recollect all the correspondence and all the rumours that we all receive, but what I am talking about is a specific memorandum from the Civil Service Commission that documented the improprieties that led to the decision to suspend the hiring authority in the Department of Education.

**Mr. Filmon:** I have seen no documentation on improprieties. That is for certain. Whether or not there was a copy of the Civil Service decision sent to me when they made their decision to withdraw hiring authority, I will have to check and see, but that would have been just a notice of it. No detail has been made available to me on the matter.

**Mr. Doer:** I have a number of questions in a number of areas dealing with the deputy ministers' positions and the cabinet. Perhaps I should allow the Leader of the Liberal Party (Mrs. Carstairs), so I will switch over to her.

**Mrs. Carstairs:** Madam Chairperson, I do not have any other questions in that area with the exception of the following. I think, just to clear the air, it is my understanding that the hiring authority has now been restored to the Department of Education, but there is a hiring policy directive with respect to the Department of Rural Development. Is that correct?

**Mr. Filmon:** If the hiring authority has been restored to the Department of Education, I have not been made aware of it. The Department of Rural Development continues to have hiring authority delegated to it by the Civil Service Commission. So those are the circumstances that prevail. As the Leader of the Opposition (Mr. Doer) said, the hiring

authority is vested with the department, not with the minister.

**Mrs. Carstairs:** All right, I will obviously ask in Education with respect to what the situation is there. Into a whole new area, and I would like to begin with the economic priorities and the whole job creation aspect. Can the First Minister tell us what he believed was in the budget of his government that would actually lead to the creation of jobs in the province of Manitoba, above and beyond the jobs that were already being created in the last fiscal year?

**Mr. Filmon:** I apologize for not having the entire budget at my fingertips, but I can say that throughout the budget there were a number of areas of specific incentive that were directed at economic development and creating a more attractive climate for people to invest and create jobs in Manitoba.

As a result of the past five or six months of intensive effort at consulting with, meeting with potential investors in Manitoba—indeed, we have spent a great deal of time, not only across Canada, but beyond its borders, in finding out what were the areas in which we had immediate opportunities to create jobs and employment, and finding out what were the impediments to the creation of jobs and attraction of investment here.

They resulted in a number of initiatives, but first and foremost—and I might say that the Leader of the Liberal Party (Mrs. Carstairs) might want to talk with people in the investment community, those who sell our bonds in Toronto and New York and beyond, those who make the credit ratings for provincial governments in those major financial centres, those who are in the investment community throughout North America. She will find that, I think, without exception they were very, very complimentary about what we were able to do in the budget in keeping taxes down, in fact not even raising the traditional sin taxes because of the implications that might have for cross-border shopping—no additional taxes on liquor, no additional taxes on cigarettes, or anything in the budget, leaving us in a very competitive position. Areas that really have gone, I think, unmentioned upon in this House.

The fact that we have gasoline taxes, motor fuel taxes that are second lowest in the country right now, second only to Alberta, and we are not too far off from Alberta. The consequence of which is, I have been in most of the major cities in Canada within the last couple of months, and we have very

close to the lowest gasoline prices in the country right here, and all sorts of other areas of competitive comparison.

\* (1610)

It has not gone unnoticed that we have gone from being the second highest overall taxed province in the country in 1988 when we took office to being in the middle of the pack in overall tax burden that is borne by those who live and do business in this province. So that was a very, very important signal to send, as well as the signal of keeping the deficit in some reasonable control at \$330 million. That, I might say, was the major thrust that people were looking for, that kind of signal.

In addition to that, there were areas that have been identified as areas of opportunity for us. The member knows well, I think, that we are working with many service-oriented companies that are dealing with setting up service centres here, telephone answering service centres, such as we find in the middle of the United States in places like Omaha, Nebraska, South Dakota, Minneapolis-St. Paul, and lots of opportunities to have those communications and service centre jobs here. The 1-800 tax exemption was aimed at that particular niche in the market.

The other areas—the tax credit for research and development, the two tax incentives to the mining industry—were aimed particularly at an opportunity for growth in exploration, development and establishment of some significant mining operations here.

We in this province have, essentially because of the tax and royalty regime that was put in under the Schreyer administration, for almost 20 years not had any interest on the part of many of the mining industry people in the exploration and development side. Because of our mineral-exploration incentive program that we brought in last year, we have had many, many mining companies, who have not even taken a look at Manitoba for close to 20 years, indicating an interest. In order to give them further incentive to invest in a big way, because it will take hundreds of millions of dollars to establish new mines, we gave them the further incentives that you see in this year's budget. We think those are targeted to the right areas.

The fact that we can also advance the payroll tax deduction to export-oriented service industries is also an incentive for those who want to set up back

office units in computers, service centres, communication centres and so on for major corporations that are headquartered elsewhere in this country. They may well come here as a result of these kinds of incentives, but are going to need some training and development of staff costs that can come within that ambit.

The Manitoba Industrial Recruitment Initiative, which is part of the budget for bringing in many of these operations to Winnipeg and to Manitoba, will also be flowing out of the budget in a way that will be directed at where we see big opportunities for expansion and investment in job creation. I could go on, but those are the major things. They add, I might say, to the things that are already here by way of capital assembly, and that is the Crocus Fund, the Vision Capital Fund and a number of the other things that we have, the Grow Bond Program and the rural economic development initiatives which will provide potential venture capital for people wanting to start businesses in Manitoba. So we think that the budget has a combination of fiscal prudence and economic stimulant opportunity that will be attractive to people who have indicated even in the past six months since we have been coming the country and beyond and looking for potential investors.

**Mrs. Carstairs:** The reality is that all of the measures that the First Minister (Mr. Filmon) has enunciated are measures which basically advocate the trickle-down theory, that if you give an incentive to business, business will create the job. That may work, but the reality is that businesses are out there without a lot of capital dollars to put into investments. Even if it may be an attractive opportunity for them to do so, they are all, with very few exceptions, downsizing their own expenditure modes at this particular point in time. So my question was not what incentives you have provided for others to create jobs, but what is in the budget with respect to government, that government will create some jobs, whether it will be an expanded highway project which we know was not there, whether it was in fact a decision to change the way in which we deliver health care, so that we could put that job creativity in place now, be it in construction of community centres for the mentally handicapped or alternative things. Why did the government specifically make the decision that they would not engage in job creation, even though we have bank presidents nationwide saying that governments had to, this

year, put some money specifically into the creation of jobs, because the private sector could not or would not do it at this particular juncture?

\* (1620)

**Mr. Filmon:** Madam Chairperson, the fact of the matter is that despite the very, very difficult times that we face, we have kept our investment, our direct government investment, in capital works that include not only highways, over \$100 million in new highway construction, but the most ambitious personal care home development program that we have seen in probably a decade in this province. That is job creation, not only in the construction but in employment for people on a long-term basis. Personal care homes are a very large employer of people, and other areas including things such as in the education field, and so on, that are part of that program.

We have for the last two or three years had our capital works in this province maintained, despite the recession and difficult times in the range of \$300 million. It is 306 this year, it was 307 last year. But, overall, because we also have a great deal of money being invested by Manitoba Telephone System in the renewal of switching equipment and movement to new types of technologies, because Manitoba Hydro is investing in capital works, because MPIIC is and so many others of the Crown corporations, Lotteries Foundation, whatever have you; we have \$1.1 billion of public capital here.

I might tell you that the only way in which the Leader of the Liberal Party (Mrs. Carstairs) can judge whether or not this is a reasonable thing to do is to take a look at the forthcoming budgets of other provinces. I will virtually assure her that in their effort to make a quick fix to their deficit problems, that several of the provinces will be cutting capital substantially, the wrong way to go as far as we are concerned when you are faced with a tough balancing act to make ends meet for the budget.

I would invite her to take a look at some of the other provinces who are going to cut capital. We are consistent. We are keeping our capital spending up. Despite having to make very difficult choices on the operating side to make ends meet, the capital spending remains as high as it has ever been in our history in this province.

We look further to what might evolve, as I said in my opening statement, from the federal government, because they have not responded to

our infrastructure development initiative. That may involve a national highways program and other things that may give us incentive for further investment. I say to her that we did respond to the City of Winnipeg with a special \$10 million capital program. We have gone into the partnership agreement for municipal water infrastructure, better known as the Southern Development Initiative, with a number of rural Manitoba communities on the sewer and water side. We are engaged with the City of Brandon in a \$1.3 million downtown renewal program, which is capital \$1.3 million over a period of years. All of this is because of our commitment to maintain those jobs in the economy on the construction side.

We believe that there will be considerable jobs in the construction sector that will keep employment amongst engineers, architects, contractors and construction trades.

**Mrs. Carstairs:** A philosophical decision was made here, Madam Chairperson, and that was to provide some \$20 million plus in incentive grants, whether it be mining, whether it be venture capital, whatever it be, rather than to direct that money specifically to government construction projects.

For example, if they had provided no incentives to industry as they did in this budget and they had taken that money and they had put it into additional capital costs for health care, then presumably you would have speeded up some of the reform process by building some of the things that I was talking about earlier.

Really, what I want to know is, what was the philosophical reason why they decided to do it this way? Why did they decide to give it via incentives to these sectors as opposed to putting the money where a number of people have recommended it, straight into the construction side to create, hopefully, less health care costs in the future?

**Mr. Filmon:** Madam Chairperson, I take issue with the concept of giving it to the private sector. Not one dollar will be invested in the private sector, not one dollar of tax incentive will be achieved unless they invest money in order to achieve it. They have to invest very substantially in order to achieve that. Those investments by way of, for instance, the incentive for manufacturing expansion, will every one of them lead to increased jobs. There is a very direct relationship. If they do not invest the money, they will not get the tax credit and, obviously, we will

not get the jobs, so we have given them the incentive to do it.

We have every reason to believe from things that are being told to us by people who are prepared to make investments that they are going to respond to this. There are those, for instance, who particularly felt that the 7 percent provincial sales tax on production machinery was a disincentive and so now they are being given a tax credit for investment in production expansion, manufacturing expansion. There is a window; it expires in July, I believe, of 1993. They are geared up to go after this. We believe there will be some instant response to it.

The fact that that is a much less costly approach than the one that the Leader of the Liberal Party is advocating, where she is suggesting that the sales tax be cut in half for a period of three months, I believe it is. The best figure we have is, that is a \$125-million bill, which we have no way of recouping in this province and is not going to do anything other than sell some goods over a short period of time and leave us with no permanent jobs. We think this is a much better way of approaching it.

If you took the alternative of simply adding \$20 million to investment in things like a personal care home, then you create an ongoing cost to the taxpayer by virtue of that investment; you saddle the taxpayer with some substantially increased costs in health care. It all has to be done on a planned basis. We are moving in that direction, but it is all a matter of balance. How much can we do how quickly? We have added \$7 million in construction on the capital side of health care, and the direction is in terms of long-term care and reducing the stress on hospitals and putting it into lesser-cost care.

We have put an additional—I cannot recall the figures—but considerable additional money for home care, which again reduces the pressures on our health care institutional side and keeps people living at home where they, I think, are better served. It is a matter of balance.

In all respects, we have to take a look and say, how much can we do on this side, how much can we do on that side? We have tried to maximize our resources by creating pressures on both sides for additional job creation, additional investment in the economy. That is why I believe that you are seeing Statistics Canada suggest that we are going to have the highest overall growth rate of capital investment of any province in the country and the second

highest overall growth rate of private capital investment, because there are the incentives there for them to take action.

**Mrs. Carstairs:** Well, just this final question. The reality is the government does not know whether they are going to do it or they are not going to do it. If they had spent the money themselves, they would know that in fact it was going to be done, and they obviously made this decision. I would like to know why they made that decision, that they would rather stimulate the private sector, where all the indications are from people at very high levels of that private sector is that this is not the year they are going to take that risk and chose to do that rather than to stimulate directly themselves.

**Mr. Filmon:** No, I disagree with the Leader of the Liberal Party, that we do not know whether we are or we are not going to do it. We have every reason to believe that this balanced approach will result (a) in the taxpayer being protected by virtue of moves taking place to relieve pressures in certain aspects of health care and to become more effective in our delivery of health care and to ensure that we are continuing to invest to a large degree in the infrastructure in health care, and on the other hand also providing incentive to kick start the private sector to be making investments.

I disagree with her that the private sector has said that they do not have money to invest. Those are not the signals that they have been giving us in our prebudget consultation. They have said quite the contrary, that if the right incentives were there they are ready to help get out of the doldrums and to be making long-term investments in the economy.

I might say that the only people that I saw making comments in the media were two left-wing economists, one from the University of Winnipeg and one from the University of Manitoba, who have never invested a dollar in their life, and they were trying to presume to judge what the private sector might do. They have no idea what the private sector will do, and I thought it was totally inappropriate for them to speak, but that is how these things go.

**Mr. Doer:** One is tempted to talk about the dean of the Faculty of Management and their latest record, but one would be off the topic.

In terms of economic development, the Premier said in 1988 that their empirical study indicated—that was August, 1988—that Manitoba

would have between 12,000 and 15,000 net new jobs under free trade with the United States.

What is the empirical study of the government's economic committee? How are we faring almost four years after the Premier's prediction and three years after the statement in the Chamber on free trade?

\* (1630)

**Mr. Filmon:** I just want to read a letter to the Leader of the Opposition, because of his raising the issue as part of his preamble.

The letter goes as follows, and it is sent to the dean of the University of Manitoba, Faculty of Management and I believe that he would not mind if I share it with you.

Dear Bill:

I thought I would write you a note about the recent Canadian business survey of MBA programs.

I know you, your faculty and your MBA students must be very disappointed by the input-output ranking. You have been making great strides in terms of improving the quality of the Manitoba MBA program.

Quite frankly, we at Western business school, and I am sure most knowledgeable Canadian business people and MBA students will attach very little credibility to this particular ranking. Any ranking that places Queens as No. 11, York as No. 15 and UBC as No. 19 will have no credibility in their eyes.

A number of the MBA programs which were ranked above you in the rankings simply do not compare at all favourably with your program.

Again, I am sorry that this survey will create so much disappointment at your school and in your province.

Sincerely,

Adrian B. Ryans, Dean, Faculty of Management, University of Western Ontario.

I think that is an indicator that, although the Leader of the Opposition (Mr. Doer) will chortle about this and take great delight in this, there are surveys which are totally off the wall from time to time and analyses that should be given no credibility. If it makes the Leader of the Opposition happy to see a reputable faculty at the University of Manitoba maligned by what has been termed by the dean of the Western business school as having no credibility whatsoever, we should not be debating

that here, but there is more here if the Leader of the Opposition wants to go on that tack.

As has been said by the Minister of Industry, Trade and Tourism (Mr. Stefanson), we are in the process of consulting with, as was the process before the Canada-U.S. Free Trade Agreement, various sectors of our economy to find out what the effects might be in their judgment on their sector of the economy.

We do not presume to know everything about the potential effects, and so as a government we are doing the consultations that will lead to our having an analysis of where there might be positives and where there might be negatives.

As he could see by articles in the newspaper, there are a whole series of views on the potential effects of a NAFTA agreement on Manitoba.

With respect to any analysis of where jobs have been created in Manitoba as a result of the Free Trade Agreement with the United States, he would have to ask that question in detail of the Minister of Industry, Trade and Tourism (Mr. Stefanson) when his Estimates come up.

**Mr. Doer:** First of all, I did not mention the survey. I want to put on the record, any time any Manitoba institution is ranked last it concerns all of us, and I did not mention the survey. My comment was geared more to sometimes the ideological excess sometimes from some economists to the government, and he mentioned other economists to the government. So let the record show that.

I mean we could debate the value for money of the extra funding to that faculty, et cetera, but I do not like anything in Manitoba being in last place, like the Premier (Mr. Filmon), like the Leader of the Liberal Party (Mrs. Carstairs), because we are Manitobans first and in our own political parties second and third.

Madam Chairperson, the Premier just said that, if I want to get any information from the government on their analysis of the existing Free Trade Agreement with the United States, I would have to go to the Minister of Industry, Trade and Tourism (Mr. Stefanson). I thought the Premier chaired the economic committee of cabinet and would be apprised of the empirical studies that would obviously be going on in government with the secretariat that I had presumed reported to him, the Premier. Does the secretariat not report to the chair, which is the Premier, and therefore would he

not have at his disposal the empirical studies that must be going on in these major trade relationships?

**Mr. Filmon:** I refer the Leader of the Opposition (Mr. Doer) to pages 105 and 106 of the Estimates under the Department of Industry, Trade and Tourism where there is Section 2. Industry and Trade Division (a) Industry and Trade Administration, (b) Industry, (c) Financial Programs, (d) Trade, and so on. Those are the areas in which the detailed accumulation of statistics with respect to any trade agreement would be lodged.

I do not have such a section in my Estimates. That section does not report to me in the Economic Development Board. They report to the Minister of Industry, Trade and Tourism.

If he wants to make the argument that, because I chair cabinet and every single minister under there has different areas that report to the chair, and he can play the cute game of asking me questions of any of them and say, well, they all report to me as chairman of cabinet and therefore I should know the whys and the wherefores and the detailed elements of their budgets, I cannot play that game with him because I do not have that information here. That is not the way in which we look at these Estimates.

**Mr. Doer:** While the Premier, in his analysis, before he made the claim of a cute game, missed one very important committee and step in the process. Yes, the new secretariat, \$880,000 secretariat, is in the Department of Industry, Trade and Tourism. Yes, the Premier chairs cabinet, but he also chairs the economic committee of cabinet. The Premier will chair the new cabinet committee.

There are many announcements about this new cabinet committee and what it will do. It talks about analyzing the Manitoba economic situation, forecasting economic opportunities for Manitoba, looking at innovation and development in terms of those opportunities. All the criteria that have been handed out in the government's own press releases and the speeches that the Premier made at the Chamber of Commerce pursuant to his announcement and other speeches the Premier has made indicated that the Premier will be taking a leadership role in the economy and chairing the economic committee of cabinet. So this is not—I would ask the Premier, what is his role as chairperson of the economic committee of cabinet that he announced on September 4 as this new initiative for greater priority on economic growth. What is his role as chair of that committee in terms

of giving this House and the people of Manitoba not only information, but a sense of leadership on these very important issues?

**Mr. Filmon:** Madam Chairperson, the role is for us to take all of the potential areas for economic development in this province and funnel their efforts through one co-ordinating function so that we can cross all departmental lines and where we identify an opportunity for investment in job creation and growth in this province, we can immediately go out there as the deal closers, the people who market this province's strengths and opportunities, and close the deals on any potential investment in this province.

**Mr. Doer:** I would ask the Premier, there has been no analysis pursuant to his own predictions on the Free Trade Agreement with the United States, the net 15,000 jobs. Has there been no analysis by the Premier, as chair of this economic council, of why our trade deficit—I know he gave me an answer in the House about the recession, which is not an accurate answer—why the trade deficit has gone from \$450 million with the United States and Manitoba to over a billion dollars in two years, '89 and '90, before the recession year of '91? Is there no analysis going on of what is going on structurally in some of the very major industries so that we can take advantage of opportunities and can recognize what is going on? Is there no analysis going on between the Free Trade Agreement between Canada and the United States when we are trying to make the next move forward, the next leap of faith forward with a trade agreement with Mexico?

You have a half billion dollar increase in two years in trade with the United States and nobody can give you an answer in this House about why it happens. To say this is the 1989 year and the 1990 year before the '91 year and we get an answer that people are buying less things in the United States. Well, that is (a) before 1991 where the recession really did take hold in this province, and (b) it is not indicative of all the numbers in terms of U.S. purchases and U.S. exports to Manitoba.

\* (1640)

These are huge numbers affecting a large amount of people and we just—so I am asking the Premier, is he saying there has been no analysis in his cabinet, in his economic committee on the Free Trade Agreement of the United States, and the massive increase, a doubling of the trade deficit with the United States from \$400 million to over a billion

dollars in two years before the '91 recession year hit Manitoba?

**Mr. Filmon:** Madam Chairperson, I will say that I heard the Minister of Industry, Trade and Tourism (Mr. Stefanson) give detailed response and refuted the suggestions that were being made by the Leader of the Opposition a few days ago in this House and he will be able to given him more detailed information. In fact, I am sure he will be able to give him all sorts of statistical comparisons to be able to debate the issue. That is where the information is accumulated, that is where the staff do the work, and that is where the information is available. I did not say there was no information available, I was telling him where he had to go to ask those questions, to get those answers, and to seek that information.

**Mr. Doer:** It begs the question, will this economic committee of cabinet that is chaired by the Premier, if it has information—he said that there is information available—does it not report to the Premier as chair of this committee in terms of doubling of deficits, trade surplus deficit numbers with Manitoba-United States, '89 over '88 and 1990 over 1988? It has gone from \$400 million to \$1 billion.

The Minister of Industry, Trade and Tourism (Mr. Stefanson) answered in the House we are doing better on agriculture exports, and he is right. All those other issues that give us the doubling of the deficit, which surely a \$500 million amount of money is not a little minor blip in the department's statistics, surely that is a concern for the whole cabinet, if not the economic committee of cabinet. That is a huge amount of money. Madam Chairperson, we have a \$22 billion GDP in Manitoba. A half a billion dollar increase in trade surplus surely is a matter of concern to all members of the cabinet, but especially the economic committee of cabinet chaired by the Premier.

**Mr. Filmon:** As a matter of fact, Madam Chairperson, we are interested in that, and we are not interested in historical comparisons that maybe fit the agenda of the Leader of the Opposition that paint a bleak picture.

I am informed that, although the entire year's figures are not available, the first 10 months of 1991, a recession year, a deep recession year, showed substantial improvement in those figures. We are awaiting the year-end results to see whether or not the remainder of the year checks out with the early indications of the first 10 months of the year. They

are better than 1990 despite the fact that we were in recession.

So it appears as though some producers, some manufacturers who have found niche markets were in fact improving their position despite the fact that in a couple of particular sectors we were devastated, one being agricultural implements, where our largest manufacturer was closed down for six months, and secondarily, base metals—two major areas. Despite their weaknesses, we were still showing improvement in other areas of particular manufactured goods and other commodities. We are doing the analysis, and perhaps by the time the Leader of the Opposition has an opportunity to go into the Estimates of Industry, Trade and Tourism he will be able to get more factual information on the matter.

**Mr. Doer:** Madam Chairperson, I am pleased to see that '91 is better than '90 and '89 in preliminary numbers. I quite frankly would remind the Premier that I did not think the recession answer was the correct one when he gave it in Question Period. I say that it is important to analyze the factors, because we are entering into another stage of trade, and we are entering into another stage again with GATT.

Madam Chairperson, the European countries have claimed that the proposed free trade agreement with the United States and Mexico would do serious damage to any resolution of GATT. GATT is an issue that we—and it was in the Financial Times, I believe, March 13, I am sure the Premier has read that. How does the Premier analyze the situation with the NAFTA and the GATT negotiations?

We are all in favour of resolving GATT. We are all worried about France. We are all pleased Kohl is over here. I do not know how many moves he is making with President Bush, but I think all of us are concerned that the GATT negotiations get concluded in a successful way for our agricultural producers in western Canada.

What is the government's assessment of the report that was prepared by GATT dealing with the claim that the North American free trade agreement as proposed would be "disastrous" for GATT and GATT negotiations?

**Mr. Filmon:** GATT does not preclude strong, large trading blocs. They currently exist, whether it be through the U.S.-Canada Free Trade Agreement or

the European Economic Community, Australia and New Zealand, and so on. There are strong, large trading blocs that pre-exist. GATT is controlled to a great extent by the French and the Europeans. They continually write reports that favour their interests and make statements that favour their interests and do not necessarily reflect the interests of people elsewhere.

I will say that we remain absolutely committed to a resolution of the GATT talks that includes a favourable resolution of the export subsidy question. That has to be our No. 1 priority. For those of us in western Canada, our economic stability over the next decade will be very dependent on that resolution. So we continue—and every statement I have made before the Prime Minister and other First Ministers includes a reference to the high priority on the resolution of the GATT talks. That would continue to be our No. 1 priority.

**Mr. Doer:** I thank the Premier for the answer to the question. I would concur on the trade priorities for western Canada.

A further question to the Premier. The government has received and acknowledged—the Premier has acknowledged this, so has the Minister of Industry, Trade and Tourism (Mr. Stefanson)—two drafts at minimum from the federal government, the so-called Dallas draft and the Georgetown draft, notwithstanding the names of these. I am sure that the government has more current titles for them, but they have draft agreements—I do not want to debate those things—on the North American free trade agreement with Mexico.

Has the government analyzed where they are going? Have they had any input into counterpositions that Michael Wilson will be taking on behalf of Canada in these very important discussions.

\* (1650)

**Mr. Filmon:** The Minister of Industry, Trade and Tourism (Mr. Stefanson) continues to emphasize that our six conditions must be met in order to ensure that there is adequate protection for Manitoba by virtue of any potential NAFTA, and that is reiterated and recomunicated every time trade ministers get together, and our Minister of Industry, Trade and Tourism makes that point.

The last draft, which I think arrived about five days ago or so in the hands of Industry, Trade and

Tourism is being reviewed for the purposes of a response and that response, to my knowledge, has not yet been drafted.

**Mr. Doer:** It would be our analysis of the material we have seen that the last draft violates Manitoba's six conditions in four areas.

That begs the question of—the Premier has indicated that he does not think that the document will be initialled early and he does not think that there will be agreement on the horizon. Why would the Premier not urge the federal government to encourage a slow and much more public pace of negotiations rather than the other track that is now in existence, the so-called fast track, which is proceeding with the negotiators in a very clandestine way?

We have reports from Mexico that they would not even let the press know where the negotiations were going on. They had to find out through other means, following the negotiators out of town, to different halls, et cetera.

I guess Simon Reisman had certain advantages. You always knew where he was, but these people do not even—I mean, they are almost underground. So, if the draft does not meet Manitoba's conditions, and I suggest it does not in at least some key areas, why will the government not say, slow down; at least, Prime Minister, slow this whole process down, because the speed of negotiations has been a position the Premier has never taken?

I have asked him in his last year's Estimates on this issue about whether the Congress would go fast-track, slow-track, and would the Premier be giving any advice tomorrow or Wednesday on slowing this whole process down? Many Manitobans are worried about it. Members of his own caucus are worried about it and, notwithstanding the six conditions, surely we should be working at a much more deliberate, slower pace than the kind of frenzied pace that we are worried about now.

**Mr. Filmon:** I would hope that we will get some fairly up-to-date briefings over the next couple of days as to exactly where the process is. I am not at all sure that the process is as far advanced as has been suggested by the Leader of the Opposition, but I will have some definitive information on that hopefully in the next couple of days.

We feel our stronger position is to put six conditions that are inviolate, as far as we are

concerned. Whether the matter takes place quickly or slowly, if the six conditions are met then we would obviously feel that Manitoba's interests have been protected.

Our major goal is to ensure that Manitoba's interests are protected, not to advise on the pace or the manner in which the matter is negotiated, but rather to advise on the specific conditions which must be met.

**Mr. Doer:** One of the conditions the government has stated is very vague, and that is our environmental concerns, if I recall the language, must be suitably met.

The Premier will know that in Mexico they have very strong environmental laws; they just do not enforce them. They have very strong health and safety laws, and by any independent analysis, they do not enforce them.

If the trade agreement has strong protection, will there be protection enforcement mechanisms of the conditions that Manitoba has laid out as part of the government's agreement to this trade agreement, or how does the government plan on dealing with these issues of enforcement?

There is a very strong mechanism in enforcing the social contract in the European trade agreement. You know, the whole issue of environment and health and safety and these issues in the social contract has some mechanism to enforce it, so that the European trade agreement will be to raise everybody's level up in countries like Portugal, Spain and Greece which have a lower economic GDP.

Our fear is that in North America rather than raising standards up, it is going to be the lowest common denominator in terms of the level playing field. I would ask the Premier, will enforcement be part of the so-called six conditions?

**Mr. Filmon:** The short answer is yes. The member may be aware that I have attended for several years now the Western Governors' Association conferences. Last year the board of state governors of Mexico were included in that conference for the first time, so that we did have a round table discussion in which that particular issue was raised.

It is an issue in which I have some very similar thoughts to those of Governor Sinner. Both he and I discussed this matter with the Mexican governors. The issue is that we do not want to see Mexico

become a haven for polluters by way of major industries who will locate there because they are able to operate under lesser pollution control requirements, and therefore have an economic advantage versus the U.S. or Canada.

I would say to you that this is an issue in which we will not just be dealing as one province. The American states themselves are vitally interested in this because they have as much, if not more, to lose than we do on that issue if wholesale, major industries move south of the Mexican border because they are able to operate industries with lesser pollution controls, so that will have to be part of an agreement as a manner in which we can enforce pollution controls and standards to prevent that from happening.

**Mr. Doer:** Moving on to another item raised by the Leader of the Liberal Party (Mrs. Carstairs) and raised by ourselves on past occasions on value for money.

The government has committed itself to \$7 million training allowances in the '90 budget, is repeated in the '91 budget, and it looks to us like it is ongoing in the '92-93 budget. The Premier (Mr. Filmon) has said to the Leader of the Liberal Party that we must ensure that there are jobs for money. I would ask the Premier how much money has been allocated under these budget decisions for training, and how many jobs have been created pursuant to the expenditures that would have been allowed to be \$7 million at each of the last two fiscal years, another \$7 million this year, which is an accumulation of \$21 million of taxpayers' money?

**Mr. Filmon:** The "jobs for money" reference was obviously to those incentives for investment. This is not an incentive for investment, this is an incentive for training.

The money must be spent on training in order for people to achieve the payroll tax reduction. I know that the Minister of Finance (Mr. Manness) can give in detail how that is monitored and how the assurance is given that the money is invested in training. The information that we have on previous experience is, and I am not sure whether this is just one year or two years, but payroll tax refunds have been approved for the training of an additional 11,000 employees in Manitoba companies. [interjection]

The Minister of Finance (Mr. Manness) is pointing out that we are being criticized for being too stringent

and too restrictive on how we give the payroll tax reductions in return for the investment in training that is being made by many companies.

I just want to give him one quick anecdote, going to the previous topic about pollution in Mexico. When we were at that Western Governors' conference last year, the governor of Nevada asked the Mexican border state governors whether or not they would be interested in accepting nuclear waste in Mexico if they were paid enough money to accept it. His response was, "No way, José."

**Madam Chairperson:** Order, please. The hour being 5 p.m. and time for private members' hour, I am interrupting the proceedings. This committee will reconvene at 8 p.m. this evening.

\* (1700)

## PRIVATE MEMBERS' BUSINESS

**Mr. Speaker:** The hour being 5 p.m., time for Private Members' Business.

### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** Yes, I am just wondering if, because I note on our Order Paper, Resolution 9 would be the next resolution? In fact that had been placed on the member for St. Johns' (Ms. Wasylycia-Leis) table. I am wondering if the ruling was ready on that and whether we—

**Mr. Speaker:** Order, please. I did not hear you.

**Mr. Ashton:** For the information of the government House leader, it was placed on the member's table, and we were anticipating dealing with that resolution today.

**Mr. Speaker:** Did you say No. 9? I am sorry. On your point of order, was it Resolution 9?

**Mr. Ashton:** Number four.

**Mr. Speaker:** No, Resolution 4 will remain as placed until such time as I do come back to the House with that ruling.

To accommodate the House, what I will do on Resolution 4, when I am ready to do the ruling to give members an opportunity to be ready for five o'clock, prior to going into Orders of the Day on the day that I am going to do it, I will give notice to the House. Fair ball? Okay.

## PROPOSED RESOLUTIONS

### Res. 10—Aboriginal Justice Commission

**Mr. Gulzar Cheema (The Maples):** Mr. Speaker, I move, seconded by the member for St. Boniface (Mr. Gaudry), that

WHEREAS the treatment of aboriginal peoples by federal and provincial justice systems has historically been marred by grave inequities; and

WHEREAS the usefulness of study and analysis of broad principles has passed, and the need is now urgent for serious consideration of specific and far-reaching reforms; and

WHEREAS Manitoba's Aboriginal Justice Inquiry produced an exhaustive and perceptive analysis of inequities in the treatment of aboriginal peoples, and powerful arguments for the prompt undertaking of many specific reform measures; and

WHEREAS it has become widely recognized among all Canadians that profound reforms should now be undertaken to address the grievances of aboriginal peoples; and

WHEREAS the Aboriginal Justice Inquiry report contained a recommendation for the establishment of an Aboriginal Justice Commission to advise, assist and scrutinize the government in the implementation of the recommendations of the AJI report.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the government to consider establishing immediately an Aboriginal Justice Commission, comprising equal numbers of government and aboriginal representatives, the mandate of which will be to advise, assist and scrutinize the government on the implementation of the recommendations of the Aboriginal Justice Inquiry.

#### **Motion presented.**

**Mr. Cheema:** Mr. Speaker, I am very pleased to speak on this resolution which was previously under the name of the member for Crescentwood.

This resolution is very clear. It simply reinforces what has been said in the Aboriginal Justice Inquiry, to establish a commission which will look into the inequities which have happened in this country for the last 123 years or even more.

Mr. Speaker, what we see in this country today in the major constitutional debate is that the issues of

aboriginal people have become very important, but the governments are not taking those issues seriously in terms of implementing and giving real meaning to those issues.

Mr. Speaker, we have the Aboriginal Justice Inquiry where the government has commissioned that inquiry. The report is there. It has a lot of recommendations. I think it is about time that this government should set up a commission which will send the right signal to the aboriginal community of Manitoba and let them know that this government is serious about the commitment this minister and other Premiers have made in the past in terms of setting the guidelines clear for aboriginal people.

Mr. Speaker, we saw in 1990 in this House what the member for Rupertsland (Mr. Harper) did with Meech Lake. It is about time that we realize in this House that not giving real meaning to the issues of aboriginal people, we will be failing them. Not only are we failing them, we are failing society as a whole. I think it is a very serious issue and should be given due consideration and sending the right signal to the people of Manitoba that this government is serious in terms of setting the rules, setting the standards, as well as correcting the past mistakes.

Simply, it is time that those corrections must be made, because without having a full discussion, without having all the aboriginal people involved in a co-operative fashion, I do not think we are going to achieve anything. So I will ask the minister to be a leader in this area. He has done some good things. Some of the recommendations of the AJI report have been followed, and one of the major recommendations is to set up a commission, and that should be followed also.

We will hope that he will extend the invitation to the chiefs and the other concerned individuals in Manitoba to come forward and meet with the minister and try to work out a solution to the outstanding problem of this community. It is a very serious matter. I do not think it is a matter which is going to disappear. This matter is going to stay until we resolve it. I think if we do not do that, as I said from the beginning, we will be failing our people. I think we are talking about basic human rights, whether we can give a real meaning to the basic human rights. We have a good opportunity. We have a good chance now to give a real meaning and tell that we in this Assembly have a real concern and

we want to correct the inequities of the past. That will be one step to correct those inequities.

People of the native community have given land, they have welcomed everyone from throughout the world for the last 160-170 years. They have given the opportunity to the people to come to this land and progress, but in the name of progress I think we have forgotten that people who should be given due consideration and a due spot in our society and a meaningful role, that should be done now, Mr. Speaker.

We are seeing across this nation in the constitutional debate how the public opinion has changed. The public wants to see an inherent right for self-government.

I think the minister could set up this commission and will send a good signal to the aboriginal community and also send to the rest of the Ministers of Justice that this government is serious. We were disappointed, because when we saw the discussion when the minister was there at the constitutional meeting, even though he did participate in discussion and he said that he will favour the full participation, the way we got the news the minister was late to inform.

\* (1710)

I would like the minister to clarify how much emphasis he put for the full participation at the constitutional table. It is a very important issue, because he may have done his best, but the way it was given through the media was not very clear. So we would like the minister to put his comment on the record, as well give him a chance to correct the record if that was the case, because we saw the ministers for the Constitution from B.C. and Ontario who led the fight.

It is the perception that only the NDP can speak for aboriginal people, but that is not true. What we are saying basically, we want to send a clear message that we in this Assembly, all the parties speak for aboriginal people. That is the issue. That is why it is so important that no party has a monopoly on the human rights. I think it is the responsibility of each and every party in this House. We will be very happy to see a positive response from the government in this regard and see a real solution coming out and sending the right signal, because the reports which have been in circulation for some time, the relationship between the aboriginal chiefs and this government are not sending the right signal.

There have been some conflicting reports. That is causing a lot of damage to the real meaning of solving some of the problems, because I do not think it is going to be only if we take care of the one issue and we are going to take care of all the problems. I think the time is to start now, because the education, the economy and the poverty, all those things have to be taken care of. Without a comprehensive package for the native community, there will not be any solution.

There is no way that we as a society can continue to isolate a community and feel proud of this country. Simply, that is not true, and I do not think anybody in this House will agree with that. I think we all understand, and we all feel that way, but we should give a real meaning and set up this commission which will send the right signal, the right message—a message which should have been there for a long time.

We have three members from the aboriginal community in this House. On behalf of their community, they are doing a good job, but I think we have to show that we are with them. We are with their community. We are with each and every person. I think the minister has a good chance to correct some of the things and probably maybe clarify. I will not be accusing the minister, because I did not see the statements. Whatever we got was through the media, so I was disappointed.

The way he has shown in this House, he seems to be a very caring person, so we have to see that that caring attitude is really put forward to the right people in the community. If there are barriers, those barriers must be taken away, but we will look forward to any positive contribution to correct some of the mistakes of the past.

Mr. Speaker, I have been in this country for 12 years. I feel that it is so important for me that as long as I am in this House, I want to make sure that we can raise our voice to correct some of the inaccuracies in the past, but build something good for the future. I have put my whole life into the political process to make sure that we can contribute.

A member from a minority—I do not think those words are very proper nowadays, because almost everyone is equal in their own way. We do not want to abuse that language. I certainly feel that way. I think this has been abused in many ways to suit the particular needs. We have to make sure that we

take care of each and every one the way they are and try to do best for people. So I think this resolution will help in that direction. It will help to set some of the previous mistakes, whether they were done knowingly or unknowingly. Some of the things were not very clear.

Some of the issues that were raised in this House have been raised in this House for the last 40 years. Some of them we have dealt with more clear conception, but as long as there is a discussion and there is a dialogue and there is education, I think we can solve the problem. I think this will give one platform to have more communication. I am sure nobody will be able to refuse such participation to develop something positive which will lead towards a meaningful role of our people. In terms of the native people, the native community has given so much to all people in this nation. I think we have to pay back. I think the time has come to pay back, and some of the ways that their national leader, Mr. Mercredi, is doing a job, I think he is doing a tremendously good job. He is speaking for his people. I think that if he does not speak for his own people, nobody else is going to.

It is very important. You must speak for your rights because if you do not speak, somebody else may not, so if you are speaking then other people will speak. In this House we have seen something very positive. We are all speaking for everyone else and that is very positive. I would hope that the minister will agree with the resolution and set some of the guidelines and get the native community involved to continue to build a stronger Manitoba.

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, I am pleased to rise today after the contribution made in this House by the honourable member for The Maples

You know, more and more, Mr. Speaker, the honourable member for The Maples is developing a reputation for bringing forward not only important issues, but also bringing them forward in a way which tends to capture our attention because they are brought forward in a way that is not so partisan as we so often see from some of his colleagues sitting to the right of him.

It is in that vein that I accept the comments made by the honourable member this afternoon with an appreciation that we can express so seldom, it seems, to honourable members in the New Democratic Party. The honourable member, being Health critic for his party, obviously brings forward

extremely important issues, not only to his constituents but to all Manitobans and deals with them very often with the Minister of Health (Mr. Orchard) in a very mature, shall I say, and nonpartisan way. In order to get the really important jobs done, it seems to be the way to do it, and I really appreciate the honourable member's attitude.

I appreciate his attitude in bringing forward the resolution he brings forward today, and I will get to that, to the issues raised in the resolution as well as a couple of others that he has raised. I will do that after I say a word about the former member of this House for Crescentwood, in whose name this resolution initially stood on the Order Paper, that being Mr. Jim Carr.

I have not had an opportunity to say anything on the public record to this point about my personal feelings about Mr. Jim Carr, but I can say I worked on two task forces with that former honourable member, and I have found Mr. Carr to be a person with a highly developed sense of integrity and a person with whom I took great pleasure in working on two successive constitutional task forces and a person whom I sat across from in this House many, many times and felt that there was a bond between us that went far beyond any political considerations but also all the way into a genuine friendship that developed between myself and Mr. Carr.

\* (1720)

I certainly wish him well in his new endeavour. Sometimes I wish he was still here; sometimes I am glad he is not. On the other hand, my very sincere sentiments are expressed today when I express the sentiment that if we had more people like him in Manitoba, we would even be a better place than we already are.

Before dealing with the resolution, again the honourable member for The Maples referred to constitutional talks and aboriginal participation in those constitutional talks. The honourable member hinted that perhaps at the last round at the ministerial level my voice was not as loud as some others. The fact is, Mr. Speaker, there were a number of Premiers there too who seemed to capture more of the attention than some of us constitutional ministers.

I went into the meeting with the Manitoba task force report under my arm which talks about aboriginal participation in constitutional matters and supporting that position. I came away from the

meeting with the same point of view. My only concern about full aboriginal participation in the present round of talks was that I did not want to see that preventing normal government-to-government relationships.

Once that was cleared up the way was paved to invite full aboriginal participation in the constitutional talks, so that it is not against the rules of the accord we have reached that I could call, for example, the Grand Chief of the Assembly of Manitoba Chiefs or the Premier of Newfoundland or gather together with a group of Ministers of Constitutional Affairs that I would not be breaching any of the terms of the agreement we reached at that meeting. That was the concern I had which was put to rest and we go forward from here.

The honourable member also referred to perceptions of some problems between the chiefs in Manitoba and the government of Manitoba. I can only say that if some of my comments have been interpreted by some chiefs that their personal reputations were being sullied by myself, it was never intended to be that way. If any chief in Manitoba is sensitive to that, they are quite free to get in touch with me and I will straighten out the situation. If no aboriginal politician has done anything wrong then I have no criticism for them. If they are serving their communities well, then they have my praise.

The same goes for me when I am perceived not to be doing a service. There are plenty of critics out there to say so, including the honourable member for Thompson (Mr. Ashton) on rare occasions. The honourable member for Thompson once in a blue moon will have something negative to say about me, but most of the other time it is extremely positive and I appreciate that very much.

I look forward indeed, as we deal with the Aboriginal Justice Inquiry report, to an extremely positive working relationship with the aboriginal leadership in this province. I just wish it could begin. The invitation is there. There was a letter sent out by our Premier (Mr. Filmon) back on February 21 to the leadership of the aboriginal organizations in Manitoba, and to this point we have received no response.

Referring specifically to the resolution now standing in the name of the honourable member for The Maples (Mr. Cheema), I would like to say that after three years of public hearings and research,

the commissioners of the Aboriginal Justice Inquiry released their report in August 1991.

Their report detailed the tragic circumstances of the deaths of Helen Betty Osborne and J.J. Harper. They found that mistakes were made by the justice system in both cases.

I have been assured by the Royal Canadian Mounted Police, the City of Winnipeg Police, and the City of Brandon Police that they have reviewed their practices and that changes have been made in line with the commissioner's recommendations. Changes have also been undertaken in the Crown office to implement many of the recommendations made by the commissioners.

However, the report of the Aboriginal Justice Inquiry went well beyond the Harper and Osborne cases. The commissioners surveyed a wide range of issues, not only the administration of justice, but also land policy, self-government, the Indian Act, and in general the social and economic conditions of Manitoba's aboriginal peoples.

After reviewing the 293 recommendations contained in this report, the honourable Minister of Northern and Native Affairs (Mr. Downey) and I announced the government's response to the Aboriginal Justice Inquiry on January 28 this year: Central to the government's strategy for changes, the establishment of four working groups in the areas of Northern and Native Affairs, Natural Resources, Family Services, and Justice. Due to the large number of recommendations for change in the justice system, we also announced the formation of three subcommittees on policing, courts and corrections, which would report to the main Justice working group.

With respect to the mandate, these groups consisting of both government and aboriginal representatives, would have the mandate to review, evaluate and prioritize all recommendations accepted by government, to look at areas where viable and proven models are known to exist and build upon them, and to recommend specific pilot projects in untested areas.

Leaders of the Indigenous Women's Collective, the Assembly of Manitoba Chiefs, the Manitoba Metis Federation and the Aboriginal Council of Winnipeg were invited to identify their representatives to participate on the working groups. The government of Manitoba views their participation as very important to ensure positive

and substantive changes to the relationship between the justice system and aboriginal people in Manitoba.

We continue to await the response of the aboriginal leadership in this province. The aboriginal leaders in Manitoba have accepted in principle their willingness to participate on the working groups. They have been invited to meet with the Premier (Mr. Filmon) and the Native Affairs Committee of Cabinet to discuss issues related to the government's response.

I am hopeful that this meeting, which has not yet been set for reasons I have already mentioned, will set the stage so that the working groups can begin to move to fulfill their challenging mandate. The government of Manitoba considered creating an aboriginal justice commission as proposed in this resolution, and as recommended in the Aboriginal Justice Inquiry report, but the government of Manitoba has rejected the idea.

If the honourable member for The Maples (Mr. Cheema) and other honourable members had examined the Aboriginal Justice Inquiry report, they would have seen that the proposed commission would result in costly duplication in services as well as duplicating other recommendations in the report. Most importantly, however, it will prevent the one-on-one dialogue that is necessary between governments and aboriginal people.

As the Minister of Northern and Native Affairs (Mr. Downey) stated on January 28, and I quote: The cornerstone of our response to the AJI recommendations is open and honest consultation with the leaders of the aboriginal community. We await that consultation.

An examination of the terms of reference of the proposed commission reveals that the commission would be an impediment to that open dialogue. For example, the commission is to enter into discussions with aboriginal people to determine their wishes with respect to the various recommendations and advise government on aboriginal concerns and recommend appropriate action.

As the commissioners themselves noted, for too long, governments have not listened to aboriginal people. The proposed commission will prevent that dialogue, whereas the working group format will provide a forum in which aboriginal concerns,

recommendations and advice can be communicated directly to the government.

It is also a forum where the impact of reforms stemming from the inquiry can be gauged by the people most affected by the initiatives—aboriginal Manitobans. We have reviewed the remaining terms of reference and concluded that mechanisms already exist which meet the mandate of the proposed commission.

In addition, the commission's mandate to aid in establishing aboriginal justice systems is not feasible until a plethora of constitutional issues are resolved. A working group approach, that as a government we have found is of great value, will allow us to work in partnership with aboriginal leaders to explore solutions to the problems documented by the commissioners.

Rather than creating a new and unnecessary agency that will consume scarce resources, the working group approach will provide us with an effective and open forum dedicated to action-oriented improvements. We await the participation of the aboriginal leadership.

The government of Manitoba is eagerly anticipating the results of the working groups. I can say that I hope no further delays will prevent implementation of reforms to improve the delivery of services to aboriginal Manitobans.

The budget presented by the Minister of Finance (Mr. Manness) has contained within it an appropriation for aboriginal justice initiatives. We await the participation of the aboriginal leadership so that we can put before them the proposals that our government has to place on the table which are very consistent with the Aboriginal Justice Inquiry report.

We want to do that so that we can get on with implementing positive initiatives which will achieve many of the objectives identified by the Aboriginal Justice Inquiry report.

We await the participation of the aboriginal leadership. We call upon honourable members opposite, notably honourable members opposite who are aboriginal, to use the influence that they have, to use the powers of persuasion that they have to ask aboriginal leadership in Manitoba to join us as a government so that we can get on, not with rhetoric, but with implementation of real programs for real people.

Mr. Speaker, I have an amendment, and I would move it as follows. I move, seconded by the honourable Minister of Northern and Native Affairs (Mr. Downey):

WHEREAS the treatment of aboriginal peoples by federal and provincial justice systems has historically been marred by grave inequities; and

WHEREAS the usefulness of study and analysis of broad principles has passed, and the need for serious consideration of specific reforms is now urgent; and

WHEREAS the time has come for governments to work with aboriginal people directly, and to ensure that taxpayers' dollars are used to implement real changes in the delivery of services to aboriginal Manitobans.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba support the establishment of four working groups to work in partnership with the aboriginal community to explore real solutions to the problems outlined in the Aboriginal Justice Inquiry report.

\* (1730)

In addition to this resolution, I take it consequential adjustments to the initial resolution would be required.

Perhaps the first part of the amendment should have—the first WHEREAS would remain; I think it is included in the amendment. The second WHEREAS is adjusted. That basically covers it. The amendment that you have before you is the one that we would like to move, Mr. Speaker.

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

I am taking the honourable Minister of Justice's (Mr. McCrae) amendment under advisement.

**Mr. George Hickey (Point Douglas):** I am pleased to speak to this resolution put forward by the Liberal Party, because I think it is long overdue where we do have a chance to deal with the AJI Report.

One of the strong commitments that came out of that report was setting up that committee to participate to advise the government. They are saying, the Minister of Northern Affairs (Mr. Downey) is commenting to our party. I think the Minister of Northern Affairs and the Minister of Justice (Mr. McCrae) should start really seriously looking at aboriginal issues and aboriginal concerns. I think aboriginal people are starting to

lose the trust of these ministers and of this government.

I was just called to three meetings already, Mr. Speaker, on the Abinochi preschool program, and that is a huge, huge concern. I was saddened to hear during Question Period, where was the proposal on behalf of aboriginal students? Was it even taken to cabinet? I never heard a yes, and if you look at the whole AJI Report and what we are dealing with today, the first and most important aspect of this whole report is retaining and understanding one's culture. If you understand your culture, you understand your values. I think that is where this government has to get on side with the aboriginal people. If you have the trust of the people, you can call any meeting you want, and you will have aboriginal people showing up.

I am not saying this to be cynical, but I think the government is losing the trust of aboriginal leaders and aboriginal people right across Manitoba. No, I really, really believe that. I really believe that. I associate with and I have a lot of friends within the aboriginal community. It is not the same conversations and the same attitudes and the same feelings that I was getting from the aboriginal people within even six months ago. There are too many things that are happening that directly affect aboriginal people.

I really, really started to believe that the minister responsible for aboriginal people is standing alone. It is a sad thing to see, because he has a lot of influence and a lot of participation with aboriginal people. I think he has to get his caucus members on side here, because there is something drastically wrong happening.

When we hear the urban aboriginal strategy being praised, and thrown to the aboriginal people, we are doing something. We are bringing the urban aboriginal strategy. There is \$400,000 spent. Where is that urban aboriginal strategy that will help you deal with a lot of urban aboriginal issues, that will help you deal with a lot of those things?

Also, I was meeting with some aboriginal people not very long ago, and they said, where are we with the CP station? That is a dream of the aboriginal people: To put the organizations and the helping groups under one umbrella to help aboriginal people, so aboriginal people can also help their own people. Where is that at? You know what some of the people said to me, they said the city is onside,

the federal is onside, we do not know where the province is and last year, I heard the opposite. They were saying the province is onside, the city is onside, but we do not know where the federal government is, and this is only within a week.

You can take this any way you want, but if I was you I would listen carefully and start doing something—at least a little bit for aboriginal people—so that you can get some of that trust back, because I am very, very serious when I am telling you that you are losing it. You are losing it, not only from the Manitoba chiefs, from within the people within the community, because they had great expectations and great hope.

**An Honourable Member:** But what did your party do for the—

**Mr. Hickes:** I am talking about today. I am trying to be as helpful as I can. I am not being critical here because aboriginal people need help from all parties. Not only your party, not the NDP, not the Liberals, we need help from everyone, federally, provincially, from the city politicians, and that is the whole trouble. There are too many times that we as politicians go around pointing fingers—you did not do this, you did not do that—well, the times are changing. People have to be accountable, a lot more so today to aboriginal people than they have ever been in the past.

We are seeing those kinds of commitments. We hear—at least I heard—that there is a million dollars available for the Aboriginal Justice Inquiry, but what is that million dollars for? No one has explained that. There is nothing that came out of that. There was just an announcement that there is a million dollars available. I hope it is for positive construction work that will be in co-operation with aboriginal people, not a million dollars where the government will say we will do this A, B, C, D; where the community and the aboriginal leaders, and the government will jointly say we will do A, B and C.

That is what it takes. It takes co-operation and it takes working with all parties. The biggest thing it takes in order to achieve that is trust.

**An Honourable Member:** That is a two-way street.

**Mr. Hickes:** That is right, it is a trust. If I trust you, you trust me. We can get together any time we want. It is a matter of a phone call. I will be glad to come and meet with you, and you will glad to come and meet with me. But if I, for some reason, have lost trust in you, I will hesitate to meet with you,

because I think you are going to try and fleece me or use me in some way.

Those are my feelings. That is what happens between friends, and this has to be a friendship. It has to be a co-operation. It has to be a partnership. It is not to help one individual, or two individuals, or one organization because they vote this way, or another organization because they vote that way, and doing one in because they do not vote that way.

It is not what it is all about. That is not what it is all about. It is for aboriginal people in Manitoba which out of that AJI report—once we start implementing some of those recommendations and some of those programs, we will be a model for other provinces to follow. Why can we not in Manitoba lead the way? What is wrong with leading if you do it in co-operation and partnership of the people? There is nothing wrong with that.

\* (1740)

I lived quite a few years up north, and I used to see those airplanes going into those remote communities. You would have on the same plane a court reporter, a magistrate, a Crown attorney, a lawyer, sitting in the same plane. What did they talk about? I am sure they did not talk about the weather. I am sure they talked about so-and-so's case, ABCD's case, and how long can we get in and out.

You heard my colleague from The Pas was talking about some of the cases—[interjection] Well, that is a good issue you raise there, a very good issue you raised. You say that northern lawyers do not want to co-operate with anybody. You are setting up a two-tier system. You are setting up a two-tier system in Manitoba—a two-tier system.

Who is going to be hurt the most out of your two-tier system? It will be northerners. Who makes up most of the people in Manitoba? It is aboriginals. There we go again. There is another good example of why aboriginal people are getting frustrated, and they are saying to the government, let us join a partnership so we can work co-operatively together. You have got to get that trust back. How do you get it back? Start working with them. That is a prime example there.

The lawyers in northern Manitoba will be taking a drop, and they will be going into the communities, and who is going to represent the people that have to go to court in northern Manitoba? Who will represent them? Will it be the government lawyers?

Will it be private practice from Winnipeg here? How much more is that going to cost? Do you think lawyers from Winnipeg are going to fly all the way to the north to represent cases? How much is their transportation, for instance, going to cost you?

You know, if this government would look at a form of mediation within communities, one of the biggest impacts that any organization, any person can have within the aboriginal community is start respecting and dealing with your aboriginal elders. Do not leave them on the side. They have so much to offer us, so much to offer us. Respect the aboriginal ways. You look at our court systems, our penal system, our jail system and everything else, one of the biggest problems is they do not understand and they do not respect aboriginal ways.

I told you a story a while ago in one of my speeches, when I went to Stony Mountain Penitentiary. [interjection] Well, I should tell it again because it sends a very, very clear message. The ministers that go to Stony Mountain Penitentiary are the Catholic, Anglican, Protestant, what have you, they wear a collar. They can easily be identified. An elder who goes into Stony Mountain, who teaches the spirit, the culture and the spirituality of aboriginal culture, was there and people knew who this individual was. In the aboriginal culture, at the same level of respect, an aboriginal elder who teaches the spiritual and the culture is at the same level as a Catholic or Anglican minister. They are teachers.

When that individual was coming out, during that strike, the people who were on strike started rocking and shaking his car, pounding on his hood and everything else. They knew who he was. They knew who he was. But when the minister went, the Catholic minister, the Anglican minister, came through with his collar, they all stood right back, and just like the Red Sea was opening, they made a path for that car to come through. That is because people do not understand aboriginal ways.

What did the AJI say? The AJI dealt with some of those issues and said that we need to have understanding of the aboriginal ways.

I think it was last Friday, we had graduates, aboriginal people who were graduating under the Core Area Initiative.

**Some Honourable Members:** The last class.

**Mr. Hickes:** The last class, and they were aboriginal court workers. Also, at that same

graduation, were the aboriginal sheriff's officers, aboriginal individuals who finally, finally, got the opportunity to work in this court system.

There are other good programs for aboriginal people that have been brought about by the Core Area and other programs—bank tellers, and there are individuals who are being recruited by the city of Winnipeg. They are training more.

But I have seen in aboriginal communities, the closest an individual ever has to deal with an RCMP officer or a city police, is always, only, when you do something negative. That is the only time you ever do. So a lot of that is built in. It is ingrained into aboriginal people. When you do not understand a system, when you are always so fearful of that system, how can you have lots of aboriginal people trying to be recruited to work within that kind of a system?

Now there are gradually more aboriginals getting enrolled, more aboriginals out there talking to people, and the aboriginal communities feeling a lot more comfortable, so you are getting more aboriginal people who want to be police officers and court workers and lawyers, which is great. We need more and more of them.

I see my light is blinking. What is that, two minutes? So I will have to summarize; my light is blinking here. But I would just like to remind this government that the only way to deal with and work with aboriginal people is to have the trust of aboriginal people.

\* (1750)

I know the Minister of Northern Affairs (Mr. Downey) means well. I know that. His heart is in the right place, but that can only go so far, and I think it has to go further. Now action has to replace that caring, and you have to show that, yes, you can carry the ball on behalf of aboriginal people and deliver programs for aboriginal people.

A small, small example I will bring out again is that Abinochi preschool program. We are talking \$130,000 per year. There are all kinds of other alternatives out there where a person could get that money from. A small example that we used was private schools.

I know myself, I have my language. I am very fortunate, and I am very thankful for that because my mother is 74 years old. I can communicate with her, and I can understand a lot more and I can explain a lot more to her, but my younger brothers,

they cannot. They say, hi, how are you, and they talk in general terms, but they cannot sit with her and say, okay, what happened to me when I was young, or I was raised over here, so what happened there. They do not understand. They would not understand for her to explain that. They know that they have lost something from within their own culture. They know that. That is so key, and that is what the grandmothers and parents of Abinochi preschool program are trying to tell you.

People say it does not fit anywhere in government. If you looked at, even if you took Education out, Culture, Heritage, Health, Justice, it fits in anywhere you want it to fit, because it saves your culture and it promotes who you are. You have to be proud of who you are in order to progress in life. That is what aboriginal people want, support of this government.

**Mr. Kevin Lamoureux (Inkster):** It is a pleasure for me to stand and rise to speak to the resolution as opposed to an amendment.

Let me start off, Mr. Speaker, by saying I found the comments, especially the beginning, the introductory comments from the Attorney General (Mr. McCrae), to be very interesting. He started off by complimenting the member for The Maples (Mr. Cheema) and the former member for Crescentwood and spoke somewhat highly of them both being very responsible individuals, being a responsible opposition by bringing forward something of this nature and then, at the very end, had made an attempt to change the resolution.

One could argue quite easily—I would argue, Mr. Speaker, that the government is not necessarily being responsible to the resolutions. In fact, the minister, in listening, and I listened very closely to what the Attorney General (Mr. McCrae) had to say, very clear, he does not support this particular resolution.

I would have encouraged the government and, hopefully, I will have an extra minute here to allow it to in fact come to a vote, if at all possible, Mr. Speaker.

If the government has taken a position and does not support the resolution, there is nothing that prevents them from allowing it to vote. They do not have to see that it is necessary in order to bring it forward.

The resolution itself is urging the government to consider establishing immediately an aboriginal

justice commission comprising of equal numbers of government and aboriginal representatives. Mr. Speaker, this is vital to ensure that the end result of the AJI reflects the aboriginal concerns. This is why we, the Liberal Party, had introduced this particular resolution because it is important to the aboriginal community, in particular to the leaders of the aboriginal community, that this resolution and this commission be established. The aboriginal community deserves the opportunity to participate in a much greater role, in a much greater way than participating in an advisory capacity. The minister made reference to these four working groups. These are supposed to be technical working groups in which aboriginals would serve as an advisor to.

Mr. Speaker, with all due respect, it is a big difference from a working group to the commission that has been suggested from the AJI.

**An Honourable Member:** Explain.

**Mr. Lamoureux:** The Deputy Premier (Mr. Downey) says, that is right.

**An Honourable Member:** Explain, I said.

**Mr. Lamoureux:** Oh, explain, he says. Unfortunately, I will not have enough time to be able to explain it to the Deputy Premier unless he is willing to go past the six o'clock. I would be more than happy to explain it so that he could in fact understand it, Mr. Speaker.

One has to ask the question in terms of why what the government is proposing, these working groups, is not working. Mr. Speaker, we stood up. I was inside the Chamber when the Attorney General (Mr. McCrae) was responding to a bill where he virtually condemned every aboriginal leader in the province of Manitoba—the assumption from the Attorney General that these individuals were all guilty, guilty before even being tried—asserted, when I was sitting in my seat, that in fact I am taking side with the aboriginal leaders by not standing up and condemning, as he was condemning, the aboriginal leaders.

Mr. Speaker, I believe that individuals are innocent until proven guilty, and that, unlike the minister responsible for Justice (Mr. McCrae) in this province, you cannot generalize by saying all aboriginal leaders do not warrant the respect of the government, of the justice system. I read through an article from the Winnipeg Sun where the minister was quoted, that Native Affairs Minister Jim Downey—this is the Deputy Premier—confirmed

aboriginal leaders have not yet signed up for the province's four working groups, which were struck to deal with the 99 AJI recommendations accepted by the government. Well, one asks the question why. Obviously, the aboriginal leaders of the province of Manitoba, the aboriginal community does not have the confidence, does not have the trust in this government when it comes to dealing with aboriginal issues, in particular the justice system.

Mr. Speaker, how can you blame them when you have the Attorney General (Mr. McCrae) himself standing up and condemning the aboriginal leaders of the province of Manitoba? So I would encourage the government, and especially the Deputy Premier (Mr. Downey) and the minister responsible for Justice in this province, to rethink the need for those working groups, and to look at what was a recommendation from the Aboriginal Justice Inquiry that established this independent commission that was made up of both government appointments of equal appointments with aboriginal leaders, Mr. Speaker, that it is something that the government could have done.

I know back in December, responding to the throne speech, the Leader of the Liberal Party (Mrs. Carstairs) had made reference in terms of a commitment that had there been a Liberal provincial government at the time of the dropping of that particular report, we would have seen quick action in the establishment of this recommendation, Mr. Speaker. The government is doing a disservice by ignoring the importance of this one particular recommendation.

Really, Mr. Speaker, what we are asking for, what this recommendation is asking for, is that the aboriginal leaders of the province of Manitoba have an opportunity to have some influence in terms of

the justice, in particular the justice system within the aboriginal population throughout the province.

So, having said that—I know there is still a minute to go—I am hoping that this particular resolution will come to a vote, and at least, because the government opposes the resolution, to stand for the principles and to allow it to come to a vote. Thank you, Mr. Speaker.

**Hon. James Downey (Minister responsible for Native Affairs):** Mr. Speaker, I am more than pleased to rise to speak to the resolution today that was introduced by the former member for Crescentwood, and nice to be able to speak to it.

Mr. Speaker, in speaking to this resolution I will try in about one minute to point out something that I am very, very troubled with, and that is that we are focusing on the solution, I think, at the wrong end of the system. I think it is very unfortunate that the number of aboriginal people that are exposed to the justice system have not had other opportunities in life that would direct their lives away from having need for the justice system, whether it is employment, training, whatever activity that can be created and developed for the aboriginal people, I think, is extremely important.

So, to concentrate again on the justice system as to the unfairness of it, I do not have any trouble in agreeing with that. I am sure there have been some inequities that have been pointed out by the inquiry, by the AJI, but the bottom line, I think rests with all of us.

**Mr. Speaker:** Order, please. When this matter is again before the House, the honourable minister will have 14 minutes remaining.

The hour being 6 p.m., I am leaving the Chair with the understanding that the House will reconvene at eight o'clock in Committee of Supply.

# Legislative Assembly of Manitoba

Monday, March 23, 1992

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