



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

**DEBATES
and
PROCEEDINGS
(HANSARD)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Guizar	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

Tuesday, May 26, 1992

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Leonard Evans (Brandon East): Mr. Speaker, I beg to present the petition of Edward A. Kosteki, Robert Thompson, Joan Wallace and others requesting the government consider reviewing the funding of the Brandon General Hospital to avoid layoffs and cutbacks to vital services.

Mr. Gregory Dewar (Selkirk): Mr. Speaker, I beg to present the petition of Wayne Johnson, Florence MacCollum, Tanis Suitters and others requesting the Minister of Family Services (Mr. Gilleshammer) consider a one-year moratorium on the closure of the Human Resources Opportunity Centre in Selkirk.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

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

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

Motion agreed to.

TABLING OF REPORTS

Hon. Linda McIntosh (Minister charged with the administration of The Liquor Control Act): Mr. Speaker, I am pleased to present the 68th Annual Report of the Manitoba Liquor Control Commission for the fiscal year April 1, 1990, to March 31, 1991.

ORAL QUESTION PERIOD

Economic Growth Average Weekly Incomes

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, in 1990, this government was 10 out of 10

in terms of average weekly earnings in Canada for any province. In 1991, we were second last for average weekly earnings in Canada. Today, the March 1992 statistics over 1991 indicate a couple of things. One is we are continuing to be second last in the country in terms of average weekly earnings for families in Manitoba. Secondly, we have in fact declined in March over February in terms of average weekly earnings for families in the province of Manitoba.

I would like to ask the Premier about the impact of this decline and our status of weekly earnings being either ninth or 10th. What result has there been from this decline in weekly earnings? What has been the result of job loss and economic activity in the province of Manitoba with this change?

* (1335)

Hon. Gary Filmon (Premier): The question by the Leader of the Opposition gives me an opportunity to talk about attitude and approach to a topic such as this.

Of course, we all know that the master of gloom and doom over there, the Leader of the Opposition, always takes the negative side. He always takes the most negative point of view. What he would find very interesting, I am sure, is the statistics that were published recently that said that Manitobans on a per family income basis, after taxes, rank fourth best in the nation, next only to Ontario, British Columbia and Alberta, provinces with much larger populations and much larger economies than ours. Number four in after-tax per family income in this country are Manitobans.

The reason is that this government has been concentrating on keeping their costs down, that for five straight budgets, this government has not raised any major taxes in this province, and as a result, Manitobans are actually better off today than they have been in the past because of the fact that we take less away from them of their earnings. As a result, they rank fourth best in the nation in terms of what they have for buying power, for supporting their families and for quality of life—fourth best in the country, Mr. Speaker.

Employment Statistics

Mr. Gary Doer (Leader of the Opposition): Well, Mr. Speaker, we had the last place results of gross domestic product last year which measures all economic activity. Our dropout in our labour force was twice the national average. Our poverty rate is now the highest in this country, and the Minister of Finance (Mr. Manness) last week told us in this House that this is a deliberate economic strategy of the provincial government to lower incomes, to lower purchasing power, and that this, in turn, would result in greater economic opportunity.

I would like to ask the Premier why we have 17,000 fewer people working today than we did 12 months ago, and are those 17,000 people better off, as the Premier suggested? Maybe these results are only positive in Tuxedo because in the rest of the province, we are getting greater unemployment and less purchasing power with the decline in average income.

Hon. Gary Filmon (Premier): Mr. Speaker, we know that the politics of envy and jealousy that are preached by the Leader of the Opposition are the kinds of things and the attitude that he and his New Democratic colleagues enjoy. They always want to preach that kind of thing and tear down anybody who has been successful in business or has been successful in opportunities in this province.

But, Mr. Speaker, the figures that I was talking about are not relative to any one district or any one constituency. They say that the average per family income after taxes in this province, the province of Manitoba, is fourth best. That is everyone. That includes those in rural Manitoba, northern Manitoba, urban Manitoba, and wherever they live—that is everyone. That is what he should be interested in.

When he asks about job losses in this country, then he should perhaps do a little bit of reading and research to find out what is going on in other provinces. He should perhaps find out why there were 260,000 jobs lost in NDP Ontario. That might give him some clue as to what is happening in the whole world on an economic front. It might give him some idea that there is a recession that has affected, not only this province, not only this nation, but indeed the entire world. That is why 260,000 people fewer are employed in the province of Ontario.

I can also tell him that the things that this government has been doing have been to lessen the

burden on people so that individual families in Manitoba can have after-tax income, opportunities for a reasonable lifestyle that rank them fourth best in the country. Those are the kinds of things that he should be interested in if he is truly interested in people in this province.

*(1340)

Average Weekly Incomes

Mr. Gary Doer (Leader of the Opposition): We are not talking about envy here, Mr. Speaker. We are talking about equal opportunities. We are talking about the 58,000 people that do not have jobs. We are talking about the thousands of people who are on social assistance. We are talking about the aspirations of our young people and the opportunities for our young people. That is the question before us.

The Premier has mentioned average weekly earnings. He knows that his comparisons are wrong in that when everybody is included in the labour income numbers, Manitoba's labour income went down. It went down because of the higher number of people who are unemployed. In terms of average weekly earnings, it is only for those people who are working. Please do not let the Premier compare apples and oranges in a statistical response here today.

I would ask the Premier: In light of the fact that the Minister of Finance (Mr. Manness) said last week that it is a deliberate strategy of the government to lower incomes as a way of being competitive and creating jobs, in light of the fact, Mr. Speaker, that we are 10 out of 10 two years ago, nine out of 10 last year, and now we have had a decline in average income for families, what is the impact on the 17,000 who are unemployed and the 55,000 who are unemployed in the province of Manitoba?

Hon. Gary Filmon (Premier): Firstly, I reject categorically the comments that he alleges were made by the Minister of Finance. As usual, Mr. Speaker, he is misrepresenting the facts. The Leader of the Opposition does not understand that whereas incomes may have gone up more in other provinces, so did their taxes, and the taxes not only took away the increase but took away more of the increase.

When New Democrats say that they want to have people earning more money, that is so that they can

tax away more money. That is exactly what has happened in provinces throughout this country. As a result, in this province, since we did not increase major taxes—in fact, we have consistently been selectively reducing taxes—people are still better off, that after taxes on a per family basis, we rank fourth best in the nation because we have not been taking away money by way of punitive taxes that New Democrats and other administrations in this country have.

Economic Growth Government Strategy

Mr. Leonard Evans (Brandon East): Mr. Speaker, I have a question for the Minister of Finance. On Friday next, Statistics Canada will release the first quarter estimates of economic growth for Canada, and some economists are predicting that the first quarter will either be negative or close to zero. The Conference Board economists have now told us that Manitoba's 1992 growth rate will probably be invisible.

Mr. Speaker, we are in a double-dip recession, largely because of the lack of consumer demand which is the result of high unemployment and fear of unemployment.

My question then to this Minister of Finance: When will this government do something to fight the recession and, most specifically, when will this government do something to stimulate economic demand in this province?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I am well aware that the Conference Board will be coming out with their spring forecast, indeed, I am led to believe in a formal fashion tomorrow.

Mr. Speaker, let me assure the member and indeed all members of this House and all people in this province that Manitoba will be ranked third with respect to that release, and indeed our growth will be positive on a nominal side. It will be above the Canadian average, and it will be the third best in the nation. I would think members opposite would take some satisfaction in that, in the sense that we are growing above the national average.

Municipal Public Works Programs

Mr. Leonard Evans (Brandon East): Mr. Speaker, I am sure it is going to be below the forecast of this Minister of Finance.

Given that many municipalities are unable to finance required public infrastructure, and given the prospect of continuing high levels of unemployment in this province, would this government now finally look seriously at establishing an incentive program for municipalities to encourage them to step up their public works program and put people to work in producing useful and needed projects—bridges, streets, sewer water systems, et cetera?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, there is so much to rebut in the member's preamble. Firstly, let me tell him that I am led to believe that the Canadian forecast of growth is going to be dropped from 2.2 down to a level of around 1 percent, so I can say, he challenges this government for having missed the mark on its forecast with respect to the '92 growth rate, but I am here to tell you, we are probably closer to the forecast than any province in Canada.

Mr. Speaker, with respect to infrastructure renewal, there is only one provincial government in Canada that has held the capital spending in support of infrastructure throughout all the provinces.

Now, if the member wants to talk about the Southern Development Initiative, if he wants to talk about the REDI program, if he wants to talk about the \$5-million commitment to the City of Winnipeg, if he wants to talk about a hundred-million-dollar-plus Highways budget, and if he wants to compare it across any other province in the country, he will realize only one province in Canada has maintained its commitment to capital, and that is the province of Manitoba. That was within the budget that the member opposite voted against, Mr. Speaker.

* (1345)

Government Strategy

Mr. Leonard Evans (Brandon East): The Conference Board in Canada, senior economists said that our growth rate could be invisible this year. We are still in a major recession, Mr. Speaker, and therefore I ask this Minister of Finance: Does he have a program, an effective plan to fight the recession and combat unemployment in this province, or is he admitting that they have no plan?

He talks about creating a better business climate, but business cannot sell all of its current output. So what we need to look at is the demand side and not

the supply side of the equation. When are we going to stimulate demand in this economy?

Hon. Clayton Manness (Minister of Finance): A full response to that question was provided by the First Minister (Mr. Filmon) in response to the question put forward by the Leader of the Opposition (Mr. Doer).

Mr. Speaker, the first responsibility, we believe, to fight this recession is to keep taxes down and also to provide more disposable income to the families of this province. Over our budgets, five of them accumulative, Manitoba families now have a hundred million dollars more in their pockets to spend in the economy. That is the first issue, not like other provinces where indeed maybe the weekly earnings are increasing a little bit more, but where taxes, significant taxes, are taking even more.

Mr. Speaker, I would also say to the member, we also have done everything we could as a government within the restraint of the revenues that are coming down to us, not at the rate of 8 or 10 percent, as the former government had, but in the area of 1 or 2 percent.

We are doing everything we can to maintain the expenditures on the capital side, the job-creation areas, in \$300 million in this present budget, \$100 million in Highways alone, compared to every other province in western Canada which is slashing, Mr. Speaker, money out of their capital expenditures, particularly in Health and Government Services.

Our government is doing many of the things that the member opposite would want us to do; that is, to maintain the level of expenditure and capital, to maintain the infrastructure so badly needed in the city and indeed in the province as a whole.

Economic Growth Employment Statistics

Mr. Reg Alcock (Osborne): Mr. Speaker, sometimes you get so far down, every way seems like up. I would like to tell the Finance minister that he is correct. Manitoba will have the third highest growth in this country in the coming year, as predicted by the Conference Board. That is a full 2.1 percent below what was predicted just a few months ago, and I will share those numbers with the Finance minister if he has not received them yet.

The other thing though that has happened, Mr. Speaker, is that the employment growth in this province dropped by 2.4 percent last year, and the

Conference Board is now predicting that it will drop a further 2 percent, two full percentage points. I would like to ask the Finance minister why.

* (1350)

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, as one employer in the province, but certainly not as the only employer in the province, maybe the member would like to ask that question indeed of the employing companies and industries in our province. Maybe he would like to ask them whether or not the government of Manitoba is on the right course in doing what it has been doing over the course of the last four or five budgets.

If he had the courage to ask the business community, the people who for the most part create the jobs in this province, he would be told in no uncertain terms, Mr. Speaker, that the course and the path being followed by this government is the only path that can be followed. It is the only one, given the fact that government no longer has the capacity to go and borrow, in an unlimited fashion, money.

Now, the member says there is a \$500 million deficit, Mr. Speaker. The reality is that is equivalent—it is a \$300 million deficit, but indeed the \$500 million that he talks about is basically the interest on the borrowings, on the debt that he accomplished and his members accomplished when they were in government.

So I say to the member that when he says why, I think it would be better that he put that question to the major employers of this province, the business community, and they will tell him it is because we are in a recession. It is because the U.S. trade figures are not picking up in a fashion that is needed to bring us out of the recession that we all would like to be out of.

Mr. Alcock: If we are coming out of the recession, why have we lost 15,000 jobs in the first quarter of this year, and why is employment in this province predicted to drop another 2 percent?

Mr. Manness: Mr. Speaker, the answer is the same. There is major restructuring going on in industry. There is major competitiveness coming to a point where, indeed, production is being maintained at levels necessitating in some cases fewer employees. That is part of the restructuring that is taking place.

It is unfortunate when one looks at the impact on employment numbers, but that is obviously one of the results of the restructuring that has taken place to put our firms on a competitive footing vis-a-vis other jurisdictions in a North American context.

Mr. Speaker, the other solution, of course, was to follow what the member opposite would have us do, and that was to build these massive walls at the border and try to supply only ourselves under the belief that because we were Canadian or Manitoban, somebody outside of this jurisdiction would buy our goods because we were nice people.

The reality is, it does not work that way. You either produce a product that is competitive, or indeed you do not produce at all.

Retail Sales Tax Statistics

Mr. Reg Alcock (Osborne): Mr. Speaker, I wonder if the Finance minister could share with us his retail sales tax increases for the first quarter.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I do not have those numbers with me at this point in time. I am prepared to share that information with the member, and I will report to the House this week.

Trucking Industry Operating Authority

Mr. Daryl Reid (Transcona): Mr. Speaker, motor carriers' operating authorities are privileges given by the province to legitimate trucking companies in this province. Since at least 1990, a Winnipeg firm has been impersonating a motor carrier in Manitoba. This company has no trucks and no authorities to operate in Manitoba, yet has been listed on bills of lading as a carrier, enabling them to operate and collect carrier fees from customers.

My question is for the Minister of Highways and Transportation. Why has this minister allowed this illegal practice to continue, costing Manitoba jobs and legitimate Manitoba trucking companies business opportunities?

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, we have the Motor Transport Board that adjudicates the licences and authorities basically that are issued in this province, and I have to indicate my strong support for the chairman of the Motor Transport Board who has done a very capable job for many years.

If there is a specific issue that the member wishes to address, I certainly would welcome the particulars and get the information for him.

Mr. Reid: I will be pleased to share this information with the minister.

Since this minister has the power to act, why has the minister's department been allowing out-of-province carriers to lease their operating authorities to nonauthorized companies?

Mr. Driedger: Mr. Speaker, I am not aware of what the member is talking about, but I am prepared to take the issue up with the chairman of the Motor Transport Board to find out exactly what is going on.

I also want to indicate at this time that the Motor Transport Board and the position of the Manitoba government has been very consistent in terms of protecting the interests of our carriers—I think seven out of 13 national carriers that are headquartered in Manitoba. We are very possessive in trying to protect that kind of industry for Manitobans.

Mr. Reid: That is why I raise these questions, because those jobs are so important to Manitobans.

Will this minister ensure that these companies that are operating without authorities in this province of Manitoba will not just receive \$250 fines, but the full force of the law will be brought to bear on these companies that are operating without authorities in this province, Mr. Speaker?

Mr. Driedger: Mr. Speaker, as I indicated, I am prepared to take this issue up with the chairman of the Motor Transport Board, and whatever the law will allow to be done, we will make sure that it is addressed that way.

* (1355)

Manitoba Housing Authority Internal Audit

Mr. Doug Martindale (Burrows): Mr. Speaker, for several weeks now, the Minister of Housing has had the results of an internal audit of the former Winnipeg Housing Authority on his desk. Now it is part of the Manitoba Housing Authority.

I would like to ask the minister: What was in that internal audit, and what is he doing about it?

Hon. Jim Ernst (Minister of Housing): Mr. Speaker, perhaps the member for Burrows would like to expand upon what internal audit he is referring to.

Mr. Martindale: Well, if I am allowed another preamble, I could tell the minister this is an audit of overtime that was done because four employees claimed \$11,000 in overtime, but because concerns were raised, the overtime was not paid.

His department did an audit. I would like to know what recommendations or findings were made and what action was taken.

Mr. Ernst: Mr. Speaker, the matter the member refers to came to my attention several weeks ago. At my request, the internal auditor looked into the situation and found no wrongdoing and made certain recommendations as to payment of overtime. It was my decision, along with the senior staff of the department, to not pay any overtime.

Mr. Martindale: I would like to ask the minister why no action was taken against these employees, since it is my understanding that logs were kept, after the fact, of overtime and that people were duplicating requests for overtime of hours not worked, and yet three of those four employees were promoted to the new Manitoba Housing Authority.

Has the minister considered those facts, and what has he done about them?

Mr. Ernst: Mr. Speaker, the purpose of any auditor is to presumably look into the facts of the matter and provide that information to those in decision-making authority.

That is exactly what happened. The auditor reported, said there was no wrongdoing—no wrongdoing, Mr. Speaker—made certain recommendations with respect to the question of the overtime logs, in effect, and people promoted—no one was promoted in these situations. Three of the four employees, in fact, all four employees have positions with the new Manitoba Housing Authority after following due process of competition.

Internal Audit Tabling Request

Mr. Doug Martindale (Burrows): Since the minister says there was no wrongdoing, would he table the internal audit so that we could have a look at it?

Hon. Jim Ernst (Minister of Housing): Mr. Speaker, there are the personal interests of the people involved here, the employees who were involved and so on.

The auditor indicated no wrongdoing, so I am not prepared to expose those people to ridicule by

members opposite, particularly the member for Burrows, accusing them of something for which no proof has been garnered after an internal audit.

Mr. Speaker, that member should be ashamed of raising this kind of issue in the House.

Aboriginal Child and Family Services Public Inquiry

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, for weeks an inquest in Brandon has been hearing the very sad story of how a young boy committed suicide because he apparently was lost in the cracks of the child welfare system in the province of Manitoba.

Yesterday, Dr. Charles Ferguson, a director of Winnipeg's Child Protection Centre and a well-known authority on the issues of child protection, testified. He had some very frightening things to say. Among what he had to say—and I want to quote: that workers who challenge political leaders or local child welfare committees are frequently sacked.

Mr. Speaker, the aboriginal communities themselves have been calling for a public inquiry on the involvement of the leadership of aboriginal communities into child welfare cases.

Will the Premier now overrule his Minister of Justice (Mr. McCrae) and call for such a public inquiry?

* (1400)

Hon. Harold Gillehammer (Minister of Family Services): Mr. Speaker, the member is correct. There is an ongoing inquest in Brandon which has a number of presenters coming forward and all of us, of course, are following the details that come out from there and note a lot of contradictory testimony that is coming forward. We are in the middle of that process, and we are prepared to allow that process to take place and reach its conclusion.

I would remind the member, and I have stated before, I believe in Estimates, that I have been in contact with the Assembly of Manitoba Chiefs and, particularly, Chief Jerry Fontaine who is the chairperson of the chiefs' committee on child and family services. They had put together a task force a number of weeks ago to look at Child and Family Services' issues and, in particular, to deal with the issue of governance which I believe is one of the

problems that has been highlighted by aboriginal groups.

I have been in contact with Chief Jerry Fontaine, both in person and by letter, and while that process is going slower than I had hoped it would, certainly my attitude is to allow that process to go forward.

Mrs. Carstairs: Mr. Speaker, the chiefs have called for a public inquiry. It is this government that is refusing to convene one.

Dr. Ferguson also went on to say and I quote: Many children, and particularly aboriginal children, are suffering horribly. He said that Family Services' officials have exacerbated the problem by refusing to intervene in cases to avoid confrontations with aboriginal agencies. It, the department, in the last 10 years, has been really almost pathologically benevolent toward the aboriginal system he said, adding: Officials justify the hands-off approach because of the push for aboriginal self-government.

Mr. Speaker, self-government does not permit, under any circumstances, children to be abused.

Will this minister now investigate his own department to ensure that there is not a benevolent approach being conducted in his department toward aboriginal agencies and aboriginal agencies are held accountable, as all child welfare agencies are to be held accountable?

Mr. Gillehammer: Mr. Speaker, many of those agencies are now celebrating their 10th anniversaries. I indicated in my first answer that out of that testimony in Brandon, a lot of contradictions are coming forward, and as noted by some journalists, contradictions not only within that testimony, but also contradictions with the information brought forward in the AJI, which indicated that these were the leading child welfare agencies across this nation. I can tell you that we do have other provinces and other jurisdictions who are currently looking at the manner in which these agencies operate.

The agencies are a product of a tripartite agreement with the federal government, the native bands and the provincial government. Certainly, in the formative years, I believe, and there are those here who have more history with child welfare and those agencies than I do, but in the early years, those agencies were formed and allowed to grow under the auspices of self-government.

I can tell you in recent years and recent months that we have taken an attitude that when there are questions that come up to do with the agencies, we seriously look at them, work with the staff of—

Mr. Speaker: Order, please.

Mrs. Carstairs: Mr. Speaker, there is no contradiction in what Dr. Charlie Ferguson is saying. There is nobody in this House who will deny that this man is a clear expert in his field when it comes to issues of child protection. He says very clearly that politics is being put before the issues of child protection.

Will this minister now take some leadership and ensure that child protection is the first and only issue of his department and not political gamesmanship?

Mr. Gillehammer: I can assure you when I said there were contradictions coming out of the hearings in Brandon that I was not challenging the integrity of Dr. Charlie Ferguson. I was saying that looking at the testimony that has occurred over the last six to eight weeks, there have been contradictions.

We, and I as minister of the department, are very concerned about some of the stories that are coming out of that particular hearing. We are prepared to allow the hearings to proceed and to look at the recommendations that are brought forward at the end of those hearings. I say to the member that we have been active with the Assembly of Manitoba Chiefs which has put together a task force to look specifically at the governance issue with the agencies, but also to look at service delivery issues as well.

We have offered to work with the chiefs and with that particular committee to provide support to it, to have this task force go ahead and do its work.

Core Area Initiative Replacement Agreement

Ms. Jean Friesen (Wolseley): My question is for the Minister of Urban Affairs.

Last June, the Minister of Urban Affairs told the House that negotiations for a new Core Area Initiative were proceeding well. On December 10, he told the House that he hoped to sign an agreement of understanding within 30 days and that a new agreement would be in place by April 1. In March, he told the House that within the next little while he hoped to conclude an agreement. Last

month, the minister once again stated he hoped to conclude his discussions in the very near future.

Mr. Speaker, time is running out. Has the minister finished his discussions, and can he finally tell us when he will sign an agreement?

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, what I told the member for Wolseley the last time she asked this question was that we are not prepared to sign an agreement just for the sake of signing an agreement.

Mr. Speaker, we could have done that a year ago. We want to have the best possible agreement to provide the best possible services to the people who are the most in need. That is what we are negotiating at the present time. We will continue to do that to ensure that we have those kinds of services and the money to back them up for the people of the inner city of Winnipeg because that is our commitment.

Ms. Friesen: Is there any connection between the obvious federal desire to get out of urban affairs on a constitutional basis and the absence of a new core area agreement? Have we, in fact, been watching for the last year, Mr. Speaker, a giant confidence trick?

Mr. Ernst: Mr. Speaker, we are attempting to negotiate with our partners, the federal government and the City of Winnipeg, an appropriate agreement that will provide the kinds of services that are needed and necessary by the people of the inner city of Winnipeg.

Mr. Speaker, we are continuing to do that, and we are hopeful that we will reach a satisfactory conclusion to the benefit of all of the partners.

Public Consultations

Ms. Jean Friesen (Wolseley): Is the minister still committed to the public consultation that he promised publicly last November? Could he tell us when that will begin?

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, yes, we are still committed to a public consultation process, but until such time as we have at least the basic framework finalized, there is not much point in continuing on with raising expectations in the community.

When we have that framework realized and we have the concurrence of the partners in the

agreement, we will then conduct the public hearing process.

Impaired Driving Third-Party Benefits

Mr. Paul Edwards (St. James): Mr. Speaker, my question is for the minister responsible for the Manitoba Public Insurance Corporation.

This government has prided itself for many years for taking a tough stance on drinking and driving. However, despite this, the Minister of Justice (Mr. McCrae) and the minister responsible for MPIC have refused to do away with a loophole for impaired drivers under the MPIC regulations. Under Part 4 of the regulations, impaired drivers, unlike unlicensed drivers or drivers driving unlicensed vehicles, do not lose their third-party benefits and remain an insured for the purposes of the regulations. This means that impaired drivers are effectively dealt with more leniently than any other type of disqualified driver.

Why has this government allowed this loophole for impaired drivers to persist?

Hon. Glen Cummings (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): Mr. Speaker, I am not sure that I agree with the interpretation that this is a loophole.

Mr. Edwards: This matter was brought to the attention of the Minister of Justice some two years ago, and he indicated that he would be reporting back to the House. I assume the minister responsible for MPIC yet today does not have an answer to the question posed.

For the minister again, can the minister tell members of this House how many thousands of dollars have been lost because of MPIC's inability to go after impaired drivers for the damage that they cause on the highways, which right they do not have under the MPIC regulations, a right that they have for other unlicensed drivers but not those driving while impaired?

Mr. Cummings: Mr. Speaker, no, I do not have that number at my fingertips, but I could certainly attempt to get it.

* (1410)

Mr. Edwards: Can the minister give this House any reason, any rationale, that he would support that would provide for impaired drivers to be treated any

less leniently than those driving while unlicensed themselves or driving an unlicensed vehicle? Can he give any reason to support that exception in these regulations, Mr. Speaker?

Mr. Cummings: The member has made a number of comments regarding his feeling that this is a loophole or an inappropriate coverage. The Minister of Justice and myself are more than prepared to look at any way that can go to reducing some of the willingness that people may have to drink and drive, and certainly we want that practice stopped at any cost.

There are certain principles involved in coverage of insurance, and certainly those who are involved in accidents, the recipients of damages certainly expect to receive some coverage.

I want to assure the member, Mr. Speaker, that this is not a dead issue, but I do not think it is as simple an issue as the member would like to characterize it.

Dauphin Lake Advisory Committee Funding

Mr. John Plohman (Dauphin): Mr. Speaker, I have a question for the Minister of Natural Resources.

Following on the groundwork that was done by the previous government, the current Minister of Natural Resources appointed the Dauphin Lake Basin Advisory committee. Now after some three years, the minister has still failed to provide any substantive funding, even though there has been a great deal of dedicated work done by these volunteers with an awareness centre with low cost, Mr. Speaker, but certainly monitoring of water quality, a number of good things have been done with very low budget. The minister has avoided any pressure because of the management basin plan that is being prepared.

I want to ask the minister whether he could indicate when he expects to receive the Dauphin Lake management basin plan, and what funding sources he has identified in his budget for this year, so that projects identified in that plan can begin immediately.

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, I welcome the opportunity of speaking about the good work that is being done in the Dauphin Lake area. It really and truly is one of the better examples of this

government's commitment to improving our natural environment, the Department of Agriculture working together with the Department of Natural Resources, local farmers working together with the local community and the various interests around Lake Dauphin, cottage owners, fisheries as well as the sports people.

I had a meeting just last week with the senior Water Resources official, Mr. John Toews, with whom I think the honourable member is acquainted. We are awaiting specific budgetary proposals very shortly, and I will be calling on my colleagues, notably the Minister of Environment (Mr. Cummings), perhaps with the special Environmental Innovations Fund to be of assistance again, as he was in other years, along with programs out of his Special Conservation fund and those of my department. I expect to have some information for him shortly.

Mr. Plohman: Mr. Speaker, how does this minister hope to maintain any credibility with the board when he has cut even the meagre support he has given them by cutting a half-time clerical position effective May 31? How can he maintain credibility with the dedicated volunteers on that board when he is cutting even that small amount of support?

Mr. Enns: Well, Mr. Speaker, it was my intent, and I am going to carry out my intent, because I did want to commend the honourable member for Dauphin and thank him quite frankly for the support that he has given my ministry, my government, in our attempts in improving the situation at Dauphin, and we are making progress. I would simply ask him to continue that support.

A half a clerical position is not going to improve the water quality of Lake Dauphin. Half a clerical position is not going to necessarily improve a major problem on some of the tributary creeks, rivers and streams that bring the sediment into Lake Dauphin. I know the honourable member understands that. What I have to do is to bring together the resources so we can impact on the field in a way that the Dauphin Lake Advisory committee wants us to, Mr. Speaker.

Mr. Speaker: Time for Oral Questions has expired.

Nonpolitical Statements

Hon. Harold Gillehammer (Minister of Family Services): Mr. Speaker, I seek leave to make a nonpolitical statement. [Agreed]

Mr. Speaker, I am rising in this House to recognize National Missing Children's Week in Canada. As all members are aware, one can pick up a newspaper on any given day and see that virtually every day, week or month has some national significance. However, as we are also aware, most, if not all, pale in comparison to this.

No one can ever truly know the horror, loneliness, suffering and the heartache of all involved when a child is missing. It is every parent's worst unspeakable nightmare. Organizations such as Child Find Manitoba and its counterparts that exist throughout Canada and North America have done and continue to do a great deal. Their work is known and respected by all involved.

Suffice to say that Child Find Manitoba has touched the hearts of many Manitobans already. Sometimes the result is positive and sometimes the ending is one of tragedy. However, the one dominant fact is that clearly a great deal remains to be done. This week, Child Find Manitoba launched their Green Ribbon of Hope campaign to highlight National Missing Children's Week. Unfortunately, what precipitated the green-ribbon initiative was the recent tragic death of Kristen French in Ontario.

Child Find Manitoba began in 1985 with several objectives: to assist parents in locating abducted or runaway children; to educate parents, children and related agencies in prevention-awareness techniques; to provide support to grieving parents; to create an awareness of the problems associated with missing children in Canada; and to support the maintenance of a national registry of missing children that was set up by the RCMP in 1986.

Child Find Manitoba has a small staff supported by about 70 volunteers who assist with public education, fingerprinting of children and fundraising. I am sure all of us would love to see a day when organizations such as Child Find are not needed. However, the grim reality is that they are needed more and more with each passing day. I would like to read the proclamation for National Children's Week because it speaks to us all.

WHEREAS over 50,000 children are reported missing each year in Canada; and

WHEREAS Manitoba children and their families are also victims of this tragedy; and

WHEREAS increased awareness of the problem is needed to help reduce the incidence of missing

children as well as to help locate missing children; and

WHEREAS this is a community issue, not just a family issue; and

WHEREAS this week is set aside to rekindle new hope in search of missing children.

THEREFORE it has been proclaimed that the week of May 25 to May 30, 1992, is Missing Children's Week in Manitoba, and all Manitobans are urged to remain vigilant in our common desire to protect and nurture the youth in Manitoba.

Mr. Speaker, I would ask all members and indeed all Manitobans, private citizens, community groups, unions and the corporate community to not only support Missing Children's Week, but to get involved and help out wherever possible.

Ms. Marianne Cerilli (Radisson): May I have leave to make a nonpolitical statement? [Agreed]

I would like to join the Minister of Family Services in recognizing this week to raise awareness about missing children. The term "missing children" would lead one to think that most of the missing children are missing because of abduction, but the fact is, although this is a troubling issue no matter what the conditions, most of the children who are missing are missing because they are runaways. I think it is important that we realize there needs to be services available so that these children, when they do run away, have a place to go.

I would like to recognize the work of Child Find in trying to help with the problem of missing children, but there is also the need to recognize that there are other services that are required for children who are runaways. Thank you.

Mr. Reg Alcock (Osborne): Mr. Speaker, I wonder if I might have leave to make a nonpolitical statement. [Agreed]

A friend of mine who was a social worker, worked first with the Child Guidance Clinic and then in the south end of the city, used to talk about "disposable" children. He defined them as the children of families who were under such enormous stress today through two parents working, repeated divorces, remarriage, blended families and all of the things that we have become so aware of. This leads, as the member for the New Democratic Party just mentioned, to a tremendous increase in runaways, a weakening of the attachment to home and family.

But there has also been a more troubling phenomenon, and that is parental abductions, where kids are actually taken in defiance of legitimate orders of supervision and guardianship, and to a lesser but, unfortunately, growing number of third-party abductions, where people are actually stealing particularly very young children and incorporating them into their own family.

What Child Find does, Mr. Speaker, is mobilize the community, remind us that these circumstances exist, that these kinds of issues need to be confronted by the community. I think all of us in this House owe them a vote of thanks, and we need to congratulate them for the work they do. Thank you.

* (1420)

House Business

Hon. Clayton Manness (Government House Leader): Before I move the Supply motion, I would like to change the sequence for consideration of Estimates. I have discussed this with the opposition House leaders.

I move, seconded by the Minister of Northern Affairs (Mr. Downey), that the sequence for consideration of Estimates as outlined in Sessional Paper No. 72, tabled on March 20, 1992, be amended in order that the Estimates of the Aboriginal Justice Initiatives, to be considered in the Chamber, follow the Estimates of the Department of Justice; and that the Estimates of Native Affairs, to be considered outside the Chamber, follow the Estimates of Northern Affairs.

Mr. Speaker: Does the honourable government House leader have leave?

Mr. Manness: By leave of the House.

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, I just want to indicate that there may be some other adjustments needed to be made. I know there are some difficulties with some upcoming departments, but we certainly have no problem with joining those two departments.

Motion agreed to.

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I move, seconded by the Minister of Northern Affairs (Mr. Downey), that Mr. Speaker do now leave the Chair and the House

resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to, and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Agriculture, and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Education and Training.

* (1430)

COMMITTEE OF SUPPLY (Concurrent Sections)

AGRICULTURE

Mr. Deputy Chairperson (Marcel Laurendeau): Order, please. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates for the Department of Agriculture.

When the committee last sat, it had been considering item 4.(c) Veterinary Services Branch on page 16 of the Estimates book.

Mr. John Plohman (Dauphin): Just for the record, the minister had some information from MACC, I believe, that is being prepared. Is it ready now or are we going to get it later today or when?

Hon. Glen Findlay (Minister of Agriculture): The information that was requested that we committed to last night, it is not fully ready yet. It may be ready during the course of the afternoon, but I have here what I will table is terms of reference for the Red Meat Forum which we had indicated we would give out last night.

Mr. Plohman: I wanted to ask the minister, briefly, what the current status is of the Larry Williamson game farm and involvement by his department in the health of the animals there.

Mr. Findlay: Since approximately last September, we have done something like six to eight inspections under The Animal Diseases Act, and we continue to do those inspections as warranted.

I believe there have been two inspections in the last two or three weeks.

Mr. Plohman: Are there any orders being issued insofar as the operation and time lines being given to the operator?

Mr. Findlay: Over the course of that period of time, Williamson was operating, then two fellows by the name of Rehman and Wallace came in and operated it for a period of time. They seem to have left the scene and Williamson is back as the operator. No orders have been issued to Williamson at this point in time.

Mr. Plohman: Then the latest inspection, since Larry Williamson is back in charge of this, is that, what I gather from the minister, they have taken place since he has been back and everything is satisfactory as far as staff is concerned?

Mr. Findlay: Since Williamson returned as operator, two inspections have been done, one as recently as this past weekend. Undoubtedly, additional inspections will be occurring.

Mr. Plohman: The minister may know that this has created a great deal of interest in the area, and so the local media as well are very interested in this issue at all times. They seem to be wanting to know what is happening, and there does not seem to be a lot of information. Everyone is groping to find out whether this game farm is going to continue to exist or whether it is being closed down, so that is why I asked the questions.

In that context, is the minister indicating that there have been certain instructions given to comply with certain regulations from his department's point of view? I realize Natural Resources is also involved, but in terms of his own branch here, the Veterinary Services Branch under The Animal Diseases Act, that there have been orders issued and that time is being given for compliance. Is that why the minister said there would be further inspections to see what progress has been made? Is that really what has happened?

Mr. Findlay: Staff are at the present time evaluating the information that they gathered in the last two visits, and we will be monitoring the situation carefully over the next few weeks and will undoubtedly, in time, be making recommendations.

Mr. Plohman: So am I to understand that there are not specific recommendations as this was just simply a fact-finding inspection as opposed to direct orders at that particular time? After analysis of what was gathered, then there may be some orders issued, but up to this point there are not, just fact finding?

Mr. Findlay: In the course of the visits, there has been verbal communication, but nothing in the way of orders given at this time. As the member indicated, basically fact finding and information garnered in those fact-finding missions is being considered and discussed and appropriate considerations that will be given over time.

Mr. Plohman: Just leaving this issue, but before I do, in terms of the enforcement of any orders, is it by way of fine? Is that what enforcement lies under The Animal Diseases Act?

Mr. Findlay: Yes, under the act, fines can be levied, charges can be laid under the Criminal Code for cruelty to animals, and thirdly, the animals could be seized if that was deemed appropriate. So those are three actions that could ensue.

Mr. Plohman: Then none of those actions have been taken to this date, I gather from what the minister has said?

Mr. Findlay: That is right.

Mr. Plohman: Mr. Deputy Chairperson, moving on to the couple of issues that relate to The Animal Husbandry Act, changes that are being proposed in the Legislature by the minister as a result of actions taken last year involving the Semen Distribution Centre, I guess all references to that in the act are being removed this year as a result of the privatization of this centre.

* (1440)

For the record, to refresh my memory and record, how many employees were involved last year that were in government employ that were terminated as a result of the privatization of this function of the Semen Distribution Centre? Could the minister report on what the activities are of the new operation in terms of employment and economic activity in the province?

I ask those questions for both the Semen Distribution Centre and the vet services lab, keeping in mind that the minister had given as one of his rationale in making the decision last year that this was a function no longer required to be in by government and basically a good economic opportunity for a private-sector company in Manitoba who could actually thrive in this business and perhaps expand it in terms of employment opportunities and economic activity.

So if I am correct in saying that was one of the major reasons that the minister mentioned, which I

believe it was, I am attempting to determine at this point whether in fact that has happened in this province as a result of what the minister did last year.

Mr. Findlay: Yes, the Semen Distribution Centre, prior to our privatizing of it, we estimate we were doing 50 percent, maybe 60 percent of the semen business in the province, and the private sector was doing the rest.

ABS and Western Breeders were the big players at that time. Western Breeders purchased the Semen Centre, and at that time there were three staff in the Semen Centre. Western Breeders now have four staff in the province, we understand two in Winnipeg and two in Souris.

Mr. Plohman: How many did they have prior to the purchase in the province?

Mr. Findlay: We believe two, and one of the staff members that was in the Semen Centre, a Mr. Klagenberg, is now the Manitoba agent for Transfer Genetics. So, you could basically say one has gone and been employed there, and if you take the difference in the number in Western Breeders from two to four, there is two more positions. But Transfer Genetics were not a force in the province until Mr. Klagenberg went into their employ.

Mr. Plohman: I was asking, I guess, about the Vet Services Lab and the Semen Distribution Centre. The minister has said that there were three positions in the office. Now Western Breeders has four in the province. They had two prior. So they have gone up two, and we have lost three. So we are down one job.

He says that job could be the—what function? I am not sure what he said it was, but I would take it from what he said that that is an additional person in addition to the four that Western Breeders has in Manitoba, that this one person who has taken another position is located outside of Manitoba but servicing Manitoba, so he is mentioning this in that context?

Mr. Findlay: No, Mr. Klagenberg is in inside of Manitoba as an employee of Transfer Genetics.

Mr. Plohman: Transfer Genetics, working for whom? Transfer Genetics is the company?

Mr. Findlay: Yes.

Mr. Plohman: Oh, I thought that was the function.

Mr. Findlay: No, that is the company.

Mr. Plohman: In competition with what?

Mr. Findlay: In competition with Western Breeders and ABS.

Mr. Plohman: Okay, but clearly for Western Breeders function, that is not a relevant factor for them. I mean, the person had an employment opportunity, was working for the government, got a job in the private sector but not with the company that took over. So it is not really relevant for the issue here.

What we have done is lost a job in Manitoba under his privatization. Is the minister saying that the person who was hired by Transfer Genetics is a direct consequence of the privatization of the Semen Centre? Otherwise, I do not understand the relationship, him mentioning this in the first place.

Mr. Findlay: In terms of jobs in the semen business in Manitoba, when he is working for Transfer Genetics he is in the semen business in Manitoba. That position with Transfer Genetics, as far as I know, did not exist prior to Mr. Klagenberg going into their employ and working in Manitoba. So that created another position in the semen business in Manitoba, as a result of or as consequence of, however you want to look at it.

Mr. Plohman: Okay, it could be argued that they saw an opportunity that they might not have seen if Western Breeders was not competing against them in terms of their ownership of the Semen Centre. I think that is questionable as to whether that could have happened either way. It may have just been time for that to happen. This other company wanted to expand. Obviously they did not get the business that the Semen Centre had. Western Breeders got that business. Or did Western Breeders lose some of that business to other companies, to competitors? Is that what the minister is intimating by this suggestion that this job was a result of his privatization of the Semen Centre?

Mr. Findlay: Just to restate what I have already said, in the semen business in the province prior to the privatization, really ABS and Western Breeders were competing with the government, so to speak. The Semen Distribution Centre was handling the semen material from Transfer Genetics. When the privatization occurred, Transfer Genetics decided to market their commodities directly in the province and have done it through hiring one of the employees of the former Semen Distribution Centre.

With regard to the Drug Centre, under the provincial ownership there were eight full-time positions. Now under the ownership of the vet co-operative there are 10 full-time positions and one part-time. So you might say that as a consequence of that privatization, there are two full-time and one part-time positions created.

* (1450)

Mr. Plohman: Where is this vet co-op—is that what it is called now? Where is it located, the 10 positions that the minister talks about and the one part time?

Mr. Findlay: Yes, they are operating under the name of Midwest Veterinary Co-operative and they are located on Lagimodiere here in Winnipeg.

Mr. Plohman: Mr. Deputy Chairperson, to the minister, is this a new company formed for just this purpose, or is this an amalgamation of a previously existing company that was in this business with the co-operative?

Mr. Findlay: It is a new co-operative consisting of 88 practising veterinarians in the province of Manitoba.

Mr. Plohman: Mr. Deputy Chairperson, when did they begin their operations, and what did they get in terms of inventory, supplies and equipment and so on from the government?

Mr. Findlay: The co-operative went into business on September 15, and they purchased the inventory and equipment from the government.

Mr. Plohman: Yes, Mr. Deputy Chairperson, purchased that at the normal purchase price or selling price of these drugs, or was it a discounted clearing price?

Mr. Findlay: The drugs were purchased at book value and the equipment at a depreciated value.

Mr. Plohman: Is the department doing any follow-up monitoring of this operation as a result of it taking over a major function of the government, in its infancy at this point? Is there any follow-up?

Mr. Findlay: Yes, department staff have been in close contact with the co-operative but there have been no complaints and no reason to do anything other than discuss with them, or work with them in any fashion they may request. There is no need for any analysis or no complaints to follow-up.

Mr. Plohman: So there is no regulating of their operations in any way. They are just operating as a free business?

Mr. Findlay: The co-operative is purchasing drugs in bulk from various suppliers and selling them directly to the veterinarians. In the case of the vet districts clinics, that we have the vet services commission and the veterinarians negotiate the markup that will be charged in the clinics on the drugs that are purchased from the co-operative.

Mr. Plohman: How was that markup regulated prior to the takeover? I imagine there was a small markup by the government in order to bring it close to a break-even operation. We had our big discussion last year about whether they were breaking even or not, but it was certainly not at a great cost so there must have been some markup on those drugs by the government upon sale, or some markup allowed by the vets in the sale as well.

But did the government tell them how much they could mark it up or is this a new function?

Mr. Findlay: Yes, there was a markup in place between the Drug Centre and the veterinarians which was 6 percent for animal health, food animal products and 10 percent for pets. As I said earlier, the markup that the vets put on the product when they sell it to the producers in the government vet clinics is negotiated by the commission with the veterinarians.

So those same two procedures still operate. The markup between the co-operative Drug Centre and the veterinarians, we believe, is now around 10 or twelve percent, very comparable to Saskatchewan and Alberta.

Mr. Plohman: So what we are seeing here then is initially the co-operative having to mark up its drugs after it purchases them in volume and sells them to the various vet clinics. It has to double the markup for large animal drugs as opposed to pets here. We are talking 6 percent to 10 or 12 percent.

So in fact the markup is now almost doubled, if I am hearing the minister correctly, and the price that the vets set when selling to the farmers would probably be very similar with the exception of this 6 percent. The markup that they would have would be set using the same mechanism that was in place before, so there still is some regulation there. Would that be under The Veterinary Services Act?

Mr. Findlay: The procedure that the commission uses for negotiating the markup in the clinics is the same now as before. The buying policy of the co-operative with the private drug companies, we do not know at this time whether they are buying at the same price or lower or higher. We would have to assume probably very similar to the buying policies used by the Drug Centre when it was under government ownership.

* (1500)

Mr. Plohman: Are any of the employees who were doing purchasing with government now working for the co-operative and therefore bringing their experience and contacts with them?

Mr. Findlay: The co-operative now employs three of the people who used to be in the employ of the Drug Centre. One Brian Lezak was the major buyer, and he is their major buyer over at the co-operative. Harry Singh was in charge of warehousing and is in the same capacity with the co-operative, and a Rick Landon worked with Harry Singh and is also in the employ of the co-operative.

Mr. Plohman: Has the department done any monitoring of wholesale drug prices to determine what kind of an increase we have seen in prices generally this year from last? The price the farmer pays, retail.

Mr. Findlay: There has not been any specific monitoring of retail prices across the province. The general belief is that they have moved up marginally, probably still in a general sense slightly lower priced than, say, Alberta or Saskatchewan. There is another business that is actively selling drugs directly to farmers in the province that is creating, it is probably safe to say, considerable competition for the veterinarians in terms of selling drugs. So that competition is also keeping a lid on any potential increases. What our understanding is is that this competitor buys direct from drug companies and then sells direct to producers.

Mr. Plohman: Did that competitor not exist prior to the turning over of this operation to the vets, and what is the name of the company that is involved?

Mr. Findlay: Yes, the competitor is Weiller & Williams of the Winnipeg Livestock auction mart. They have been in the business for some period of time, but since they built the new facility out on the Perimeter north of the city they have become much more active, and we believe, you know, much more

active in recent time. They have become a fairly significant competitor in that business. But that is who they are and that is where they are located.

Mr. Plohman: Can the minister foresee at this time or plan or contemplate any changes to The Veterinary Services Act to reflect the changed environment with regard to this business at this time—any regulation that he would foresee?

Mr. Findlay: No, no changes to the act are contemplated because of the privatization of the Drug Centre. Naturally there continues to be some request from the veterinarians to look at the act. That is sort of an ongoing process, but no changes are being contemplated relative to the Drug Centre.

Mr. Plohman: So I am to understand that the minister does not have a mechanism for monitoring the retail prices and has no plans to put any in place nor to regulate those prices. I think of it in terms of what has happened with the pharmaceutical drug prices since the patent laws have been tightened up, I guess you could say, or there is a greater patent protection for the name-brand companies in Canada. They said at the time, when that act was passed federally, there would be no increases in drugs and yet experience has shown that there has been an increase of about 11 percent a year over the last five years, about 55 percent in that same time period and maybe inflation was around 20 percent. So there was a rather large increase.

In this situation it is possible that drug prices—although the minister said there is competition with this other operation right now, it remains to be seen how effective that competition will be in all instances, in all situations in the province. So there could be some increases, and I just wondered whether the minister had any plans to monitor at any time what is happening in that industry. Of course, it would be premature to say if there would be any need for any regulation, but the monitoring seems to me to be a critical thing, at least in its formative stages. Yet, the minister has not monitored. He said, it is general wisdom that it has probably gone up a bit, but it is still lower than Saskatchewan or Alberta. Does he intend to do anything, a little bit, on a pilot basis even, spot checking, or anything?

Mr. Findlay: I guess we would say there are two functions going on: No. 1, there is the marketplace regulation which we have already talked about; and the other, which we have already talked about, is the

role of the commission in negotiating markup with the veterinarians in the vet districts.

* (1510)

That does not put any regulation directly on the private vets, but in competition it is pretty tough for them to sell drugs at a higher price than what the farmer can buy them at at the vet district clinics. So there are the activities of the association, plus there is the competitive marketplace for the private vets, and the competitive marketplace of Weiller & Williams being in the business of selling drugs directly to farmers.

We will certainly be keeping an eye on what is going on and be listening to input from various red meat commodity associations, whichever has an interest in drugs, as to how the scene unfolds. But at this time, we are not proposing any additional monitoring, other than what the commission is doing, the vet commission.

Mr. Plohman: Is Weiller & Williams able to provide competition throughout the province or is this rather localized, around Winnipeg to the greatest extent?

Mr. Findlay: Our belief is that he is doing business all over the province. Obviously, the majority of it may be within 60 or 100 miles of the city. But cattle are coming to this auction mart from all over the province and being sold from that auction mart to all over the province. So there is a contact with producers.

Undoubtedly, he is in the process of trying to have dealers elsewhere in the province. Whether he is successful or not remains to be seen, but we believe he has an influence over the vast majority of the province.

Mr. Plohman: Does he have a truck distributing these drugs travelling throughout the province or is this all done from a store, a warehouse at the facility at the Perimeter?

Mr. Findlay: To the best of our knowledge, it is just done out of the auction mart on the north Perimeter.

Mr. Plohman: I would suggest that it would probably be limited in terms of the impact it is having right now. The minister may choose to differ, although we would have to explore this further to find out.

What is the role of generic drugs in this field? Is there a lot of competition in that area?

Mr. Findlay: There are very limited generics available. It is primarily trade-name drugs that are sold in the marketplace, very few generics.

Mr. Plohman: Is the pricing policy the commission negotiates with the vets a standard one across the province, or do they allow some variance in the prices from location north to south or east to west or whatever?

Mr. Findlay: The commission negotiates with representatives of the 31 vet clinics and what they negotiate with those vets is the same right across the province in all the clinics.

Mr. Plohman: Just on the Semen Distribution Centre then. We have covered some of the methods used in the vet services in the lab with drugs—drug lab. What is the practice and procedure in the Semen Distribution area now without the government being involved in terms of pricing and availability? Has there been any follow-up as a result of privatization there by the staff?

Mr. Findlay: The semen business is very competitive and from our knowledge it would look like the cost of most semen has come down. The very high profile sires may not have come down, but the majority of semen has come down in price. The charges that the technicians are applying for their business is much the same as it has been. We are not aware that it has gone up, but the general cost of semen on average has come down because of the competition.

Mr. Plohman: Is there the same type of markup from the Semen Distribution Centre? The Drug Centre used to have a 6 percent markup, as the minister relayed to us today. Was there that kind of a markup with the Semen Distribution Centre when it was owned by the government?

Mr. Findlay: Yes, when we had the Semen Distribution Centre, we had a markup in place which was around 10 percent, and the technician had a markup of around 20 percent. We are no longer in the business, so either the technician or the producer buys directly from Western Breeders or ABS whereas we used to buy from ABS or Western Breeders and then put the 10 percent markup on, and then the technician put his markup on.

As I said earlier, the technicians markup charges are much the same, we are no longer there as a middleman, so that is undoubtedly why the producer is actually acquiring the semen a little bit cheaper

now than he was before. So the same semen is available direct now as opposed to through the Semen Distribution Centre where we act as a middleman. When we were there as a middleman, as I said earlier, 40 or 50 percent of the business was being done direct from the companies to the producer or to the technician.

Mr. Plohman: Yes, just a question whether there were any volume discounts that the Semen Distribution Centre received as opposed to an individual producer or even technician purchaser. That has not been addressed in the minister's answer in terms of whether the Semen Centre—you did say, Mr. Minister, that the prices have dropped slightly because it is very competitive. So I will accept that on face value, but on exploring that further, I would question it in terms of whether the Semen Centre, even though they were a middleman, so to speak, were able to purchase because of the volumes at a discounted price from ABS, as opposed to what the individuals can now purchase from ABS.

Mr. Findlay: When the Semen Distribution Centre was in operation there were no volume discounts. We understand that that is still the same way it is, whether a technician buys 10 straws or 100 straws, he is paying the same price per straw. We were not, in the semen distribution business, able to obtain volume discounts.

Mr. Plohman: That is interesting, Mr. Deputy Chairperson. I will turn this over to the Liberal critic at this time.

* (1520)

Mr. Nell Gaudry (St. Boniface): In the expected results you say you hire veterinary students to provide them with experience and to encourage the return to rural practice after graduation. How many students do you hire in the course of a year?

Mr. Findlay: Students have a four-year program at Saskatoon, and prior to that they put in at least two years, either there or two years or more here at University of Manitoba, Faculty of Agriculture, to get into the first year here.

For students who have completed that, what we call the first year in Saskatoon, the first year of vet training, we have hired seven students whom we either paid out of the budget or out of the STEP program for a total of 13 weeks of work and assigned to various districts around the province. The

second year we hired four students for 13 weeks, and they will be paid nine weeks out of our budget and four weeks by the vets involved. In third year there were 10 students involved; they were paid five weeks either through the STEP program or through the budget and eight weeks by the veterinarians, again totalling 13 weeks. So in each of the three years there are a number of students working for 13 weeks in the province paid partly or wholly by the government to work in various clinics around the province.

Mr. Gaudry: Since you started that program, you have not had any graduates yet that have gone back into the rural to practise in one of the clinics in Manitoba?

Mr. Findlay: This program of hiring them during the summers after the first, second and third years has been ongoing for some time, so many of the students who have been hired as summer students have come back into the province, either working as a veterinarian in the clinic or as a veterinarian in a private practice. We have had lots of them come back. We cannot give you numbers, but it adds obviously a work experience opportunity for these students, and hopefully it attracts them to come back and take up a practice either in a clinic or as a private vet in the province.

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

Mr. Gaudry: You feel it is very successful in respect to hiring them and then trying to convince them to go back and practise in the rural areas?

Mr. Findlay: I think what the member for St. Boniface is probably referring to is the scholarships that are in place. There are the scholarships, and then there is the summer work experience.

In the scholarships, they can receive a maximum of \$750 a year over the course of four years, in other words, a maximum of \$3,000. If they come back to the province and work in a rural practice, they work it off, whatever the scholarship was that they had received over the four years, at the rate of 20 percent a year. So they come back and work in a rural practice for five years; they work off the value of their scholarship which could have been as much as \$3,000.

In the 1991 graduating class, there were four students who had scholarships totalling \$3,000, \$2,400, \$2,100, and \$2,550 that returned to work in

rural practices here in Manitoba and obviously are in the process of working off their scholarship.

Mr. Gaudry: The famous question of decentralization: Out of this department, have there been any employees who have been decentralized to rural Manitoba?

Mr. Findlay: No, there have been no jobs decentralized out of vet services.

Mr. Gaudry: In appropriating grants, there is an amount of \$516,900. Is that part of the grant, and how is it distributed to the clinics? Is it according to their requests or to the government's proposals?

Mr. Findlay: For the 31 clinics in the province, the maximum grant they can achieve is \$20,000 per year. It is allocated by us on the basis of \$15,000 for the first veterinarian, and an additional \$5,000 for the second veterinarian. They can only get that grant or that amount or a portion of that amount based on the contribution from the municipalities.

If the municipalities put up a full \$20,000, we will match it. If they put up \$15,000, and they have one vet, we will match it. If they have two vets, and they put up \$17,000, we will match the \$17,000. In terms of the budget available for the grants, last year was \$488,900; this year it is \$493,400. But we match what the municipalities will put up to a maximum of \$20,000 per year for each of the 31 clinics.

Mr. Gaudry: Yes, one last question. In the allowance for staff turnover \$27,700, was that someone who retired and hired someone at the lower scale?

Mr. Findlay: Yes, that allowance is not for specific retirement but cases for where people will be leaving our employ and will be replaced by other staff, maybe at a lower salary or there will be a period of time in which there is nobody in the position—obviously, we save salary dollars. So it is actually our projected saving because of the turnover process.

Mr. Plohman: Just briefly on the situation in Alonsa. Could the minister give us an update of the vet services situation there?

* (1530)

Mr. Findlay: The Vet Medical Board will be holding a formal inquiry sometime not far down the road. The veterinarian, Dr. Thompson, received a court injunction to allow him to continue to practise until

that formal inquiry occurs or until the end of June. That is our understanding at this time.

Mr. Plohman: So, Mr. Acting Deputy Chairperson, he is continuing to function there until the end of June or until some other court decision affects it. They have full-time services of a vet at Alonsa now, or is it restricted as a result of certain charges that have been laid?

Mr. Findlay: Our understanding is it is for emergency-related services that are requested but, as I said, it is not for a subsequent court action. The court injunction is in place until the vet medical board has held the formal hearing to review his case. We expect that to occur in the next number of weeks.

Mr. Plohman: How many districts are without vets right now? What is the outlook for replacing the vets if there was a decision made that he could no longer practise, for example, and they would then be without a vet? Are there any other districts that are short vets right now?

Mr. Findlay: Over the last few years, it has been relatively common to have a clinic or two or three in the province actively searching for a veterinarian. At this point in time, St. Lazare is without a veterinarian. Selkirk Clinic is in the final stages of winding down, and Lac du Bonnet is in the process of winding down their clinic.

Mr. Plohman: Mr. Acting Deputy Chairperson, the minister is saying that two clinics are going to close, because they do not have. Is that what the minister means by Selkirk and Lac du Bonnet winding down, that they are not going to operate and offer services any longer as a result of a shortage of vets?

Mr. Findlay: In both cases, Selkirk and Lac du Bonnet, a decision to move towards winding down the clinic was a local decision by the local board and the local councils. In Selkirk, there are private vets in operation in the area. Obviously, a decision was taken by the board and the councils that that was adequately servicing the area and there was no need for them to be putting money into a clinic. If they are not doing it, then naturally they do not draw our matching money.

In Lac du Bonnet, my understanding is that there was considerable difficulty over time attracting a veterinarian there. So they are proceeding in the direction of probably winding it down.

Mr. Plohman: So these are part of the 31 that the minister mentioned, not necessarily 31 locations, but 31 vets or 31 clinics.

Mr. Findlay: When I referred to a 31, it is 31 clinics in the province. In some cases, there is more than one vet per clinic, but they were included in that list of 31.

Mr. Plohman: So, Mr. Acting Deputy Chairperson, we would be down to 29 clinics if these two were to go, and there is the St. Lazare situation and then there is the potential Alonsa situation. So I guess I just would express some alarm at the tendency maybe to close these. I wonder if this is a trend. Is this symptomatic of perhaps funding not being realistic in the modern situation that they just cannot continue to fund this service? What is causing this?

Mr. Findlay: A year ago, we set up a new clinic in Fisher Branch so that added one to the list. The funding that we put in there for the building would be about \$158,000, somewhere in that area. That was set up because they had been successful in attracting a veterinarian who was prepared to stay and was giving that commitment, and the presence of a clinic only improved the chance that he would stay.

In terms of the 31 clinics that I mentioned earlier, there are 56 veterinarians involved at those 31 clinics in large animal practice throughout rural Manitoba, but there is a total of about 100 large animal veterinarians throughout rural Manitoba. So just slightly over half of the veterinarians in large animal practice in the province are presently in the clinic situations. In other words, almost half are outside the clinics but operating as private veterinarians.

The situation in Selkirk, as I mentioned earlier, there is an adequate vet deemed to be present to serve the community. Lac du Bonnet has had a consistent ongoing problem trying to attract a veterinarian, and the local board and the local municipalities are proceeding in the direction they deem appropriate for their area.

Mr. Plohman: Yes, and I can appreciate the local decisions on that aspect. Insofar as the minister's position, though, is he in any way encouraging the winding down of these clinics and moving towards private clinics? Is this something that he is in any way actively involved in?

Mr. Findlay: No, the minister is not actively involved in any way. It is a decision by them. Our matching grant is available. If they choose to put up the money, we match it. If they choose not to, obviously they do not attract the matching money. But we are not actively involved—I am not actively involved on either side of the issue with regard to those clinics or any other clinic regarding whether they should wind up or privatize or whatever.

Simply, events unfold as events shall unfold, and in some parts of the province, clearly, there have been clinics operating for some time. A private vet can come in and set up business close to or 10 miles away, at his own volition, and producers use whichever vet they deem appropriate. Whether they use the clinic services or strictly the services of the private vet is entirely up to the producer.

* (1540)

Mr. Plohman: Mr. Acting Deputy Chairperson, we will be dealing with the weed districts, for example, maybe in the next section, and it is a matter there of funding being cut.

In this case, the minister is saying the matching grants are still there. If they are never increased, eventually it is like a cut. They are no longer relevant in terms of their ability to assist substantively the service.

So that is why I was asking the minister. I mean, he does not have to necessarily make a decision that he is going to phase it out, but he could choose not to increase the grants over successive years and eventually they are no longer relevant. So I just want to ask the minister: Have they been increased? Is there a plan to increase—they were not increased this year, I take it. When was the last time they were increased? Is there representation being made about the relevance of those grants right now, the size of them? Are they still sufficient to do the job?

Mr. Findlay: This is my fifth budget as a minister. It was either in my first or second budget—I am not sure which one—we increased the grant ceiling from \$15,000 to \$20,000. So in my term in office over the last four years we have increased it fairly substantively at some time in the past.

We are not aware of any broad request from vet districts for increases. There may be one or two that would like to see it happen, but there is not a broad request. More and more clinics are moving up close

to or at the \$20,000, but not everybody is there at this time.

Mr. Plozman: Will the minister review this again before the next budget? Will he be reviewing this \$20,000 maximum ceiling again since it will be four or five years since the last increase?

Mr. Findlay: It is our belief that the increase that I just mentioned, the \$15,000 to \$20,000, was in my second budget—in other words, three years ago. We review it every year in that budgetary process, and there was no formal request in the preparation of this budget requesting increases, but in terms of the preparation of the next budget, we will definitely be reviewing all lines as to appropriateness, or whether there is need for increases or decreases, and this will be one of them that will be considered.

Mr. Plozman: I was going to complete my question with that question when the minister talked about decreasing. Is that something that the minister is any way contemplating because he mentioned whether some have to be decreased or increased, not just increased. Of course, that is the case with the weed districts. It is not because it had to be but because government chose a certain direction and, therefore, reduced the grants over a three-year period. Is that kind of plan something the minister is asking his staff or he is personally contemplating?

Mr. Findlay: No.

The Acting Deputy Chairperson (Mr. Rose): Item 4.(c) Veterinary Services Branch: (1) Salaries \$1,373,600—pass; (2) Other Expenditures \$1,074,000—pass.

Item 4.(d) Soils and Crops Branch: (1) Salaries \$1,984,200.

Mr. Plozman: Before I ask questions about the weeds, is this appropriate section for the weed districts? [interjection] Yes.

The issue of the new compound, I think, is something that everyone is probably looking at. It is called Reclaimer-Ameliorator Polymeric Gel (RAPG). It has not got a commercial name yet, but I note that the article by Mary Ann FitzGerald in the Winnipeg Free Press of May 16 discusses this product and indicates that there is some involvement to the government through Industry, Trade and Tourism for some research into this product.

Is that more appropriately discussed under research? There is only a research grant of, I think,

\$800,000 for the University of Manitoba. That is not involved in this product, I guess. So we might as well deal with it under Soils and Crops?

Is this something that there has been any research done by experts in the minister's department up to this point in time, and any input into any research that has being done and funded by the government?

Mr. Findlay: Yes, with regard to the compound RAPG, we are not directly involved in it. About the only thing we know is that UMA Engineering has a contract. They have a scientist who is involved in the development of the compound and, to the best of our knowledge, is working with the AECL, Atomic Energy of Canada Limited at Pinawa and has some degree of grant from Industry, Trade and Tourism to further research and explore the compound and determine its capability of moisture conservation in the context of using it to improve crop growth in arid lands.

I know there has been some discussion that it may have considerable market value in the drier regions of the world, maybe even including the Palliser Triangle of western Canada, but that is all we know about it. It is in the research exploratory stage at this time and, if the compound proves out to be able to do the things it is purported to do, it will be a very promising material.

Mr. Plozman: Just on AECL's involvement and the government's involvement, is there some ownership of intellectual property in the public domain as a result of the involvement? Would there be any initiative on the minister's part to ensure that?

Dealing with a new product, which if patented privately—and I understand there is an individual inventor, so I guess he has the first options on it in terms of what or whom he sells it to, but it seems to me that there is an aspect in the public interest here in terms of what happens to that product, to intellectual property. Has the minister given any thought to this concept and this idea in terms of what would happen to the ownership and the potential options for farmers if it was held by, say, one of the large chemical companies under protection for 20 years or so. The cost could be enormous for farmers who want to have access to it. On the other hand, it might be in the public interest to have some portion of this involving the public sector through research—it is involved now—some conditions set so that farmers could get access to it at a much lower

price if it ever became marketable commercially as a product.

* (1550)

Mr. Findlay: In terms of the compound, we are not involved as a department in any fashion with the research, exploration or the contracts that exist involving UMA Engineering, Atomic Energy of Canada and/or the inventor, so I cannot comment any further.

It is an interesting compound for the agricultural industry in arid regions of the world, but I would have to suspect that the ownership lies somewhere between the inventor and UMA Engineering and/or maybe involving AECL through whatever contractual arrangements they have at this time in the further exploration of the compound.

Mr. Plohman: I think this leads to an interesting debate on this issue, and it is one that I think governments have to consider in terms of the increasing powers that are being given in terms of ownership of intellectual property. Perhaps this would not fall under intellectual property, but it seems that it does because it received the United Nations Environmental Program prize in 1990 and recognition by the Swiss-based World Intellectual Property Organization.

I do not know whether it falls strictly within that or not. Certainly, this whole area is an evolving area with new technology and one that I think governments have to give some thought to in terms of how the public is involved and the public interest is protected in balance to the fact that there are huge international conglomerates who can very well tie up the market for these new products and essentially control that market because of the gigantic size of those conglomerates.

Mr. Findlay: I guess the best way to describe the compound at this stage, it is purely in its infancy in terms of whether it ever achieves the expectation that presently exists for it. Before it can ever be used in Canada, clearly, it would have to be registered in some fashion, whether it is under the fertilizers act or what act it would be under. Right now, it kind of maybe falls between the cracks, between the pesticide act and the fertilizers act.

There would have to be a lot of testing done in terms of its efficacy, and others to prove it can actually do what it claims to do. There certainly would have to be a fair bit of work done on residues and uptake by plants of the compound or any

decomposition products of the compounds. So it has a long, long way to go. It does not mean that this is the only compound of this character or of this nature that is in the development stages.

I think government's role in this case is to be sure that the compound, when eventually registered, is adequately able to do what it is purported to do, in other words, do the efficacy testing and the residue testing for the compound. That is government's role. It is the role of the scientists in the private sector to do the research and bring forward the information to get into their investigation process that government would eventually use for the provincial registration of the compound if that ever occurs. As I said, this may not be the only compound of a similar nature that is in some stage of exploration right now.

Mr. Plohman: Well, I would submit that the government also has a role in the research end of it, not just the private sector. That is why I was raising that question with the minister. I imagine in the other areas of the Soils and Crops Branch, there is a substantial amount of research that is taking place with test crops being grown and managed by the department. Is that still a function that has taken place to the same extent it has in the past and even expanding, new varieties of crops being field tested?

Mr. Findlay: As a department, we do the crop variety testing, we do demonstration plots, we do fertility plots, we do crop development work. A compound like this will have to be researched a lot further before we would want to include it in any of our ongoing demonstration or product development plots that the department is involved in, because it is nowhere near being close to being marketable or usable. It has, it is fair to say, several years of research ahead of it before it can get to that position where it would be something we would want to get involved in, in terms of further exploring its capability to work under different conditions in the province, like we do with the new crops or new technologies.

Mr. Plohman: So the minister is saying that once it becomes potentially, at least, commercially viable, then it would be something that the Soils and Crops Branch would actively be testing and pursuing in terms of generating interest by farmers in this new product and seeing how it would perform. Does that mean that the whole issue of genetic engineering is not something that the department is actively

involved in, in terms of new strains, varieties of crops from scratch?

(Mr. Deputy Chairperson in the Chair)

Mr. Findlay: As a department, we are not directly involved in any bioengineering research, but when and where private companies are involved in doing some sort of studies, trials or research with bioengineering—I guess we could call it samples or varieties—we are made aware of it, and our staff will visit the studies of the trials to gain information for the use of the department in some fashion down the road.

Mr. Plohman: So is the minister basically comfortable with that function and role at the present time?

* (1600)

Mr. Findlay: In terms of becoming any more formally involved is exceedingly expensive, and we are just not able to be involved in direct research. We are in constant contact with the university and with various companies that are involved in trying to explore those opportunities, and we just do not have the resources to be involved any more directly.

There is no question that various forms of biological engineering is the new wave of research and will open, in my mind, I believe, many new doors in terms of opportunity of improving the quality of crops we produce. Certain specificities that are required in those crops can be done this way. So I think it is a new wave of scientific research in agriculture. We will stay closely in tune with what is going on, but we do not have the resources or the staff to get directly involved.

I guess our research arm for the department is the University of Manitoba for which we give a grant of over \$800,000 a year, and we will work, research-wise, through them in the future.

Mr. Plohman: Because of modern technology they can eliminate hundreds of years of trial and error in developing new strains of plants. So I wonder whether the minister is aware of any activities taking place at the university as a result of the grant money that the province provides?

That is not strictly in this section, but it is related. Since we are talking about it, the minister may be able to shed some light on that.

Mr. Findlay: It is our understanding the university is involved in hybrid canola research, which is some utilization of biotechnology techniques. Also, in

terms of herbicide resistance, it is doing some biotechnology work there. They have grants to work in those areas. Certainly, the probability of some major breakthrough in canola hybridization is, I think, very, very probable.

If the member read a few articles in the last couple of weeks on herbicide resistance, he will clearly see that it is a developing problem for weeds such as wild oats, millet, Russian thistle, and undoubtedly some more. Because as you constantly kill out the susceptible strains of a particular variety, you are going to allow the nonsusceptible ones, or the resistant ones, to survive and multiply. So through the course of using chemicals over time, you select for resistance basically. Some of that resistance is starting to emerge.

It is a major challenge for farmers to be able to have at their disposal chemicals that overcome those resistant strains of various weeds. In some parts of the province, in millet and wild oats, it is of grave concern. So we desperately need either choices of basically different chemical types of herbicides or another vehicle, another means by which we can utilize some compound that allows us to control those resistant strains of those various weeds. Because if we do not, three or four years from now, we are going to have some really major weed problems because of resistance.

Mr. Plohman: It is certainly an important area, and I guess the minister is obviously aware of the future trend of engineering certain strains of crops that would respond only to certain kinds of chemicals manufactured by a certain chemical company, for example.

That is the kind of thing that concerns me in terms of the kind of control that could be exercised by individual companies who have engineered the kind of crop that produces in an excellent way, but responds only to certain kinds of chemicals that they have engineered particularly for that strain. That is of some concern, and I think that is one of the reasons why I think the public sector has to be continually vigilant and active in research, and not leave it all to the private sector to do. Because it will be the monopoly of perhaps a very few large companies at some point, if it is not already.

Mr. Findlay: The member sees it as a problem, and I see it as an opportunity—

Mr. Plohman: Right, if it is handled right.

Mr. Findlay: Certainly, with the involvement of universities, that is the public sector involved in terms of research. My general understanding is that many companies are exploring the ability to genetically engineer plants so that they respond specifically to certain herbicides and that the end result will be better control of weeds, higher production of food commodities. I think the public sector is involved through the universities and through government research.

One example I could give is there are some weed problems in canola. If somebody could come up with a canola strain that is resistant to Roundup so that he can move in and spray all the plant material with Roundup and kill everything except the canola that is growing there, that would be a very major breakthrough and would be very positive for the canola industry in this country. I think that is an area of research that is being worked on and looked at, but I would not say there is only one company in the business of pursuing that kind of genetic engineering. I say it is exciting. It is opportunistic.

* (1610)

The member sees concerns there, and we might share some of the same concerns about whether the product when it comes out is adequately researched so that all safety factors are considered and efficacy factors are considered, but we have a regulatory system to manage that. Naturally, if the price is too high, the consuming public—in other words, the farmer in this case—will not buy it. So the company is under pressure to keep it priced so that it is usable by the consuming public, being the farmer in this case.

Mr. Plohman: This is an important area. I wonder whether the minister can tell us about the activities of his branch in this area in organic farming and control of weeds in a natural way without use of any chemicals. Is this something that is actively being developed and pursued as an option?

Mr. Findlay: Manitoba producers and Manitoba agriculture have a fair bit of involvement in the development of what is generally called organic food commodities, organic production. As a department, we have been involved with the Organic Producers Association of Manitoba, whose president has been Alex Scott of Virden, and a lot of the people that have attempted organic farming have been in that southwest area of the province. They had certain guidelines that they requested

members to follow in order to have what they would call products that could be generally certified as organic. We have discussed with them ability to have guidelines for organic production in Manitoba, but we are now in the process of working for national guidelines or standards for organic production. That is in the process of being done.

Through the department, we have committed some funding in the process of developing those national standards. We worked with the organization in terms of the meetings they put on, information meetings they have held about that. The Manitoba organization has worked with Kent Flour Mills in Virden and with Can-Oat in Portage for processing of their organic grains for direct shipment after processing to marketplaces in eastern Canada and Europe, which, I think, are a couple of the places that they market to.

A manual has been put together for general procedures for a farmer to follow if he wants to end up with an organic compound. We hope that the certification standards are available fairly soon. I am just not sure how soon they expect them to be done. [interjection] They expect that printing of the standards will occur in the next few months. So they will be available fairly shortly.

There is no question there is a market for organically produced commodities. You will see various grocery stores have a section. They call it green foods or organically grown foods. I guess I always say wherever there is a niche market and somebody is prepared to pay a price that you deem is acceptable, you go ahead and produce for that niche market.

Mr. Plohman: Would the minister say that GRIP is neutral on this as a program for—whether it discourages or encourages organic farming?

Mr. Findlay: In terms of GRIP and organic production, at this stage it looks like it is basically neutral. Whether a producer is producing regular wheat or organic wheat, he works for the same market price, the same support price. If he sells his commodity at a premium—in other words, the organic wheat had a premium to the regular wheat—the farmer pockets that premium. There is no question that he is producing less bushels per acre, so his IPI will be lower.

An Honourable Member: So will his input costs.

Mr. Findlay: His input costs will be lower; plus he pockets the premium. If he is selling it for a dollar

or a dollar and a half a bushel more, he pockets that premium. There has been some discussion on whether there should be a separate category for this, but there has been no request to pursue that. We will wait and see what may evolve in the future, but right now it seems to be relatively neutral. You pocket the premium, but your IPI will be lower and your costs should be lower.

Mr. Plohman: Mr. Deputy Chairperson, that is the way I would look at it, Although some people have raised it with us that it is actually a disincentive. I do not fully understand why it would be at this time, whether it is just marginal in that regard, but it may be something that will be brought to the forefront more for discussion at some time in the future.

Mr. Findlay: Once the national certification process is in place, that might be the appropriate time to weigh the pros and cons, the advantages and disadvantages, whether there needs to be any special consideration given.

Mr. Plohman: Mr. Deputy Chairperson, the minister has indicated that he is following through with the reductions in the weed district grants and has received continuing concerns from the weed districts. He indicates that he is working on an integrated structure for programming. I am not certain what exactly that involves at the present time.

I wonder if the minister would shed some light on exactly what activities have taken place with regard to a new model for weed districts, with a reduction in the funding by the province, and what kinds of services would be integrated, as he says, for financial efficiency. What progress has been made and where is he at on that new model and what does it involve?

Mr. Findlay: Mr. Deputy Chairperson, a district review committee was set up involving representatives of Manitoba Agriculture, Union of Manitoba Municipalities, weed districts and Farming for Tomorrow organizations to try to look for some model of integration of some of the delivery programs of agriculture in municipalities across the province to achieve financial efficiency for both municipalities and the Department of Agriculture and the provincial government.

* (1620)

It is fair to say that discussions have been ongoing for some period of time and they continue on at this

point in time. We will be undoubtedly having a discussion with UMM at their June district meetings on the proposals or recommendations that have come forward to this point. There does seem to be some ability to integrate weed district activities with soil conservation activities. That is probably one of the more likely things that we can do. Whether there can be integration further is still under discussion.

I am sure the member remembers that under the weed district program that was in place, only about a little over 50 percent of the municipalities in the province participated. Almost 50 percent of the agricultural area of the province had no weed district activity in it.

We would like, through this process, to find the mechanism to have weed district activity cover the province completely. Whether that is achievable or not remains to be seen. We had increased the grant for three consecutive years to try to entice more municipalities to get involved in the weed district program as it existed. That did not work. The municipalities did not see fit to get involved in the program as it existed. So now we are trying to find a mechanism to have the weed district activities cover all municipalities in some integrated fashion, both for their financial efficiency and for our financial efficiency.

Mr. Plohman: Yes, Mr. Deputy Chairperson, I ask the minister, why would he cut the funding first and destroy the program before putting in place a replacement? Does it not make more sense to continue the program and at the same time be developing the guidelines for a more integrated approach and then switch to it, rather than choking it off, in the meantime, and perhaps being left with nothing in many of those areas when the funding is no longer there and getting to that point already?

Mr. Findlay: If we had no end of money available to us, probably that would be a way you could go. We had to swing vast amounts of money from the department into risk protection programs like GRIP and NISA, tripartite, and expenditure reductions had to occur in some areas of the department. This was one area that we chose to reduce expenditures in and, at the same time, trying to find another delivery mechanism that would exist involving the Department of Agriculture and its ongoing services and the municipalities in their ongoing services that would be cost efficient and program effective for all involved. That is the process we are still in.

Mr. Plohman: The Liberal critic the member for St. Boniface (Mr. Gaudry) mentioned that this was offloading on municipalities. We lose sight of that sometimes, the government does, when it talks about holding taxes down, that in fact it is resulting in tax increases at the municipal levels because a lot of services are being offloaded. Is that really what the minister sees out of this that these services, this integrated approach will be largely paid for by the municipalities or does he foresee an influx of money from the province once there is an integration of the service, that there is going to be a grant available again or is it just going to be services in kind by the department and any funding that has to come from anywhere will have to come from municipalities?

Mr. Findlay: It is too early to bring that kind of discussion to this table. It has not been developed. They still have not reached that stage as yet as to what it will be and who will pay for it. I think it is fair to say municipalities do not feel they can pay any more. We are in a position that we cannot pay any more. We are mutually working together to try to find a solution that achieves program deliveries that are reasonable and effective from both their point of view and our point of view.

In terms of how it can be paid for, the expectation is it can be paid for out of existing expenditures that are presently ongoing in various areas and try to find some efficiency process to achieve additional program activities with no additional cost to either delivery vehicle, the provincial government or the municipalities.

Mr. Plohman: Just on the issue of soil conservation, for example, the municipalities, I do not believe spend any money on soil conservation as a municipal corporation, so I do not know where the integration is. Not that it is not desirable, something has to be done there, but it is a question of whether there is any money being put that could be more efficiently used to do both weed control and soil conservation, just for example those two. So I do not know where they are going to achieve a saving there in terms of their delivery of programs, because they are not doing soil—if I am wrong, well, the minister can give me some examples.

The only area that I can see that happening is in special projects under a federal-provincial agreement where individuals are involved, or maybe the conservation districts. Conservation districts do not exist in all areas of the province

either. Has the minister reviewed the reports and studies that his officials are involved with or the group that is working on this area, that they have brought forward? Are they talking about perhaps using funding from other sources such as federal level or conservation districts?

Mr. Findlay: The member talks about conservation districts and that is not what we are referring to here. We are referring to the soil and water associations, some 44, which were set up across the province to deliver the Farming for Tomorrow program. That is all federal and provincial money. We are in the process right now of looking at the mechanics of how we can utilize the Green Plan money that was announced by the federal minister a few months ago, some \$170 million for across the country for agriculture in some matching fashion, so those discussions are just getting started as to how we would use them.

I would see the soil and water associations as being the basic pedestal on which to build the utilization of those moneys beyond the existing four-year agreement that is in place under Farming for Tomorrow, the soil agreement under the soil accord. Whether we can dovetail some activities or related activities of weed districts, whether it is in alternate pest management or whatever, into that overall process, utilizing moneys that we are already expending, is the challenge that the department and this committee has.

The issue of the Green Plan money is a new issue, a new opportunity, and it will extend us for a period of time and hopefully we will be able to integrate in a broader sense a more efficient delivery of a number of program initiatives. Whether it is all achievable or not remains to be seen.

Mr. Plohman: If the minister can accomplish some reverse offloading, that would be fantastic. I would be the first to compliment him if he is able to do that by taking advantage of some federal programming dollars. They may be not there forever though, and so certainly this is kind of a sporadic approach to it that you might have dollars one year and nothing the next or when the agreement expires.

*(1630)

However, if there is some infrastructure developed on the basis, the chances are that those agreements could be renewed every five years or whatever the case might be. But it seems to me that until he has actually got that plan in place, it might

be wise to put the brakes on this cut, because next year he will not have any funding for weed districts and he may not have this fully developed, this option.

Is the minister saying, under those circumstances, that he would review this possibility of maintaining this meagre \$4,160 per district for a year longer if it took that long, or does he fully expect to have a mature mechanism in place for the next fiscal year?

Mr. Findlay: Certainly the district program review committee has had various meetings and are maturing their thought process, and there will be discussion of their findings to date at the June district meetings.

As we look ahead to the budget for next year, certainly we will be prepared to look at the present expenditure relative to the direction that this committee points out as being the most realistic direction to follow, and determine whether it is feasible to follow the reductions as we had previously laid out or reconsider them, and that laying that out is a promise to reverse what we have planned to do. But we are open-minded enough to consider the pros and cons on an ongoing basis of our expenditures relative to program and delivery objectives we have in a broad sense for the department, and for looking at attracting as much of that federal Green Plan money to this province as possible.

Mr. Plohan: Well, I will leave that issue. I think if we have to develop structures to ensure we maximize those dollars, then we are wise to do it. In the meantime, though, I do not agree that we should be, as I indicated earlier, cutting programs before we have developed alternatives. That is why I think the minister has missed the boat on this one.

I will turn it over to the Liberal critic.

Mr. Deputy Chairperson: Item 4.(d)(1) Salaries \$1,984,200.

Mr. Gaudry: Mr. Deputy Chairperson, I am looking over Grants/Transfer Payments here, where there has been a reduction, and it explains at the bottom, but the horticultural society falls under those grants. In 1981, you supplied grants to 39 organizations, can you give us how many societies were covered in 1991-92?

Mr. Findlay: Mr. Deputy Chairperson, in last year's budget there was zero funding for horticultural

societies. The year previous, my recollection is about \$33,000 was granted to horticultural societies, but it was removed from last year's budget, so there was no funding in the last budget for horticultural societies.

Mr. Gaudry: There was a request from the East Kildonan horticultural society. What have you done with those people as far as their request in regard to reinstating the funding to them?

Mr. Findlay: Yes, we have had two or three requests from horticultural societies to reinstate funding, but we have had to respond to them that the decision has been made to terminate those grants and it is not possible at this time to reinstate those grants.

Mr. Gaudry: Were they referred back to their municipalities to apply for grants in regard to continuing the work they were doing?

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

Mr. Findlay: Mr. Acting Deputy Chairperson, staff of the department have continued to work with the horticultural societies to try to help them find alternative mechanisms of funding their operations and their umbrella organization. So various ways and means of coming up with the resources they need to carry out their functions have been discussed with them by staff of the department. But the ability of us to reinstate the grant at this time does not exist.

Mr. Gaudry: You mentioned that you had tried municipalities that they absorb some of these societies. Have they been successful in doing so by contacting their municipalities?

Mr. Findlay: In terms of the discussions, we have not, as a department, promoted that they go to the municipalities to find the funding. We have promoted them to do various things as an organization so that they become self-sufficient by some mechanism, whether it is membership fees or private sector grants or whatever. But we have not promoted them to go talk to the municipalities to fund them.

Mr. Gaudry: Are you aware if any of those societies have folded up because of nonfunding from the government?

Mr. Findlay: As far as we know, at this time, they are all still functioning.

* (1640)

Mr. Gaudry: There has been some indication that there would be construction on an alfalfa pellet plant in Sprague or Woodridge. Is there any indication as to whether or not there is going to be an alfalfa pellet plant?

Mr. Findlay: There have been numerous groups wanting to develop forage pelleting or processing plants in the province. As a department, we have been working with anybody who comes along wanting technical information, guidance. In the Marketing Branch, we have been working with that industry, through the Manitoba Forage Council. We prefer to work through the council, which represents all of them as opposed to directly in the marketing sense with any one particular plant.

It is a very competitive business. It is not an easy business to get into. It is high cost. It is big investment. We strongly recommend to anybody who is looking at it that they do the appropriate market analysis and have a very well researched plan so that they know when they spend their money, make the capital investment, they have some repayment potential through market opportunities and contracts, whatever. In terms of getting direct funding from government, the only vehicle that exists was Industry, Trade and Tourism. We can assist them through the Marketing branch with marketing studies or marketing analysis, but as I said earlier, we work through the Forage Council so that any work that is done in that direction benefits any and all participants in the industry.

Mr. Gaudry: In regard to Sprague and Woodridge, then there is nothing concrete there as far as a plant being built or sponsored by the government at this stage in that area?

Mr. Findlay: To the best of our knowledge at this point in time, they are working on a feasibility study and a marketing plan for a proposed plant in the area and working with the Manitoba Forage Council.

Mr. Gaudry: One question here in regard to a letter that was sent to the honourable minister from Powerrich Corporation. Rather than go through the letter, it is quite substantial, can we have some comments from the minister in regard to that letter and in regard to some accusations of asking to retract some of the information on the news release in regard to fertilizer—beware of new special fertilizer sales pitches.

Mr. Findlay: This is referring to a news release put out by a Mr. John Ewanek in the department. Is that right?

Mr. Gaudry: Yes.

Mr. Findlay: When any new product comes on the market, I think it is important that staff evaluate the product and look at the research information that is available. If they feel that farmers should be careful in considering the product from the standpoint of the advertised benefits, I think it is important that staff do that, tell producers be cautious; consider the information that the company is giving out. I think it is fair to say that anybody who has any valid scientific information to support their product should bring it forward.

(Mr. Deputy Chairperson in the Chair)

I read the letter that came back from Powerrich and basically they challenged our authority to say some of the things that were said there and our right to inform producers that they be cautious in looking at new products like this. If the company has valid scientific information that they want to show the public, show the farmers, we would recommend that they do that. There have been a lot of products come on the marketplace, and I think it is only fair that where staff wonder whether there is enough scientific information to warrant the claims, make those concerns known to the farm community as a caution, nothing more than that.

Mr. Gaudry: One final last question in regard to the horticultural societies again. Does the government have any intention of reinstating those programs in the near future? I know because of recession and hard times that they had to cut back and try and get them to get funding elsewhere. What is the government's intention? Is that forever to cut off the horticultural societies or those grants, because there has been a substantial decrease since the third budget from \$673,600 to \$141,700 in this last budget?

Mr. Findlay: The actual amount of grants to the horticultural societies was \$33,000 two budgets ago and we have reduced that to zero, but the recessionary times we are in and the tough budgetary considerations we have to use every year, we do not see changing for the next budget or two. I would have to be quite honest and say that there is no consideration right now of reinstating those grants. It is just not possible to do it. As I have said earlier, we have focused our attention on

maximizing our ability to help producers through the tough times they are in with risk protection programs, and had to eliminate, unfortunately, these expenditures for the horticultural societies and a few other grants, but this one that you are talking about in particular.

Mr. Gaudry: You mentioned only \$33,000. What other grants were cut back then because of the amount that is being shown cut in this area?

Mr. Findlay: In terms of the supplementals that you are looking at, the \$281,700 under Grants/Transfer to \$141,700. Are you looking at page 54?

Mr. Gaudry: Yes.

Mr. Findlay: The Grants/Transfer Payments went from \$281,700 to \$141,700. That is strictly the \$140,000 reduction in the weed district grant. The horticulture grants were reduced a budget prior.

* (1650)

Ms. Rosann Wowchuk (Swan River): Part of the activities identified for this department are to provide leadership in irrigation development strategy. Is this department involved in the strategy to provide irrigation in the Pembina Valley?

Mr. Findlay: Our staff are involved as technical assistance to any producer or group or task force that wants to look at irrigation. You asked specifically about the Pembina Valley Diversion Project. The Pembina Valley task force that came forward with a report to government approximately a year ago was a report that did not include irrigation use from the water that was to be transferred from the Assiniboine River into the Pembina Valley area. Irrigation was not a component of that proposal.

We have technical assistance for the Portage group. We have technical assistance for the Pembina Valley group with regard to irrigation, trying to help them with any questions that they have or any analysis they want to have done that we can do for them. We are there as technical assistance for anybody that is interested in irrigation, but I want the member to know very clearly that the task force report did not specify any water in the 20 cfs for irrigation.

Ms. Wowchuk: Thank you for that. Is there a plan that is being designed by other people or by the department for irrigation in the Pembina Valley?

Mr. Findlay: Another group in the Pembina Valley area has been looking at finding water to be utilized

for irrigation in the Pembina Valley area. As a Department of Agriculture, we believe that water is one of the most important ingredients in crop production and that any ways and means by which we can manage water to improve the utilization of it is very important.

My understanding is that the considerations that the new task force in the Pembina Valley is giving is that they are looking at ways and means to impound water that is already here or already in the region at some other time of the year to more effectively utilize it in the growing season in an irrigation sense. It has often been said that in the Pembina Valley area there is enough water to satisfy all the needs all summer if we can just properly manage it in the area, not really having to have water pumped in or piped in or transferred from another reservoir to achieve ample supply of water. It is a matter of properly managing the water that is already there over the course of 12 months. It is my understanding that that is the consideration that has been given in terms of trying to develop some methodology of managing water in the area to improve agricultural production.

If we have the soil and the technical resources, and water is a limiting factor, I think it is imperative that we, as an industry, try to, in any region in the province, find a mechanism to use the existing water in a more efficient way over the course of 12 months to promote crop production or animal production or the eventual processing of those food commodities in the region to create jobs. Both activities create jobs, the production and the processing. If we can manage our water resources that are already there to effectively achieve it, then I think it is imperative that we try to do that.

Ms. Wowchuk: The minister must be speaking about the proposal or an article I saw in the paper where they were holding back spring water and filling out dugouts and then using it. Can you tell us the name of the group that is doing the work on that right now?

Mr. Findlay: It is the Agassiz irrigators association—Lake Agassiz.

An Honourable Member: If we only had the lake back.

Ms. Wowchuk: If we had the lake back we would not have to worry about irrigation. That is right.

An Honourable Member: We would be flooded out.

Ms. Wowchuk: Then we would not have any worries whatsoever.

The minister then says there is no work being done by his department that would take water from the Assiniboine River to irrigate land in the Pembina Valley. There is no work, no studies being done on the results, if some water was taken off by the diversion, what we are told now, for domestic use. But is his department looking in any way at whether or not there is enough water there to be used for irrigation?

Mr. Findlay: In terms of the technical information and expertise we provided for the various groups looking at irrigation, the department has not been looking at diversion of water from the Assiniboine as a source of water to supply the irrigation needs of the area. As we said, we looked at the impoundment, the appropriate management of the existing water there over the course of 12 months to satisfy the irrigation needs of the area. That has been our focus as a department in terms of bringing our technical expertise to the table for discussion.

Ms. Wowchuk: Has any work been done by the department to look at drawing water from aquifers, underground water for irrigation in this area?

Mr. Findlay: In terms of utilizing water from aquifers in the province for irrigation, the two main aquifers that water is drawn from by the use of wells is the Assiniboine Delta aquifer and the Winkler aquifer.

Ms. Wowchuk: I am just looking for a clarification then. Is the minister saying then that all the water—you are not looking at taking more water from aquifers for irrigation, it is at a level that it is going to be—there is water taken from two aquifers for irrigation right now, but you are not looking at more, or increasing the amount, or at new areas.

Mr. Findlay: In terms of looking at the Pembina Valley area regarding the Winkler aquifer, we are not looking at drawing more water from that aquifer to satisfy the irrigation needs. We are looking at using surface water that can be held back or impounded for serving our irrigation needs of the future, because the irrigation aquifer clearly is being used to a fairly heavy extent right now.

Mr. Deputy Chairperson: The time is now five o'clock, and time for private members' hour.

Committee rise.

EDUCATION AND TRAINING

Madam Chairperson (Louise Dacquay): Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Estimates for the Department of Education and Training. Would the minister's staff please enter the Chamber.

Hon. Rosemary Vodrey (Minister of Education and Training): Madam Chairperson, I have some information which I said that I would bring back to the House. It is a listing of the post-secondary campus list, the institutions, private vocational schools which are eligible for student financial assistance, and I would like to table them.

Madam Chairperson: We are on page 43, item 5.(e) Keewatin Community College: (1) Salaries \$6,977,600.

Mr. Steve Ashton (Thompson): I raised my concerns yesterday in terms of Keewatin Community College, and I must indicate that I will be continuing to raise them. I was somewhat disappointed that the minister, rather than respond directly in terms of what has been happening in terms of community colleges in the North, chose instead to give a speech that defies description.

I particularly found the comments on Limestone training to be rather incredulous. She attacked the former Limestone Training Authority for providing training out of Winnipeg. I assume she was referring to the fact there were some staff located here, in the same way that, for example, the Minister of Northern Affairs (Mr. Downey) has Northern Affairs staff in Winnipeg as well as in the North. The majority of his staff is actually in northern Manitoba.

I am not sure if she was perhaps referring, in error, to the fact that the civil technology program that was provided under Limestone Training was cancelled in Thompson, and the students were required to move to Winnipeg by this government.

So, Madam Chairperson, perhaps there is some confusion on behalf of the minister, and she made reference to equipment and so on. I notice she did not bring into the debate any discussion on the efficacy of the training that did take place. In fact, I wish she had been in the committee this morning on Manitoba Hydro, because Manitoba Hydro confirmed that under the previous government the percentage of northern native people working in terms of Limestone was significantly higher, was as

high as 25 percent, as compared to 9 percent on previous projects. The bottom line is progress was made, but further progress can only be made with a further commitment to northern training and, in particular, northern training geared to the upcoming Conawapa program.

I just want to finish though—and I know we will be moving off this line item onto other line items—by putting another concern on the record, and it does relate partially to Keewatin Community College, because Keewatin Community College did deliver the northern nursing program—has picked it up, pardon me, from Red River Community College, which is an ACCESS program. I want to indicate my own concern about the future of the ACCESS program, related in very many ways to the kind of situation we have seen, Madam Chairperson, with the welfare situation. The federal government has been attempting to withdraw from funding of treaty students in the same way it has withdrawn funding for treaty Indians living in urban communities who are on welfare.

* (1430)

There is a great deal of concern with post-secondary programs that this in many ways could destroy the programs, because what would happen, obviously, would be as follows: If treaty Indians were not able to receive that funding, that would either have to be picked up by the provincial government if other funding was put in, or, indeed, might potentially come out of operating funding. There is a very strong concern—and I am raising it under KCC because KCC does provide the one program in terms of the ACCESS program, but it impacts on all—in terms of funding of students.

I know in the case of the BUNTEP program in Thompson, there is a particular example of that. It has been indicated that BUNTEP will not be in place in Thompson in large part because of student funding. I am not talking about funding of the program itself. That is an ongoing concern. We will continue to lobby the provincial government in that regard. I am talking in particular of student funding, and what I would like to ask the minister is what the current status is in terms of student funding, what the current status is in terms of overall funding for the Northern Nursing Program, which is under this line item, and if she could provide any further information in terms of the general situation affecting other programs.

I realize this has come up in other areas, other line items, but the bottom line is to find out what discussions are ongoing with the federal government and where we stand, and when I say "we", I am particularly talking on behalf of not only existing students in the programs but the many northerners who are interested in having access to the ACCESS programs, the many fine opportunities that have been offered the last several years since those programs have been put in place.

Mrs. Vodrey: Madam Chairperson, just to respond to the member's opening remarks. I have, in this House, if he checks Hansard, spoken many times about Keewatin Community College, about the special issues which affect that college, and those issues of the North.

It seems that there are two important issues to be considered. One, the issues of the North in general, and what are their particular needs in relation to economic development and in relation to training and the training interests of the people who live in the North.

Then, another issue which needs to be considered as well and equally as seriously are the issues of northern students and those students who would be attending a community college and would be attending specifically Keewatin Community College. I have spoken in this House several times about the particular concerns which I have understood and which have been raised when I have been visiting in the North by those students. I certainly have paid a great deal of attention to it.

In my speech, the last time we were together, however, the member did ask in his question, he did say that I had not provided any examples of NDP mismanagement. Therefore, I was very pleased to let him know the examples that I had of NDP mismanagement, since he asked for them.

Relating to the issue of Limestone, it is true that the senior staff of Limestone were located in Winnipeg. The member spoke of his commitment to the North, and the previous government's commitment to the North, while the location of the senior staff was in Winnipeg.

But the most important of the issues, which I think needs to be considered and needs to be highlighted and needs to be shown that there is a recognition by this government, are those issues that relate to the North and particularly northern students.

The member has raised the issue, first of all, of the northern nursing students, and I am pleased to tell him that the northern nursing program is continuing. But we do share the same concern which he has raised, concerning any federal offloading. There is an ongoing discussion with the federal government regarding any attempt to offload, particularly in those training programs which the member has spoken of.

I am hoping that I will be able to make an announcement in the near future, but I would like to reassure him and reassure the people of the North of our commitment to this northern nursing program, and also our commitment to the students in the North.

He has also asked me to broaden an answer to look at the issue of ACCESS programs. I have spoken also in this House about ACCESS programs. As the member knows, there has been a direct federal offloading in the area of ACCESS programs, where the federal government did stop their funding, did pull back their support. I will tell him that I am in continuing discussions with the federal government in order to press the federal government to meet their commitments to present students and to new students who expect to be taken into those programs.

So in that area again, I would like to reassure him that the issue is being pressed with the federal government. It is certainly not an issue which has been left aside but instead has been seen as extremely important.

Mr. Ashton: Just to finish off on that point. I appreciate the comments of the minister. Indeed, I can indicate that we will certainly work with the government on this particular issue. It is an area where we are in full agreement.

I do indicate my concern that we may end up in a very similar situation as we did in terms of income security, where initially the provincial government did not want to pick up the cost. I say this not as a political comment but as a concern that I think we may end up being in the very difficult choice in the next period of time, if the federal government continues to offload, or if the federal government continues to provide funding to existing students only, because that is just as much of a problem.

We do not necessarily have to look at existing students being cut off, but future intakes that we may be in the situation where the province may have to

decide whether it picks up the student funding, because it is key to the program. We are dealing with students who by definition, because it is the ACCESS program, do not have the financial resources to obtain this kind of education anywhere else.

So unless the student funding is there, the program in itself becomes a nonissue. It really becomes nothing more than another kind of program that we have in terms of mainstream programming. I mention the concern in terms of BUNTEP because I know that is the indication that we have received from BUNTEP that the problem in terms of Thompson campus is not so much to do with operational funding but is to do with student funding.

My concern is that we may run into that in other areas in the future. So I appreciate the promise of the minister, and as we said on income security, we will work with the provincial government. This is one area of common agreement to fight against any federal offloading.

I just express the concern that we may end up, given what the federal government has done in other areas, including income security, with the situation of having a very difficult choice as a province as to whether to provide that funding itself.

I am not asking the minister to state a position on that. I realize when one is in discussion and negotiations, one does not. If one, in the case of the provincial government, feels the federal government should continue its funding, offers to put that funding in if the federal withdraws, that is not a good negotiating position.

But, I guess, as one who is not part of the negotiating process directly, I would urge that contingency be dealt with. My feeling is that the only way to save the ACCESS program, if the federal government continues to offload, is for the province to provide that kind of student funding.

It may be the kind of thing that maybe court action could be taken, perhaps in conjunction with the bands themselves, on behalf of the affected students, because I believe it is a treaty obligation. It is a clear aboriginal right in terms of the federal jurisdiction in terms of education. That is one very clear principle in our constitution, in our relationship with the aboriginal peoples. So I believe there is a strong legal case.

* (1440)

I raise that concern, and this is one area we will be continuing to raise both in the context of KCC and other areas. I know the Liberal member has some further questions on KCC. I will finish on hoping the minister will pursue this point vigorously with the federal government on behalf of the students.

Mrs. Vodrey: I take the honourable members comments, and I appreciate the support offered in dealing with the federal government and his interest in the well-being of the northern students.

Mr. Reg Alcock (Osborne): If I could just have the same series of information that I have asked for for the other two colleges about what percentage of total revenues is comprised of fees, and what was the fee increase this year?

Mrs. Vodrey: The percentage of student fees of the total budget at Keewatin Community College is approximately 6 percent. That is slightly different than the other two colleges. The percentage increase in fees is 8.7 percent, and that is the same percentage figure as I gave for the other two colleges.

Mr. Alcock: So we see the same phenomenon, only in this case, it is accelerated a bit with the decline in overall budget and well above the rate of inflation and the rate of operating cost increase.

Now we have seen that now for all three colleges. Is there a target that the department has set? Are they prepared to see student fees rise to a particular percentage of total revenue, or is this just going to be a serendipitous development?

Mrs. Vodrey: As I have assured the member when we discussed the other two community colleges, I will assure him again with this community college, that the government does not have a target in mind and also to let him know that the fees at Keewatin Community College are again in line with community college fees across this country but in fact lower than the national average.

Madam Chairperson: Item 5.(e) Keewatin Community College: (1) Salaries \$6,977,600—pass; (2) Other Expenditures \$3,034,500—pass; (3) Less: Recoverable from Other Appropriations \$3,000—pass.

(f) Education and Training Assistance.

Mr. Alcock: I note from the Expected Results that this particular unit—I am sorry, is there another staff person coming in? There is? I will wait until the staff person comes in.

Mrs. Vodrey: I would just like to take a moment to introduce Mr. Bob Gorchynski who is the Acting Director of Finance and Administration.

Mr. Alcock: I just noticed that the Expected Result here is training not available in Manitoba for 66 adult students in professions where demand has been identified—veterinary medicine, optometry, surveying engineering.

In all cases for these 66 students, am I to assume, based on the discussion last night, that all 66 of them are either studying at other Canadian universities or in Minnesota as the result of the Minnesota-Canada agreement?

Mrs. Vodrey: The answer is yes. The province enters into interprovincial training agreements with provinces that have universities which offer degrees which are not offered in Manitoba, and these agreements are to ensure that there will be a certain number of spots funded to then assure the appropriate training opportunities for Manitobans.

Mr. Alcock: Last night, we spoke specifically about some I believe the number was 57 students who had applied for student aid or student financial assistance, and 50 out of those 57 who were accepted for assistance going south to Minnesota.

Am I to assume from the way that this is structured that these 66 are different, that those who are receiving assistance under the Student Financial Assistance Program, that this is a particular program that has to do with interprovincial training agreements? The question then is, these 66, are they only in Canadian schools?

Mrs. Vodrey: Yes, these are different courses than the ones that we discussed last evening. For these 66 spots, this is a purchase of seats, and these seats are purchased through a signed agreement, government to government, and then students would make the determination as to whether or not they wish to go and how they will attend.

Mr. Alcock: So, for example, when the agreement was struck to create the one veterinary college in Saskatoon, Manitoba agreed to support a certain number of seats?

Mrs. Vodrey: Yes, that is correct.

Mr. Alcock: Do we support the same number of seats each year?

Mrs. Vodrey: Madam Chairperson, the answer is yes, generally we support the same number of

seats. Occasionally, there may be a plus or minus of one or two.

Mr. Alcock: So the number of seats would go up and down depending on the number of qualified students, or are we committed to some sort of floor support?

Mrs. Vodrey: The agreement commits to a specific number of seats; in the case of veterinary medicine, 12 seats. Occasionally, we have a student drop out, and we would have 11 students occupying that seat. Occasionally, we might have 13 students who wish to attend and that may be possible.

Mr. Alcock: The optometry and surveying engineering, where are they located?

* (1450)

Mrs. Vodrey: Optometry is located at the University of Waterloo, and surveying engineering is located at the University of Calgary.

Mr. Alcock: The four private religious colleges, are these the colleges that are currently at the campus, or are these in addition to those?

Mrs. Vodrey: Madam Chairperson, the four religious colleges referred to are the Canadian Mennonite Bible College, the Canadian Nazarene College, the Mennonite Brethren Bible College and Providence College, all of which have their own campuses.

Mr. Alcock: A third Expected Result is Alternative career options for training and retraining. Can the minister define what is meant by that?

Mrs. Vodrey: Madam Chairperson, I am informed that some years ago, a fund was established through joint council to provide retraining for college employees who had been impacted by technological change or other changes. This SY allows us to access the money in that fund.

Mr. Alcock: I am sorry, Madam Chairperson, the minister just referenced an SY?

Mrs. Vodrey: Yes, the staff year is made available for the individual who will participate. The salary dollars are made available through the trust account.

Mr. Alcock: There is a reference here to the rationalization of provincial funding to South Winnipeg Technical Centre. Can the minister explain the nature of that rationalization?

Mrs. Vodrey: Madam Chairperson, in the past, Canada paid Manitoba for the training purchased at South Winnipeg Technical, and that went into revenue. In turn, then, the province paid South Winnipeg Tech out of the subappropriation. But now Canada will pay South Winnipeg Technical directly.

Mr. Alcock: Madam Chairperson, does South Winnipeg Tech receive any funding directly from the province, or does it all come from the federal government and indirectly through the school boards and the various school divisions?

Mrs. Vodrey: Madam Chairperson, there is no provincial funding available for adults. There is provincial funding for youth, for young people, and that is through the regular Schools Finance Program.

Ms. Jean Friesen (Wolseley): I wanted to ask about the private religious colleges. I believe there is an unusual funding formula for those colleges related to tax assessment and numbers of students.

I wonder if the minister could perhaps reflect upon that. I believe it causes some inequities for the colleges. I wonder if the minister has recently received any correspondence on that.

Mrs. Vodrey: Madam Chairperson, these colleges did ask government for some assistance, and there was some recognition that they did have a case for some funding. So there has been a formula which has been worked out which was mutually agreeable among the colleges and then accepted by government. The private colleges which grant degrees under an affiliation agreement with a public university or which provide courses approved by a public university are the colleges which are involved. Through the introduction of Bill 79, The Municipal Assessment Act, it removed the tax-exempt status for residences from public and private schools as well as private post-secondary colleges.

Provincial funding support for private colleges encompasses both operating assistance and tax relief in recognition of their important educational contribution to Manitobans. As the member has mentioned, four colleges have been identified as meeting the requirements to receive the additional funding, based on a formula again proposed by those four colleges with agreement among the colleges, using the number of full-time equivalent students enrolled in arts and science courses.

* (1500)

Ms. Friesen: I think the issue is that it is not just full-time equivalent students, it is a combination of FTE's plus some relationship to the existing taxation or assessment base at the time the act was passed.

I am wondering if this is still acceptable to the colleges. I realize that for some colleges, where the assessment level was different and they will have a larger number of students, Mennonite Brethren College, for example, perhaps does better out of the funding formula than, say, does Nazarene with its smaller number of students and a different form of tax base.

Mrs. Vodrey: The facts as I gave the member are correct. The formula has not changed. The colleges have raised some concerns because they would like to receive some additional funds. At this point, I would tell the member that, yes, I am aware of their concerns and there is some ongoing discussion with those colleges.

Ms. Friesen: But I wanted to get precisely on the record what the actual funding formula is. In the last but one statement, the minister said it was only full-time equivalent students, but my understanding was it was a little more complex than that and it related to a combination of the existing tax assessment. That was then to be altered in lieu of taxes, plus FTE's.

Mrs. Vodrey: The answer is that the formula is not any more complicated than I have been telling the member. The formula, as I have been explaining to her, is correct. The only difference is for the Catherine Booth Bible College, which was not within the four colleges which we have been discussing. Catherine Booth Bible College receives a lump sum grant which is not based on the same formula as the other four colleges.

In terms of the four colleges we discussed: Canadian Mennonite Bible College—they have a full-time equivalent student number of 161. Through the formula that translates into some operating support of \$124,800 or 26 percent of the total. The Canadian Nazarene College has a full-time equivalent of 71 students and the operating support is \$55,200. Mennonite Brethren Bible College has the full-time equivalent of 100 students and the operating support of \$77,500. Providence College has a full-time equivalent of 287 students for an operating support of 222.5 thousand.

Ms. Friesen: So the grant then is based upon only full-time equivalent students, only absolute numbers?

Mrs. Vodrey: The full-time equivalent student is based on four courses in arts and science, and the attachment to the arts and science faculty is also an important point which I do not believe the member raised.

Ms. Friesen: So there is a per capita grant, an individual grant which is the same at every college based upon every student taking four courses?

Mrs. Vodrey: There is a difference between full-time equivalent and a per capita, and the member is talking about a per capita. I have been discussing this as a full-time equivalent, and the full-time equivalent is identified as four arts and science courses.

Ms. Friesen: I am not sure I understand that, so could the minister explain that again? I understand the difference between per capita and full-time equivalent, but I am not sure of the distinction you are drawing.

Mrs. Vodrey: Well, the member says she understands the difference between full-time equivalent and per capita, but it seemed to me that she was using them interchangeably, and what I want to reinforce is that they are not interchangeable terms. If there were two students each taking two courses in arts and science, that would translate into one full-time equivalent student.

Ms. Friesen: Thank you, Madam Chairperson, the example clarifies it. Is there any allowance given for students in first year or fourth year, for example? Is there any differential in the FTE application?

Mrs. Vodrey: No, there is no differentiation between a first year or a fourth year full-time equivalent.

Ms. Friesen: Could the minister tell us something about the fee structure that the colleges themselves charge?

Mrs. Vodrey: We do not have that information with us because these are private colleges. Their fee structure is set by themselves, and if the member is interested, we could certainly contact the colleges for that fee structure, but she is also entitled to do that on her own, if interested.

Ms. Friesen: I am interested in the differential between the publicly supported institutions such as

University of Manitoba and those which have some private and public support, such as these institutions.

Mrs. Vodrey: We will look into the fees charged by those private institutions, and we will report back to the member.

Ms. Friesen: Is there any charitable tax status for any of these colleges which would allow some of those fees to be offset as a tax deductible?

Mrs. Vodrey: Madam Chairperson, on those points the member would have to check with Revenue Canada.

Mr. Alcock: It is so strange, why do you get all upset about a question like that? That is the silliest thing I have ever heard of.

Madam Chairperson: Order, please. Is the honourable member for Osborne raising his hand to pose a question?

5.(f) Education and Training Assistance \$1,477,600—pass;(g) Student Financial Assistance: (1) Salaries.

Mr. Alcock: I presume there is another staff person coming in, is there? Then we will wait until they come in.

Mrs. Vodrey: Madam Chairperson, I would like to introduce Carol Sigurdson who is the Director of the Student Financial Assistance Branch.

* (1510)

Mr. Alcock: The minister had a terror on the last question about whether or not somebody had independent tax numbers. Perhaps we can get a few answers on this one. I am still surprised.

I asked the minister a question about the auditing of students attending schools in North Dakota and she did not have the information at that time. She suggested that we would deal with it on this line. Can she tell me now whether or not there has been any intention to provide a special audit or an extensive audit of students who are attending schools in North Dakota?

Mrs. Vodrey: The member's attempt to characterize appears to take him off his clear thinking in terms of his questioning which seems to be the only tear within this department, but I guess that explains the lack of clear thinking on the part of the other member. So let me explain an answer to this question. There are no special arrangements to audit students going to school in North Dakota.

Mr. Alcock: It is a curious thing that we seem to be moving along and we have made more progress yesterday and today than we were for the first part. It just seemed that the minister has all of a sudden reverted to her behaviour of before. If she wishes to sit here—I mean I just find it astounding that they cannot answer a simple question like whether or not a college has tax-free status.

I am not certain what would be the great policy vulnerability in answering a question like that. The member for Wolseley (Ms. Friesen) asked a very straightforward, for information, question which this minister was unable to respond to. I confess I am somewhat surprised by that.

Now, on the Activity Identification in this particular line it mentions here: "Collect special program and bursary debts according to MSFAP accounts procedures." Can the minister tell us currently how much is outstanding?

Mrs. Vodrey: The answer is \$3 million in receivables.

Mr. Alcock: Can the minister tell us what would comprise those debts?

Mrs. Vodrey: They are bursary over-awards, special opportunity loans and Manitoba government loans.

Mr. Alcock: Of the \$3 million, how much is in bursary over awards?

Mrs. Vodrey: Madam Chairperson, I just wanted to clarify in terms of my first answer, there were four areas: over awards bursaries, special opportunity loans and Manitoba government loans. If the member could repeat his next question, please?

Mr. Alcock: Well, perhaps if we could just step back and clarify the clarification. Bursary over awards is one, special opportunity awards, Manitoba government loans, and can the minister tell me the fourth category?

Mrs. Vodrey: The first category is over awards on bursaries. The second category is special opportunity loans. The third category is Manitoba government loans, and the fourth category is overpayment uncovered on an audit.

Mr. Alcock: Can the minister tell us, in each one of those four categories, how that \$3 million splits up?

Mrs. Vodrey: Madam Chairperson, we will have to return with that information on the detail of each category for the member.

Mr. Alcock: Can the minister differentiate for me between a special opportunity loan and a Manitoba government loan?

* (1520)

Mrs. Vodrey: Madam Chairperson, the Manitoba government loans are for students in professional programs. Special opportunity loans are provided to individuals in a variety of circumstances. Sometimes it is those students who have exceeded their years of eligibility, and sometimes it is also for disabled students and students with special needs.

Mr. Alcock: Let us just concentrate on the special opportunity loans for a moment. Is this the financial category that a disabled student would go to first, or is this to provide some sort of supplementary support that is over and above existing guidelines?

Mrs. Vodrey: Madam Chairperson, no, this would not be the first place that students would go to for support, and generally this support would be offered in the form of a special opportunity bursary. The special opportunity bursaries are available to full and to part-time post-secondary students, and they are designed to provide support for the extra services that disabled students require which are not covered by other support programs.

Mr. Alcock: Are there written guidelines for the special opportunity loans program?

Mrs. Vodrey: The special guidelines are available in the branch's policy manual, and that policy manual is available in the Legislative Library, which the member had requested a list of those manuals earlier in the Estimates process.

Mr. Alcock: Madam Chairperson, I thank the minister for that.

Can we now move on to Manitoba government loans, and can the minister—as I recall, her answer was that this was for students in professional programs. Can she differentiate between that and the regular Canada Student Loans Program, other than the obvious fact that one is offered by the federal government and one by the provincial?

Mrs. Vodrey: Just to remind the member that in Manitoba, we have a three-part award system. We have the Canada Student Loan first, the Manitoba Government Bursary and thirdly, the Manitoba government grant or loan. If a student in a professional program continues to need support to that level, then generally they receive the Manitoba government loan.

Mr. Alcock: The minister, when she described it, called it a grant or loan. Can she tell us the difference? How is that differentiation arrived at?

Mrs. Vodrey: The grant is nonrepayable money, and the loan is repayable. Generally, the loan is given to students in the professional schools where they have a higher future earning potential.

Mr. Alcock: Yes, the loan portion seems to be relatively clear, but can the minister differentiate between a grant under the Manitoba grant or loan program and a Manitoba Government Bursary, if both of them are nonrepayable?

Mrs. Vodrey: As I explained to the member, the award system is in three parts, the Canada Student Loan first, followed by the Manitoba Government Bursary. If a student is still in need of additional funds, then we progress to the third part of the Manitoba award system, the Manitoba government grant or loan.

Mr. Alcock: The \$3 million that was referenced as being the total coverage in these three areas, is that the accumulated amount that is being sought or is that an annual figure?

Mrs. Vodrey: I am informed that this is the cumulative receivables.

Mr. Alcock: Can the minister give us some idea of how much is going into default each year?

Mrs. Vodrey: The member has already asked for some information on the issue of receivables, and when I provide that information, I will provide for him the amount of loans in default.

Mr. Alcock: Madam Chairperson, I thank the minister for that. I would like just to define that a little bit further. Might I have the amounts in default for each line, both cumulative and for the current year, and the number of loans that this totals, both cumulative and for this particular year?

Mrs. Vodrey: Madam Chairperson, yes, we will provide that information both on current year and on cumulative.

Mr. Alcock: Moving on, first a question as to area. Support for graduate student fellowships and the like at the three universities, within that, there is a program called, I believe it is called the Duff Roblin fund, something that this government has started just recently. Is there any support other than basic loan and bursary support for graduate students

contained in this particular portion of the appropriation?

Mrs. Vodrey: Madam Chairperson, there are no graduate fellowships in this appropriation. We recognize that some jurisdictions do provide graduate fellowships in this appropriation, but within those other jurisdictions, they offer loans primarily as their provincial support, and in this province, we offer as our provincial support bursaries and grants.

The Duff Roblin award which the member has been referencing, we will have more details for him when we get to the appropriation under UGC.

*(1530)

Mr. Alcock: Madam Chairperson, just to help us move along, then, would that be true of all other graduate fellowship support, that they will all be dealt with under UGC?

Mrs. Vodrey: Yes, that is correct.

Mr. Alcock: Well then, if we can come back to this question that we talked a bit about last night, on the support available for students studying in non-Manitoban schools. If I understood the minister correctly—first to deal with out of Canada—the only schools that a Canadian or a Manitoba student can attend and still receive some form of financial assistance from Manitoba are schools located in the State of Minnesota. Is that correct?

Mrs. Vodrey: Currently, the Student Financial Assistance Program does provide Canada Student Loans and bursaries and loan rebates to undergraduate students at Canadian universities if the program is not available in Manitoba. If a similar program is available in Manitoba and the student chooses to study outside of Manitoba, then the undergraduate student is eligible for the Canada Student Loan only.

Now, undergraduate students studying outside of Canada are eligible for the Canada Student Loan and provincial assistance, if the program is not available in Manitoba, and failing that, is not available in Canada.

An exception is made for students studying in Minnesota. Under the Manitoba-Minnesota Agreement on Educational Co-operation, students studying at approved public institutions are eligible for full assistance under the Manitoba Student Financial Assistance Program. Students studying at private institutions are eligible for full assistance

if the program offered in Minnesota is not available in Manitoba.

For post-graduate students, post-graduate students will be considered for both the Canada Student Loan and the Manitoba government bursaries if they are taking a Master's, including a pre-Master's, or a Ph.D. program, provided that they are attending an institution which is approved for funding.

Mr. Alcock: Approved for funding by the Manitoba Student Financial Assistance Program?

Mrs. Vodrey: Yes.

Mr. Alcock: Well, just relative to that last statement, can the minister table a list of institutions outside of Canada that are currently approved for both Canada Student Loan and Manitoba government support?

Mrs. Vodrey: Well, I did just table for the member earlier today this list of institutions which have been approved for the Canada Student Loan. I believe that was the list that he had requested at an earlier sitting of the Estimates.

Mr. Alcock: Let us come back to the question then of undergraduate students. Can the minister tell me how many undergraduate students are currently receiving financial assistance and studying outside of Canada and outside the State of Minnesota?

Mrs. Vodrey: I am informed that there are 150 students in professional programs, and further information, we will need to search the computer sheets which we have available to us, and we will do that research and provide the member with that information.

Mr. Alcock: In doing that, if you could differentiate between U.S. schools and non-U.S., non-Canadian schools, I would appreciate that. The 150 students referenced in the minister's answer then, I specifically asked about undergraduate students. Are these 150 students, students that have gone into professional as opposed to the students that she mentioned earlier who would be accessing Master's or doctoral programs?

Mrs. Vodrey: Yes, I am informed that these are different students from those which the member just mentioned. As I said, we will provide that further information that he has asked.

Mr. Alcock: I am interested then, if we—well, I am sorry, first, let me get the number of graduate

students. How many graduate students, Master's and doctoral?

Mrs. Vodrey: Madam Chairperson, this information the member is asking for is extremely detailed and, again, we have a computer run of approximately 15,000 documents, but we will be pleased to go through that information for the member. We will provide him with the graduate and undergraduate type of program and college, which I believe he has asked for.

* (1540)

Mr. Alcock: Well, alternatively, they could give me access to the database, and I could do my own searches, if you would like. I would certainly want to save the department some time and energy.

What I am interested in is how the department, how the government differentiates between schools. It seems that we have a considerable number of students who are studying outside of Canada and outside of the Manitoba-Minnesota agreement who are receiving financial support.

The criteria for that, as I understand it, is support in approved programs. Now I have just received this list before Question Period. It was on my desk when I came in, and I have been through it very quickly, but I note here that the University of Chicago was on this list.

I have a question from a student who is attending the chiropractic program at the University of Chicago who is not receiving support and who has been refused support after having received a letter offering support.

I am trying to get a sense of what the policy is that assist the staff in differentiating between which students will receive support and which students will not.

Mrs. Vodrey: Madam Chairperson, I am informed that for the University of Chicago, there is an eligibility for the Canada Student Loan only, and I did provide the member just a few minutes ago with the four criteria.

The reason that Canada Student Loan at Chicago is the only available assistance is because the program is available elsewhere in Canada.

Mr. Alcock: So, Madam Chairperson, the 150 students, plus or minus a few who will emerge from the searching of the database studying in undergraduate programs outside of Canada plus the graduate students, Master's and doctoral, who

are also studying in approved programs outside of Canada, they are all studying in programs which are not available in Canada?

Mrs. Vodrey: Madam Chairperson, again, that requirement pertains only to the undergraduate programs where they are available in Canada, but I did read into the record, for the member's information, in the area of postgraduate programs, Master's level and Ph.D., that there is an eligibility.

Mr. Alcock: So to clarify then, let us just come back to the 150 undergraduate students, just to be perfectly clear about this. None of those 150, plus or minus whatever it may be, no student is studying at a university outside of Canada in a program that is currently offered in Canada?

Mrs. Vodrey: Madam Chairperson, I have told the member that we will review all the information that is available to us and that we will provide him with the information for the number of students studying outside of the country by the level and program which I think is the information that the member is seeking.

Mr. Alcock: Madam Chairperson, that actually goes a little further than what I was seeking. I was seeking some assurance from the minister that no student is, et cetera, et cetera, and I shall not bother repeating the question, but if she wishes to give me the details of every student that is receiving support outside of the province.

I guess the only question I would ask then is given this government's extremely poor performance in producing information that I requested on a timely basis—and not this department's. I will say that thus far in these Estimates, the department has responded in a very timely way to my questions. I shall not repeat the debacle of the deaf policy, but certainly I have a number of requests for information outstanding that make me a little nervous.

So to provide me some comfort, perhaps the minister could give me a time frame for the production of that information. Will we see it before the end of this week, before the end of this month, before the end of June?

Mrs. Vodrey: Madam Chairperson, we will be pleased to provide that information by the end of next week for the member.

Mr. Alcock: Thank you very much, Madam Chairperson.

Might I ask the minister if the same information would be forthcoming on students in the graduate programs?

Mrs. Vodrey: Madam Chairperson, yes, we will provide the information that the member has requested in the time frame that I have assured him.

Mr. Alcock: With this list, this post-secondary campus list that the minister tabled at the beginning of Question Period today, or I guess it was on our desks at the start of the session today, how does a program become approved? What is the process that a program goes through in order to appear on this list?

Mrs. Vodrey: Madam Chairperson, the information that the member is seeking is quite detailed information, but I will be pleased to table it for him today if that would be helpful to him.

Mr. Alcock: Madam Chairperson, before we get into the provision of the truly vast quantities of paper that I suspect exist within this department, perhaps the minister could just assist me in understanding how this form is structured.

I note here it says review date opposite some of these things. Now some of them start with a 91—I am looking now on some page number. It says page 1. They all say page 1—no, they do not all say page 1. Well, let us take page 1 of the entire document.

*(1550)

When they say the review date, the first two numbers would seem to be the date. There is a 91-01-08, and the first one I have is 64-09-23, a 90-11-23. Are those first two numbers the year of the review?

Mrs. Vodrey: Madam Chairperson, yes, those numbers are the year in which the institution was first designated.

Mr. Alcock: Are these institutions reviewed on some sort of regular schedule?

Mrs. Vodrey: In the area of public institutions, new programs are, of course, reviewed when they receive a designation, and the private vocational schools are reviewed every five years.

Mr. Alcock: In this indicator code one-two-three, one is approved, two is not approved and three is something that is listed here as de-designated, which I think we will hear on CBC Radio at some point. The de-designated, is this something that is

as a result of this five-year review, or would it be the department acting on a complaint, or is it simply that the school has gone out of business, or does the fact that something is de-designated and still sitting on this list indicate that it is still in existence but somehow it has lost something which it once had?

Mrs. Vodrey: Yes, sometimes a de-designation occurs as a result of a review. But as the information sheet that I provided the member with states, the de-designation is usually a result of the institution no longer being in business.

Mr. Alcock: Why then is it still maintained on the list?

Mrs. Vodrey: The purpose, I am informed, is that when people do apply then the de-designation is on the record. It is faster to let individuals know that program, that institution is de-designated.

Mr. Alcock: I am just trying to envision the person who is applying for a loan to attend a school that is no longer in business, but I presume the department has its own purposes for this.

In the case of approvals for more significant schools than some of the private vocational schools that appear to be listed here with the de-designated indications against them, I am thinking of major public and private universities and the like, when someone applies for that, I am wondering how the determination is arrived at that a particular program is okayed or not okayed if you are only approving them at the time at which you register them.

The only review takes place—you have some here 1964, '67—is there no process whereby a student comes forward and says: I can get accepted into this school, it meets a national-international standard; I would like some assistance to go and study there? Is there no process for reviewing that?

Mrs. Vodrey: An institute is designated and then as new programs are instituted they are then considered for designation. It is a detailed process. It is outlined in the document which I am prepared to table for the member, and it is listed in detail on page 1, the criteria for designation of institutions and the criteria for approving a program of study and the minimum criteria for designation of institutions.

Mr. Alcock: Can the minister explain to us the reason behind the policy that prevents a Manitoba student from studying at a non-Canadian school when the school meets all of the accreditation and standards and professional licensing standards in

Canada and in the U.S.? I am wondering why such a school would not receive support if a Manitoban was to receive acceptance there and be eligible for study and graduation. I mean, to be specific about it, I am referencing the chiropractic college in Chicago. I do not understand why, when someone is accepted into this program, we would deny them support.

* (1600)

Mrs. Vodrey: Well, the student wishing to attend the chiropractic college in Chicago, which the member has been speaking of, is still eligible for the Canada Student Loan.

But as I have outlined for the member, Manitoba, unlike other provinces, does provide a bursary grant system as opposed to a provincial loan as the second stage. Because we operate with a provincial bursary and grant system, then we have to have some policy in which to look at the numbers. It is my responsibility to oversee the administration of the dollars available, and through those dollars available to our bursary and our loan system, there must be some limits. So we have looked at the criterion which I have discussed and have set that criterion.

Mr. Alcock: Perhaps I misunderstood the minister then. The 150 students, more or less, whom we talked about in undergraduate programs outside of Canada, and the yet unspecified number of graduate students in Master's and doctoral programs, am I to understand that none of these are receiving bursary or grant support, they are only receiving Canadian Student Loans?

Mrs. Vodrey: The member has asked for the information relating to graduate and undergraduate students who are studying outside of the country and their particular status. I would want to be very careful not to provide the member with any hypothetical information, so as I have said to him, I will be happy to include that information in the information which he has requested to this point and which I have told him I will be happy to see he receives.

Mr. Alcock: I have one dilemma then. The minister is not able to give me an assurance. We seem to be talking on two different sides to this question, and I am not certain that we are talking about the same thing. My question is whether or not students receive—now the minister differentiated between Canada Student Loans and an institution

being eligible for a Canada Student Loan. It seems be fairly clear that a student studying outside of the boundaries of Manitoba can receive Canada Student Loan support if they are on the approved list. Great.

But there is a different step, it appears, when a student is seeking bursary or grant support. If I understood the minister correctly, what she had indicated was that, no, because they have this secondary program, students may receive the Canada Student Loan, but they would not receive the bursary and grant. I just want to ask whether there is a consistent application of that policy. Are all students who are studying outside the province of Manitoba or outside of Canada and the state of Minnesota, receiving only CSL, only Canada Student Loan support?

Mrs. Vodrey: The answer again is that students who are studying at institutions outside of Canada and outside of Minnesota in a program which is not offered in Canada, those students, and the institution as designated, would be eligible to apply for both the Canada Student Loan and the Manitoba support through the bursary and loan grant program that we have in the three stages that I described for the member.

Mr. Alcock: Okay, then that maybe brings us to the policy question, which is, the purpose of the policy is to make support available to allow people to avail themselves of additional training and education, and I am wondering why we would be concerned about limiting or why we would want to limit the number of students who could take advantage of that kind of training.

I assume that we want to have some limits around the quality of the program. We want to make sure they are going into a program that is going to give them a credential that is of some value in their home province, but having ascertained that, why do we further limit them?

Mrs. Vodrey: Madam Chairperson, our first obligation is to see that post-secondary opportunities are available to students. We look at where those post-secondary opportunities are available, and we look for those to be available within Manitoba. Where they are not available in Manitoba, we look for them to be available in Canada. Where they are not available in Canada or in Minnesota, then we look to where they are available.

But as the member knows, if the course is available within Canada and within Manitoba, but within Canada on a wider basis, then I think he knows that the tuition fees for programs within Canada are less expensive than the tuition fees at some of the American universities, by way of example.

So we have to look, first of all, at how we are going to allocate the funds that we have available within this province. We do look to make sure that post-secondary opportunities are available to certainly those students who would like to undertake them, and we look to support those students. Again, we look to support those students in a way in which the funds are expended in the most efficient way possible.

Mr. Alcock: This question, I mean, I can understand. I might argue the Manitoba policy, but certainly let us accept that one for now. Is it a consistent policy across the country that students are not allowed support outside of the country of Canada if the program is available in Canada?

Mrs. Vodrey: Madam Chairperson, I am informed that there is no consistent policy across Canada, but I will remind the member that most jurisdictions do provide additional support from the province in terms of loans and that we in Manitoba provide our assistance to students to assist them within their post-secondary studies by way of bursaries and then the third step, the Manitoba loan or grant.

Mr. Alcock: But it seems curious that we would act in a way that would limit the potential opportunities available to Manitobans in this manner. Why has the government made this particular determination that a student who can gain access to a high-quality, non-Canadian school cannot go and study there and bring back those skills into Manitoba? What are we concerned about? I am a little at a loss to understand why we would not want Manitobans to get a high-quality education elsewhere if it is not available in this province.

* (1610)

Mrs. Vodrey: Madam Chairperson, as I have described to the member, this is a matter of balance, and it is a matter of access and student desire and availability. Again, I will remind the member that, if the program is available in Manitoba, that is one matter. The member has referenced again a program not available in Manitoba.

Where a program is not available in Manitoba and not available in Canada, then the student may seek the additional assistance provided by the province, but the student may still seek assistance provided through the Canada Student Loans Program if the student wishes to study at an institution outside Manitoba where there is in fact a program available in Manitoba. What the student is not able to access under those circumstances, is not eligible to access, is the Manitoba portion.

Mr. Alcock: Is this a recent policy decision taken by the current government?

Mrs. Vodrey: Madam Chairperson, no, it is not a recent policy of this government. It is a long-standing policy.

Mr. Alcock: Then there is no reason why the minister could not change the policy. If in fact it was a policy of the bad old days, as this government is often fond of saying, then perhaps we could strike out in bold, new directions if there is a desire, a sincere desire on the part of the government, to see more Manitobans trained, and if Manitobans are able to access high-quality, accredited programs in other parts of the continent, why would we limit the number of Manitobans who can achieve that kind of success?

Mrs. Vodrey: Madam Chairperson, access to programming is a top priority of this government. I will remind the member that this government has stood by the policy of a bursary first, but there are financial limitations to the taxpayers of Manitoba. So I ask the member, is he suggesting then a change of policy which would eliminate the bursary, which would implement a loan process, so that students, at the expense of other students, could then study at programs available in Canada, available in Manitoba, at the expense of Manitoba taxpayers?

Mr. Alcock: I guess now we are into it a little bit. It is interesting that as recently as in Question Period today we had the Finance minister (Mr. Manness) waxing eloquent about the lack of desire on the part of this government to build boundaries around the province of Manitoba, to reach out to the rest of the world, et cetera.

I am not suggesting in any way that there be a differing level, size, amount or whatever. There is a support rate that is established for students studying in programs, period. If the programs are not available in the province of Manitoba, that support

rate is made available to them to study elsewhere in programs approved that are available elsewhere.

But for some reason the government has drawn a boundary. It is saying that Manitobans can only be educated at these schools which we have chosen, despite the fact that in any other school a state over or a couple of provinces over—well, not provinces I guess in this case—that are equally good or potentially even better.

For some reason the government has drawn an arbitrary line. I do not understand why, because we are not talking about a huge expansion in the number of students. Students still have to meet the entrance requirements; they still have to be accepted into the programs; the programs still have to be accredited; and there are a whole series of criteria that are going to hold down the numbers. Frankly, if we had more students achieving professional accreditation or professional credentials in higher levels of learning, is that not something that is good for the province?

Yet for some reason the government has continued a policy of the previous government that seems to mitigate against people accessing this kind of training, and I am simply asking the minister to defend that policy. Actually, what I am asking the minister to do is to reverse it, is to consider changing the policy.

Mrs. Vodrey: Well, again, I believe that wise governments do monitor trends, they do look at the supply and demand and I believe that is one of the things that the member is asking me to do. He is asking me to have a look at what the supply and the demand is and to make sure that we are well aware of the kinds of requests and trends which students might bring forward to us.

Certainly as part of a government that I believe is very responsible, that is certainly one of the things that we do. But as I have already stated to the member, it is very important for us to set a balance that is one in which taxpayers can afford the balance that we have set, one that also does look at the issues of access and the future needs of the province and the money, as I said, that is available.

Mr. Alcock: Well, Madam Chairperson, maybe we could get a sense—I mean, does the minister have some study that suggests that if we allowed additional Manitobans to study at high quality professional programs in other parts of the country, that this would open the flood gates and we would

have, what, another five, 10, 50, 100, that somehow this would increase the deficit to a point that Manitoba could not sustain? What is the evidence of that?

Mrs. Vodrey: Madam Chairperson, well, I believe that the evidence lies in the fact that students who wish to study outside of Canada, and particularly at private universities in the United States do pay a higher tuition fee. The students have higher living expenses, higher transportation costs and all of those costs and expenses then do place a greater burden on the provincial taxpayers.

Mr. Alcock: Well, Madam Chairperson, I said in my earlier question that there can be a rate set that is consistent with the rate of support available at a Canadian university. It does not need to be a sliding scale to meet—one does not expect them to meet the fee scale of Stanford or Harvard or Yale or any one of those. I mean, there can be a rate set that is consistent with the rate provided to a Canadian student attending a school at a Canadian university. The question, though, was: what is the evidence that doing this would cause a dramatic increase in the number of people applying for it?

Mrs. Vodrey: We do have empirical information regarding the average cost for students studying outside. We do not have specific information which, as the member has said, would suggest that the specific numbers would increase to a certain level.

I think that at this point we have a basic difference of belief, but what I have told the member was that I believe that responsible governments, responsible departments, responsible ministers do monitor the trends, do look at the issues of supply and demand, do look at the requests, and I have told him that I am certainly prepared to do that monitoring.

* (1620)

Ms. Friesen: Madam Chairperson, I have been interested in listening to the recent exchange, and I would like to ask the minister also to send me the same information on loan defaults. I think that would be useful for both critics. I was also interested in the list she provided of educational institutions, and I suppose everyone comes at this with different preconceptions, but one did strike me and just out of curiosity, I am interested in the Maharishi International University and the reasons for the acceptability of that particular one. Is it because it was acceptable to Ontario and Alberta or

Ontario and B.C., or which particular route did it take?

Mrs. Vodrey: Madam Chairperson, I am informed that the process for the designation of that particular school under the Canada Student Loan would be that a student would have applied to receive Canada Student Loan assistance to attend that institution. We would have written to that institution. That institution would have replied back with their particular information regarding what the information is. That information then would have been checked against the criteria, which I have tabled earlier today. If that institution met that criteria, then the institution would have qualified under the Canada Student Loan designation.

Ms. Friesen: But there are a variety of criteria which it can meet within that Canada Student Loan Act, and I wondered which particular ones this one met. For example, I assume it has a certificate, is it 50 percent of the faculty having Master's degrees, what is it? It seems such an odd one.

Mrs. Vodrey: Madam Chairperson, as the member knows, there is a list with virtually hundreds on the list, which I provided her, of institutions which have been designated. If she has a series of institutions which she would like us to check into their historical designation, then we will be happy to do that. Certainly we can look at that one.

Ms. Friesen: I would like to have some information on that one. Another one I am interested in is the Flanders Foot Care Techniques of Esterhazy, Saskatchewan. The third one was the Old Masters Institute of Photography in Victoria, British Columbia. There is no need to table them now, I simply thought the minister's staff might have some information on the process of those particular ones, as they do stand out in my mind. I am sure others stand out in other people's mind.

The minister said that this department monitors the trends in Student Financial Assistance, and I wonder if she could give us an account of the changing trends in the uptake of student assistance loans and bursaries over the past three to five years. What kind of changes has the department seen in terms of, for example, the number of single students, single parents, male students, female students, continuing students and mature students?

Mrs. Vodrey: Madam Chairperson, yes, I have some trends that I can speak to the member about. There has been a decrease in 1988-89 of the total

amount of money, and that decrease is due to less claims of the previous year's loan rebate commitments. From 1986 to 1992, there has been an increase of assistance to post-secondary students, and the average yearly expenditure increase is 9.4 percent. This average 9.4 percent increase is meant to cover increases in tuition fees and living costs, and this year, 1992-93, the increase to post-secondary assistance is \$615,000, 615.2, which is a 6 percent increase. The level of assistance provided to Manitoba post-secondary students increased by \$3.7 million or an average of 9.4 percent yearly over the past six years, and the total amount is close to \$50 million, of which 95 percent, or \$47 million, is nonrepayable assistance, unlike other provinces which, as I have said, do provide provincial assistance in the form of provincial loans.

* (1630)

Since the total cost of tuition fees is included in the student need assessment, this increase did come also including the tuition increases at the institutional level. The department will continue to recognize 100 percent of the cost of tuition to determine the student assistance level.

Ms. Friesen: What the minister has done is outline the increases in amounts paid out by the department. I was also interested in the other side of that question, the changes in the nature of the students who are requesting the assistance.

So I was looking for changes, as I think I said, in balance between genders, single parents, mature students versus continuing students, students who have family responsibilities, et cetera. Have there been some noticeable changes in those proportions over the last five or six years?

Mrs. Vodrey: We do have the information that the member is interested in for this current year, and we are just in the process of assembling that information. The information which she has asked for, trends in terms of the past five years—I think that was the amount of time that she was referencing—again that is information that we do have available through computer printouts.

It is a detailed activity, but we will assemble that information if that is what the member would be interested in. I will report to her this afternoon as soon as I have the figures assembled here, what the figures are in terms of the student type. I believe she was asking for those students who would be

classified as a dependent single, living at home or away from home, an independent single living at home or away from home, and a married individual with or without dependents, and then single parents.

I also have for her, if she would be interested, some information on the average loans while we are assembling the numbers. For the dependent single living at home or away from home, the average Canada Student Loan is about \$3,108, with an average Manitoba government bursary of \$967, average assistance for that individual being \$4,075. Average loan rebate is approximately \$954, with a debt load then of \$2,154.

For single parents, the information that I have is an average Canada Student Loan of \$3,286, and average Manitoba grant or bursary of \$2,483, for average assistance for single parents of \$5,769, and an average loan rebate of \$2,183 for a debt load of approximately \$1,103.

In terms of the statistics that I believe she has been asking for, for the year 1990-91, the number of dependent students who approached—the number of total applicants in the dependent category was 4,799. The number of independent applications of students living at home was 1,500; the number of independent students was 4,901; the number of married students was 1,927; the number of applicants who were married who were both students was 404; and the number of single parents was 1,304—for a total number of applicants of 14,431.

Ms. Friesen: Those figures are interesting for this year, but in terms of looking at departmental policy they really do not have very much meaning without knowing what the changes have been over a period of time. Actually I would be interested in having the rolling analysis, but I am curious as to why the department does not have them. I would not necessarily expect you to have the numbers here, but are you asking those questions? For example, if one of your purposes is to "increase the participation and success of Manitobans in education and training" and to meet the needs of underprivileged students—and I am quoting from the section dealing with the purpose of this part of the department—it seems to me that those kinds of things will be the basis for any kind of analysis.

Mrs. Vodrey: Madam Chairperson, we certainly do monitor the trends. We do have this information available at the Student Financial Assistance

branch. As I have said to the member, we will make it available, but to bring it into the Estimates process would require cartons of computer paper to come with us. So we do not have it at this moment, but, as I said, we would certainly provide the information for her.

Ms. Friesen: Madam Chairperson, I do not want to belabour this, but it does seem to me it does not require cartons of paper brought into Estimates to have an analysis of who your clientele are and how they have been changing over the past five years, if one of your stated aims is to meet the changing needs of the clientele.

* (1640)

I mean, it is an obvious question. What are those changing needs? What kind of information and questions is the department asking in this area that, presumably, is the basis for annual reports, for annual analyses, for meeting the Planning Secretariat, if there is one?

Mrs. Vodrey: Madam Chairperson, well, we certainly do analysis within this branch, and some of the analysis which we do year over year are numbers such as last year's participation rates, historical participation and trends, participation by institution, cost tuition, transportation and living costs. As a result of this analysis which is done regularly, it does lead to some of the changes then which have been brought forward. In 1991-92 some of the changes were increase in local transportation to meet the actual costs and there have been a number of changes which have been brought forward and have been analyzed and then have led to changes within the program.

Ms. Friesen: Madam Chairperson, when the minister says the participation rate is monitored, what exactly does that mean? What criteria are being looked at there?

Mrs. Vodrey: Well, we look at the participation level by application, and then we also look at the awards by type of program, and I did read into the record for the member the student types which we look at. I did read into the record some of the average Canada Student Loans that have been awarded to those specific category areas, the amount of the Manitoba government bursary within that area, the average assistance within that area, the average loan rebate which is within that area.

So, as I explained to the member—and also I would like to add the average debt load for students or participants within that category. So what we have done, what I have read to her today is the average amount in each of those categories, and I have also read her today the participation rates by number in each of those categories. We do monitor those, as I told her, year over year to look at, again, issues such as participation and the awards.

Ms. Friesen: Could the minister discuss, for a little while perhaps, some of the new ideas or new policies she might be looking at in relationship to student funding? There are a number of new ideas which were suggested in the Stuart Smith report. There certainly have been some that have been reported on in the press recently. The funding of students and issues of accessibility are ones which concern every government, and I wonder what, since 1988, have been the new ideas in this department, and what kind of proposals are being discussed within the department for any kind of restructuring or new approaches to this particular issue?

Mrs. Vodrey: Well, I would hesitate in answering the question to speculate on policy, but I am prepared to outline some areas of concern for the member. The first is that before we can make any change to our program in Manitoba, changes must take place at the federal level in the Canada Student Loans Program because Manitoba's assistance is supplementary to the Canada Student Loans Program.

In looking at our program in Manitoba, we believe that it is a generous program compared to other jurisdictions, and again I will remind the member that it is in the form of bursaries and grants. We would also look to enhance the assistance; in particular categories we would look with concern to those people who are single parents, those people who are aboriginal students, those studying who have special needs.

We are aware of some of the recommendations in the Smith report, particularly the area of the income contingency, but again I would remind the member that our program in Manitoba is supplementary to the federal program and it certainly would require a change in the whole national approach.

Ms. Friesen: Has there been any discussion with the federal government about new approaches to

student funding? Has the minister, for example, raised this in any of the meetings, or through letters with the Council of Ministers?

* (1650)

Mrs. Vodrey: As I have answered previously in our discussion regarding student financial assistance in this Estimates debate, I did tell the member that there was a meeting in Ottawa in which ministers were asked to speak with the federal minister, the Secretary of State. Certainly on behalf of Manitobans I did raise the issue of students with special needs. In that category, I included both those students who are single parents, those students who would be at risk of being marginalized, including those students with other special needs, including any special assistance required for their learning.

Ms. Friesen: Could the minister tell us what proportion of post-secondary students in Manitoba receive aid from this branch?

Mrs. Vodrey: We believe, based on the figures of knowing the enrollments of the various institutions and also looking at the awards by way of institution, that it is approximately a third of the students in post-secondary institutions.

Ms. Friesen: Does the minister have any sense of how that has been changing over the last five years?

Mrs. Vodrey: I am informed that number is fairly static over the past five years.

Ms. Friesen: And how does it compare to the Canadian average and perhaps to a similar western province or eastern province, something on the same scale?

Mrs. Vodrey: It is difficult to compare because the cost of programming is somewhat different across Canada, but I understand that this compares somewhat to Saskatchewan.

Ms. Friesen: Could the minister give me a footnote to that, or somewhere I can check it? Does she have something more precise on, compares similarly to? And how does it compare to the national level?

Mrs. Vodrey: We can provide information on trends over the past three years for students accessing the Canada Student Loans across jurisdictions, but the member would have to recognize that there are some differences across

the provinces. But we will certainly provide her with the information that we can.

Ms. Friesen: Could the minister tell me something about the audit and investigation aspects of this branch's program? How are those audits carried out?

Mrs. Vodrey: Well, the audit section ensures that first of all problem areas in policy and procedures are identified, that all the conditions stated on the declaration of the application form are met, and that the information provided in support of an application is true and complete, and that an accurate assessment of the student's financial need has taken place.

All applications which are audited are referred for very specific reasons. Some of the examples are: A discrepancy in the information reported may be noted by a Student Financial Assistance Branch staff; sometimes, for instance, the student's income tax return may indicate interest income from a bank account which was not reported on the application form. An application, secondly, may be returned to the audit section because a previous investigation or audit revealed a misreporting or sometimes concerned citizens inform the audit section that they suspect a student has misrepresented that student's financial situation.

Once a file has been accepted for audit, all the information reported on the application is verified by contacting the student, banks, employers and other agencies with which the student may have dealings, and once the requested information is received then it is examined and a report is prepared. The student is notified of the areas in which the inaccuracies may have occurred and also of what changes then were made to the award, if any.

Ms. Friesen: I just wanted to go back to an earlier line of questioning and to ask the minister again, over a three- to five-year period how long do students remain on average on student assistance and has that changed?

Mrs. Vodrey: Madam Chairperson, within the program, the program allows for, as a maximum, the number of years required for the study plus one. I am informed that most students do complete within that time period. However, there has been a modest increase in the special opportunity loans, and those special opportunity loans were those which I spoke of earlier which are available to students who for some reason, and there may be—

referenced a potential couple of reasons in which those students are unable to complete their course of study within that maximum length of time which has been outlined within the Canada Student Loan.

Madam Chairperson: Item 5.(g) Student Financial—

Mr. Alcock: Madam Chairperson, I know that the hour is drawing close to five o'clock, so perhaps I could just lay out a couple of issues and then the minister could bring information back to the next sitting of the Committee of Supply.

In this discussion of student loans, the question of average burden accumulated by students is one that I will be wanting to discuss at some length. The second is the average length of time for repayment of loans, given the loans that are being proffered by the province. I am going to want to discuss the means by which the Manitoba government could supplement the federal support available. The minister is quite right: the federal government sets the support rate; but I would like to understand a little better what options are available to the Province of Manitoba, whether they choose to avail themselves of them or not, to supplement particularly the living cost proportions of the support available. To date, there seems to be a lack of—

Madam Chairperson: Order, please. The hour being 5 p.m., and time for private members' hour, committee rise.

Call in the Speaker.

* (1700)

IN SESSION

Mr. Speaker: The hour being 5 p.m., time for Private Members' Business.

Committee Report

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

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

Motion agreed to.

PRIVATE MEMBERS' BUSINESS**House Business**

Hon. Clayton Manness (Government House Leader): Mr. Speaker, on House Business, before we move to the calling of private members' bills 39, 52 and 90, I would like to indicate that there has been discussion between House leaders. What we would anticipate doing, collectively, is to call third reading of Bill 39 as shown on the Order Paper today, also to see Bill 52, a motion brought forward by the member for The Pas (Mr. Lathlin), discussed and possibly passed at second reading stage.

Mr. Speaker, then for Bill 90, I will move a motion at that time, transferring the sponsorship of Bill 90, by the leave of the House if that is granted, from the member for Gimli (Mr. Helwer) to the member for The Maples (Mr. Cheema). I understand that bill then would be spoken to, again with leave of the House, on Thursday.

So that is what I am contemplating at this sitting, Mr. Speaker.

I will change the sponsorship of Bill 90 at this time.

I move, seconded by the member for Gimli (Mr. Helwer), that sponsorship of Bill 90, The Seven Oaks General Hospital Incorporation Amendment Act (Loi modifiant la Loi constituant en corporation le "Seven Oaks General Hospital"), currently standing in the name of Mr. Helwer, be transferred to Mr. Cheema, by leave of the House.

Mr. Speaker: Does the honourable government House leader have leave to change the sponsorship of Bill 90 from the honourable member for Gimli to the honourable member for The Maples (Mr. Cheema)? [Agreed]

Motion agreed to.

REPORT STAGE—PRIVATE BILLS

**Bill 39—The Salvation Army
Grace General Hospital Incorporation
Amendment Act**

Mr. Gerry McAlpine (Sturgeon Creek): Mr. Speaker, I move, seconded by the honourable member for Gimli (Mr. Helwer), that Bill 39, The Salvation Army Grace General Hospital Incorporation Amendment Act (Loi modifiant la Loi constituant en corporation "The Salvation Army Grace General Hospital"), reported from the

Standing Committee on Private Bills, be concurred in.

Motion agreed to.

THIRD READINGS

**Bill 39—The Salvation Army
Grace General Hospital Incorporation
Amendment Act**

Hon. Clayton Manness (Government House Leader): With leave of the House, I would like to call third reading now of Bill 39.

Mr. Speaker: Is there leave of the House to call for third reading on Bill 39? [Agreed]

Mr. Manness: Mr. Speaker, with leave of the House, I move, seconded by the Minister of Family Services (Mr. Gilleshammer), that Bill 39, The Salvation Army Grace General Hospital Incorporation Amendment Act (Loi modifiant la Loi constituant en corporation "The Salvation Army Grace General Hospital"), be now read a third time and passed.

Motion presented.

Mr. Steve Ashton (Opposition House Leader): I just wanted to indicate that we, by the expedited passage of this particular bill on second reading and we have just, by leave, support of all parties, agreed to deal with this on third reading.

I would like to thank the government House leader (Mr. Manness) for, I think, recognizing the importance of these three bills and the importance of dealing with them in a co-operative fashion. I would like to indicate on the record that I appreciate the move the government, in terms of the other bill in which the sponsorship was changed—because we had agreed with the concern expressed by the Liberals, time of introduction, and indeed I really believe this is the kind of precedent we should be setting in private members' hour with these kinds of bills, where we can deal with them in a co-operative manner, and we can expedite the passage, as indeed we are doing on this bill by passing it through third reading and report stage today.

Thank you, Mr. Speaker.

Mr. Kevin Lamoureux (Second Opposition House Leader): Mr. Speaker, I just wanted to add a few words. This is a bill which we are glad to see finally receive third reading today and very near in

the future will be receiving Royal Assent, and just to commend all those involved in wanting to get Bill 39 passed and enacted for their actions.

Thank you, Mr. Speaker.

Mr. Gerry McAlpine (Sturgeon Creek): Mr. Speaker, I just would like to thank the honourable government House leader (Mr. Manness) and all members in the House for their support on this bill on behalf of the Salvation Army Grace General Hospital, and I appreciate the contributions that all members have made in passing this bill on third reading. Thank you very much.

Mr. Speaker: Is the House ready for the question? The question before the House, third reading of Bill 39, The Salvation Army Grace General Hospital Corporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Salvation Army Grace General Hospital."

Is it the pleasure of the House to adopt the motion? [Agreed]

* (1710)

DEBATE ON SECOND READINGS—PRIVATE BILLS

Bill 52—The Pas Health Complex Incorporation Amendment Act

Mr. Speaker: On the proposed motion of the honourable member for The Pas (Mr. Lathlin), Bill 52, The Pas Health Complex Incorporation Amendment Act; Loi modifiant Loi constituant en corporation "The Pas Health Complex," standing in the name of the honourable Minister of Urban Affairs (Mr. Ernst).

Is there leave that this matter remain standing?

Some Honourable Members: No.

Mr. Speaker: No. Leave is denied.

Mr. Steve Ashton (Opposition House Leader): The member for The Pas (Mr. Lathlin) is unable to be here today. In fact, he is in hospital himself, unfortunately. I know he has been very anxious to see this bill pass, and he is, as I said, unable to be here. I know he would have liked to have spoken in closing on second reading.

It is important to The Pas Health Complex. It is time sensitive. They have an annual general meeting coming up fairly shortly, and this would, by changes to the board, add to The Pas Health

Complex. In particular, the board is looking at, for the information of members, expanding aboriginal representation on its board to ensure that many aboriginal people using the services of The Pas Health Complex are represented.

I know that, had the member for The Pas been able to be here today, Mr. Speaker, he would have put those comments on the record, the importance of this bill, not just to The Pas Health Complex itself, but to the broader community and particularly the aboriginal community in The Pas and in surrounding areas and making sure that their concerns are represented.

I would also, I am sure, on behalf of the member for The Pas like to thank the government House leader (Mr. Manness). I know the member for The Pas has discussed this matter with the government House leader, and I know that he is aware directly. I believe he has spoken to individuals in The Pas and The Pas Health Complex.

Once again this is, I think, an excellent precedent, Mr. Speaker. It is something that we can learn from in terms of all bills in having a co-operative approach on bills that are not political bills. This is a private bill. It affects a hospital in the same way that the other private bills do, and I think, where we can on these kinds of bills, which are nonpartisan bills, have a co-operative approach, it is to the benefit of everyone and, most importantly, to the constituents we represent.

So with those few comments, we are pleased to be able to have this pass through to committee.

Mr. Kevin Lamoureux (Second Opposition House Leader): Yes, Mr. Speaker, I, too, would like to stand and lend the support from our caucus on this particular bill.

Mr. Speaker, I acknowledge the fact that The Pas Health Complex serves the community very admirably. We will support the bill in going into committee at this time.

Mr. Speaker: Is the House ready for the question?

The question before the House, second reading of Bill 52, The Pas Health Complex Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Pas Health Complex." Is it the pleasure of the House to adopt the motion? [Agreed]

House Business

Hon. Clayton Manness (Government House Leader): Mr. Speaker, before you proceed to the rest of the items, I will indicate that, as soon as we deal with Bill 90, maybe even the next day after second reading of Bill 90 I will call a Standing Committee on Private Bills to deal with those two private members' bills, so that we may deal expeditiously with their conclusions.

Mr. Ashton: Just on a matter of House Business, tomorrow being Wednesday we would not normally call bills, but we would like to indicate, Mr. Speaker, we would certainly be willing, by leave, to call bills tomorrow in order to accommodate the very excellent suggestion by the government House leader (Mr. Manness).

Mr. Speaker: I would like to thank the honourable government House leader for that information.

SECOND READINGS—PRIVATE BILLS

Bill 90—The Seven Oaks General Hospital Incorporation Amendment Act

Mr. Speaker: Bill 90 (The Seven Oaks General Hospital Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation le "Seven Oaks General Hospital"), are we proceeding with Bill 90? No, okay.

DEBATE ON SECOND READINGS—PUBLIC BILLS

Bill 16—The Health Care Directives Act

Mr. Speaker: On the proposed motion of the honourable member for The Maples (Mr. Cheema), Bill 16, The Health Care Directives Act; Loi sur les directives en matière de soins de santé, standing in the name of the honourable Minister of Health (Mr. Orchard).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing? [Agreed]

Bill 18—The Franchises Act

Mr. Speaker: On the proposed motion of the honourable member for Elmwood (Mr. Maloway), Bill 18, The Franchises Act; Loi sur les concessions,

standing in the name of the honourable member for Sturgeon Creek (Mr. McAlpine).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing? [Agreed]

Bill 25—The University of Manitoba Amendment Act

Mr. Speaker: On the proposed motion of the honourable member for Osborne (Mr. Alcock), Bill 25, The University of Manitoba Amendment Act; Loi modifiant la Loi sur l'Université du Manitoba, standing in the name of the honourable member for Niakwa (Mr. Reimer).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing? [Agreed]

Bill 27—The Business Practices Amendment Act

Mr. Speaker: On the proposed motion of the honourable member for The Maples (Mr. Cheema), Bill 27, The Business Practices Amendment Act; Loi modifiant la Loi sur les pratiques commerciales, standing in the name of the honourable member for St. Norbert (Mr. Laurendeau).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing? [Agreed]

Bill 31—The Municipal Amendment Act

Mr. Speaker: On the proposed motion of the honourable member for St. Boniface (Mr. Gaudry), Bill 31, The Municipal Amendment Act; Loi modifiant la Loi sur les municipalités, standing in the name of the honourable member for Niakwa (Mr. Reimer).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing? [Agreed]

Bill 36—The Health Care Records Act

Mr. Speaker: On the proposed motion of the honourable member for St. Johns (Ms. Wasylycia-Leis), Bill 36, The Health Care Records Act; Loi sur les dossiers médicaux, standing in the name of the honourable member for Niakwa (Mr.

Reimer). Stand? Is there leave that this matter remain standing? [Agreed]

Bill 50—The Beverage Container Act

Mr. Speaker: On the proposed motion of the honourable Leader of the Second Opposition Party (Mrs. Carstairs), Bill 50, The Beverage Container Act; Loi sur les contenants de boisson, standing in the name of the honourable member for Gimli (Mr. Helwer). Stand? Is there leave that this matter remain standing? [Agreed]

Bill 51—The Health Services Insurance Amendment Act

Mr. Speaker: On the proposed motion of the honourable member for The Maples (Mr. Cheema), Bill 51, The Health Services Insurance Amendment Act; Loi modifiant la Loi sur l'assurance-maladie, standing in the name of the honourable Minister of Urban Affairs (Mr. Ernst).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing? [Agreed]

Bill 54—The Consumer Protection Amendment Act

Mr. Speaker: On the proposed motion of the honourable member for Elmwood (Mr. Maloway), Bill 54, The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur, standing in the name of the honourable member for Wellington (Ms. Barrett) who has five minutes remaining. Stand? Is there leave that this matter remain standing? [Agreed]

Bill 55—The Workers Compensation Amendment Act (2)

Mr. Speaker: On the proposed motion of the honourable member for Transcona (Mr. Reid), Bill 55 (The Workers Compensation Amendment Act (2); Loi no 2 modifiant la Loi sur les accidents du travail)—that is mine. Okay.

Bill 56—The Public Health Amendment Act (2)

Mr. Speaker: On the proposed motion of the honourable member for St. Johns (Ms. Wasylycia-Leis), Bill 56, The Public Health

Amendment Act (2); Loi no 2 modifiant la Loi sur la santé publique, standing in the name of the honourable Minister of Labour (Mr. Praznik). Stand? Is there leave? [Agreed]

Bill 66—The Child and Family Services Amendment Act (2)

Mr. Speaker: On the proposed motion of the honourable Leader of the Second Opposition (Mrs. Carstairs), Bill 66, The Child and Family Services Amendment Act (2); Loi no 2 modifiant la Loi sur les services à l'enfant et à la famille, standing in the name of the honourable Minister of Family Services (Mr. Gilleshammer). Stand? Is there leave? [Agreed]

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Speaker, I would like to put a few concerns that I have in regard to Child and Family Services on the record at this point in time, because I feel that there are a number of things that are going on right now within the government, or what the government is doing, that I do not necessarily support.

I believe that this particular bill addresses a number of issues that I think the Minister of Family Services (Mr. Gilleshammer) should be taking very seriously and dealing with.

An Honourable Member: Irrelevant.

Mr. Lamoureux: To the Deputy Premier (Mr. Downey), it is being somewhat relevant. If he does not believe I am being relevant, I would ask him to stand up and tell me how I am not being relevant.

Mr. Speaker: I think that The Child and Family Services Amendment Act is a very serious act in itself. Child and Family Services deals with the children of the province, if you will, and there are a number of issues that need to be addressed regarding child welfare issues.

I wanted to make reference to a couple of specific cases.

An Honourable Member: You cannot read from notes anyway, Kevin.

Mr. Lamoureux: No, to the Minister of Health (Mr. Orchard), I would not read. I would not want to disappoint them.

Mr. Speaker: I did want to say a number of things in respect to the welfare of the children of the province, something that, no doubt, we all believe is a priority. I know the Leader of the Liberal Party

(Mrs. Carstairs) had asked some questions to the minister, that the government has a role to play in terms of the welfare of the children of the province of Manitoba. We believe that there are things in which the government is doing—I referred to one of the bills that is in fact before us, Bill 64, that is dealing with another aspect of The Child and Family Services Act, that we believe will do a disservice, especially some parts of that particular bill.

We believe that The Child and Family Services Act deserves or warrants some amendments and that this is one of the amendments that in fact should be at least considered from the government. I know the minister responsible has not spoken to this bill yet, and we hope that he will take the opportunity to speak to the bill, because it is something that we would like to at least see it go into the committee stage just as much as the minister himself would like to see his bill go into committee stage.

* (1720)

I can assure the minister that, in fact, the Liberal caucus will be speaking to his bill, as we would hope that he would be speaking to this bill and point out where he feels that this bill or why this bill should not pass this Chamber, as we will do for his bill. Just as he feels that this bill is important to him, we feel that this bill is important to us. Every member is entitled to have their concerns expressed and ultimately voted upon if at all possible.

Mr. Speaker, I would only encourage the minister to do as we will do to his bill and stand up and speak to this bill.

Thank you, Mr. Speaker.

Mr. Marcel Laurendeau (St. Norbert): Mr. Speaker, it gives me great pleasure today to rise and speak to the proposed motion of the honourable member for River Heights (Mrs. Carstairs).

I know that the honourable member for River Heights does understand a lot of the situations that are happening throughout families, and there are a lot of concerns brought about the adoption process, not only in this province but throughout other provinces throughout Canada. I can understand some of the problems that arise when one is looking for their original parents and trying to find their bloodlines or trying to trace back where their history came from.

I know we spent a lot of time tracing our history. I think until we ran into blank corners and blank

areas that we could not trace, back in the 1700s and 1800s, it was not until that time that I realized that you have lost a section of heritage from your family, when you have no longer got that window of opportunity to be able to go through any type of search mechanism.

I think we as a province, we as a country, have to start realistically looking at what the family units are and what we as a government can do to assist not only the biological but all identities of families to reunite themselves in a family matter for health and other reasons.

Mr. Speaker, I believe this government has worked strong and hard throughout the years to see that adoption processes—and Child and Family Services has worked with the communities in a very positive fashion. I know the honourable member who used to represent St. Norbert, Mr. Gerry Mercier, had a very strong, strong feeling towards the issues of family services throughout the province. I know he took a very strong stand on child abuse and on other issues.

Mr. Speaker, I learned a lot from Mr. Mercier on his values, and how the values of the system have to be initiated not only by one member of the government but by all members of the Legislature, so that we as a unit can protect the children of today, because they are the true future for tomorrow. I do believe that is the reason we are here today, to protect the future for those whom we will leave behind what is left.

At times I wonder what it is we are going to leave behind. Governments of the past have at times fallen asleep at the wheels. They sometimes forgot that they could no longer spend to no limit and just continue to spend and raise debt. They thought that there was no issue as long as they just did what they wanted for the day. Well, to do what is right for our children, we have to understand and understand very clearly that what is left after we have increased the debt for our nation and for our province is nothing but a debt for our children.

I do not think you will find anyone in this House who could speak negatively towards a system that will aid a family to reunite. What is it all about? That is exactly what it is about: reuniting family. I do not think you will find anybody who does not believe in the family unit, at least not on this side of the House.

You might on that side, Mr. Speaker. I think when I look at some of the situations on that side of the

House, I do believe that sometimes they do not believe in the family unit. If they truly believed in the family unit, I do not think they would take the negative attitude they have towards government. I think they would really get constructive and try working with government to aid government to bring forward legislation that would aid our children.

I do agree with the honourable member for River Heights (Mrs. Carstairs). I do agree with the honourable member for River Heights on more than one occasion, and on this bill that she is bringing forward, I understand some of the concerns—and this is on Bill 66, in case some of the members were wondering what I was speaking to. I know sometimes I tend to drift off a little bit, and I tend to not stay exactly within the context of the bill that is before us, but at times I think you have to expand upon why the bill was being brought forward. I think to get the context, the true context of where we are heading with explaining the issue, we have to understand the issue. I think the main issue of this bill is the family unit—[interjection]

I am hearing some rhetoric from the other side. Mr. Speaker, excuse me while I just take a listen here.

An Honourable Member: What is the family unit?

Mr. Laurendeau: You see, Mr. Speaker, already they do not know what a family unit is, and that is not my fault that they do not know. I mean, they have to ask, what is a family unit?

Mr. Speaker, of all things, if the member does not know, I am not the one who is going to tell her. I come from a family unit and I am not the one who is going to explain to her how the family came about.

Within our family we were taught what a family unit was. I am sorry if the honourable member for Swan River (Ms. Wowchuk) does not know what it is, but I am not going to be the one to explain it to her. Maybe she could go to the honourable member for Wolseley (Ms. Friesen) or the honourable member for Wellington (Ms. Barrett) and they will explain it to her, but here at this side of the House we know what it is and I am not here to explain to you what it is.

Ms. Becky Barrett (Wellington): Put it on the record.

Mr. Laurendeau: Mr. Speaker, the honourable member for Wellington speaks from her seat. If she has a question to pose all she has to do is stand

after and speak to this bill. I am looking forward to having her comments on the record because I am always interested in, not only the intellect, but the rhetoric that I hear from that member.

I really appreciate it when she gives me the time and the opportunity to get up and speak in the House. I really do actually enjoy when she speaks from her seat and attempts to take me off the path—

Mr. Bob Rose (Turtle Mountain): Righteousness.

Mr. Laurendeau: Righteousness, as the member for Turtle Mountain says—the path of speaking about what the family unit is truly all about.

Within our family, Mr. Speaker, we were taught a lot—I am sorry, I do not hear the honourable member for Swan River again, it is inaudible when all the members are speaking at the same time. That is one of things we were taught in our family, we were taught that you do not interrupt when someone else is speaking.

But these people just do not know, Mr. Speaker, they continue to just jab, jab, jab. It is hard to keep on to an issue when you have this type of flow coming across the House, but I am learning to enjoy it, I am learning to enjoy it.

I do have to thank the honourable member for Swan River, I really do, because you have made it much easier in the times that I have had to get up in the House and speak, because even though you have taken me off the issue at times, you remind me of why I am here.

Mr. Speaker, Family Services is a very, very important issue here in this province. The honourable member for River Heights (Mrs. Carstairs) is bringing forward a bill and this bill will aid families in finding their true beginnings.

I do not know exactly all the ramifications around it because I have not had the opportunity to really go through and dissect all the separate sections of the bill. I am not about to start speaking to each individual section, because as we know, Mr. Speaker, we are not allowed to, we should not speak to specific sections. It is one of the rules that we are not allowed in the House.

Mr. Speaker, at this time, I would like to give the opportunity for the honourable member for Swan River (Ms. Wowchuk) because I see she has been standing there and waiting for me to sit down, and being the gentleman that I am, I will sit down at this time and give the honourable member for Swan

River the opportunity to rise and say what she has been saying from her seat. Thank you very much.

Mr. Speaker: As previously agreed, this matter will remain standing in the name of the honourable Minister of Family Services (Mr. Gilleshammer).

* (1730)

Bill 77—The Liquor Control Amendment Act

Mr. Speaker: On the proposed motion of the honourable member for Point Douglas (Mr. Hickes), Bill 77, The Liquor Control Amendment Act; Loi modifiant la Loi sur la réglementation des alcools, standing in the name of the honourable Minister of Labour (Mr. Praznik).

An Honourable Member: Stand.

Mr. Speaker: Is there leave that this matter remain standing? [Agreed]

SECOND READINGS—PUBLIC BILLS

Bill 32—The Immigration Consultants Registry Act

Mr. Speaker: Bill 32, The Immigration Consultants Registry Act; Loi sur l'inscription des conseillers en immigration. Are we proceeding?

Mr. Kevin Lamoureux (Inkster): Stand.

Mr. Speaker: We are not proceeding? Okay.

PROPOSED RESOLUTIONS

Res. 27—Issuing of Government Contracts

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I move, seconded by the member for St. Boniface (Mr. Gaudry),

WHEREAS the government of Manitoba issues contracts for capital expenditures, and building construction and maintenance on an ongoing basis; and

WHEREAS these contracts involve substantial amounts of taxpayers' money; and

WHEREAS publication of a list of awarded contracts would better inform Manitobans how their tax dollars are spent; and

WHEREAS the business community would gain a better understanding of how the competition

process operates from the disclosure of contracts; and

WHEREAS greater understanding of the process in the business community will lead to greater participation and, by extension, greater government savings on the issuing of contracts; and

WHEREAS disclosure promotes open competition and discourages patronage.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba recommend to the Department of Government Services that it publish a monthly listing of all capital, construction, and maintenance contracts valued at \$10,000 or more that were issued by the government of Manitoba; and

BE IT FURTHER RESOLVED that this Assembly recommend to the government that it publish a monthly listing of all tenders and proposals issued by all government departments.

Motion presented.

Mr. Lamoureux: Mr. Speaker, we have a serious problem in Manitoba, in fact, I would say that it is across Canada—

Hon. Donald Orchard (Minister of Health): It is called the NDP.

Mr. Lamoureux: The Minister of Health (Mr. Orchard) likes to think it is the NDP, and in part he is right, but that is only in part. One of the real problems that I have encountered in all three elections that I have participated in and ran as a candidate is when I knock on doors there is a lot of cynicism towards politicians, elected officials, Mr. Speaker.

The reason why that cynicism is there is in part because of the manner in which contracts are given out, jobs are filled. Unfortunately, I will not likely have an opportunity to introduce the second resolution dealing with patronage appointments because of the vast number of resolutions that we have before us.

I think that the two of them go hand-in-hand in the sense that you have the cynicism that is being levelled by all of our constituents, is that the contracts, the manner in which contracts are handed out and proposals are issued and jobs are filled is wrong. The perception on it is very, very negative.

I believe that what is necessary, as the resolution itself deals with, is in terms of a monthly listing of tenders and proposals issued by all of the government departments. The Minister of Finance (Mr. Manness) will try to convey the message that all of this information can be sought through—whether it is Freedom of Information or Public Accounts and so forth.

Mr. Speaker, there are many things, through Freedom of Information, that are denied. Public Accounts is not necessarily called on a regular basis, unfortunately. In fact, I would call into question whether or not all aspects of this particular resolution are covered currently through the Public Accounts committee, that there are some things that the government can do to assure the public of Manitoba that they are moving in the right direction in dealing with the tax dollars that are collected. I can recall right offhand, a few months back where we had a contract awarded out to—was it the media outlet in Ontario that put the Premier in the canoe?—and the commotion that that itself caused was really something.

It said a lot. The number of calls that I did receive regarding it were very negative. They wanted to know how it is an organization or company can receive a contract, and the manner in which this company received, and how things changed.

At one time there was request for speculative drawings for the Tourism contract. That seemed to have been abandoned on this particular round. I did talk to a number of individuals that did vie for the contract, and their message was quite clear that they were of the opinion it is because they did not contribute in the right fashion, that in many cases, for some contracts you have to be of the right political persuasion or, at the very least, contribute in some fashion or another in order to plan that contract, and I know what the Minister of Natural Resources (Mr. Enns) is going to show me.

Mr. Speaker, I believe that is wrong, that it should not be based on politics, that you should not have to reward individuals for what they have done towards your political party. There is a way in which things can occur, in which the best tender contract, the company, the individual, whatever it might be, is selected. After all, it is by far in the public's best interest that we forgo some of the patronage, some of the blatant patronage, that we see that governments of all stripes have done over the last number of years.

* (1740)

I have received criticism from both the official opposition and the government in regard to patronage and contracts and the way they are awarded out. I have been forewarned that if we form government, and hopefully that will occur some day, Mr. Speaker, that my attitudes will change on the whole question of this particular issue. [interjection] I personally agree with the member for St. Boniface (Mr. Gaudry) that in two years we might have that opportunity to show that.

But, Mr. Speaker, the arguments that the government and the NDP use by saying, well, you know, the Liberal Party in Canada under Trudeau, no one knew how to dole out the money or fill the political positions as well as he did—is the criticism that both the NDP and the Conservatives have levied against myself. I am not going to try and say that the Liberal Party of Canada or Liberal administrations across Canada in the different provinces are innocent, but I can assure on a political note that the Liberals in other jurisdictions could not be compared to what we have in Ottawa currently or what we have in the Province of British Columbia right now.

Mr. Speaker, all three political parties at different levels have participated in reinforcing to the public this negative attitude from the people towards the politicians, but I would suggest to you that, even though we all acknowledge that fact, there are only two political parties inside this Chamber that practise it. To say that some Liberal administrations have used it and done it and that we, if given the opportunity, would do the same is not fair. The public will get an opportunity to see what a Liberal administration will do in the province of Manitoba. I am sure, no doubt, that a number of the individuals inside this Chamber will be quick to remind me of some of the things that I have said in the past. I look forward to it. [interjection]

The Minister of Health (Mr. Orchard), if he was not to run and we did form government, and he was the most capable and able and was able to go through the competition of whatever sort it might be, and he is a pretty bright guy, you know, he might be able to succeed and get that position, but it will be one based on merit.

To say that we cannot change the system, because that is what it has been based on the last

number of decades of parliamentary procedure, is wrong. If the government will—

An Honourable Member: What has this got to do with the contract that he is talking about?

Mr. Lamoureux: I will let the member for St. Norbert (Mr. Laurendeau) read and figure it out himself. There is no justification for a government taking the role that has been done in the past, there is nothing wrong with doing it in the future. It is inexcusable for the official opposition to take that very same role.

I believe if the government was sincere and was wanting to make a difference, there are many things they can do to improve the image of politicians in general in dealing with the whole concept of how contracts are issued and the whole question of the tendering process, and how we as elected officials can make it much more public and much more visibly seen, so that concerns or allegations of misuse and abuse would be, well, minimized. I believe that would change or would at the very least help to change quite often the mind-set of many members of the public. Until the government comes to that realization, we will continue to see, when we go to the doors of our constituents during elections, that negative attitude toward politicians.

Mr. Speaker, I would suggest to you that everyone in this Chamber who knocks on doors during elections, and I assume everyone does, that every one of them, including the member for Burrows (Mr. Martindale), will have that very same experience. If he were to say no, I would somewhat question it. I think or I believe that this belief is not in just one constituency, that in fact it is province-wide. In fact, we have seen polls that have been conducted and politicians have not fared very well in terms of credibility and honour and so forth.

In part, and some might argue in most part, it is because of things of this nature. Unfortunately, because we are likely going to run out of time, this resolution will not be voted upon. In fact, it likely might even be amended. I know the minister had suggested that he had an amendment that he would like to move to it. We will not see it appear on the Order Paper again unless, of course, we get some sort of unanimous approval from the Chamber itself.

Suffice to say, Mr. Speaker, that this resolution and the other resolution dealing with patronage are two very important resolutions, and I believe that this Chamber would do well by adopting both resolutions

and could send a very strong message to the public that this is a government, this is a Chamber that believes in genuine political reform in trying to change the attitudes of the public towards politicians. I believe that it would be a very positive one.

Hon. Clayton Manness (Minister of Finance): It is a pleasure to stand and respond to this particular resolution. Mr. Speaker, let me say I am totally dismayed that the member would get up, the ethics critic—the member for Inkster is the ethics critic of the Liberal Party.

Mr. Speaker, he has brought forward these resolutions. Here is a resolution, when one reads it, given that one would not know what is the case today, one would say this does not sound so bad on the surface. On the surface it does not sound so bad, but let us dig under the surface.

Firstly, let us listen to the presentation made by the member in support of his own resolution. All he did was jump into the pork barrel and keep throwing out the muck one way and the other to try and make the point, and he failed miserably in making it, that if you are in government and if you are not a Liberal administration, obviously you are interested in only one thing and that is providing patronage to supporters. That is the essence of the remarks he made on the record today.

Mr. Speaker, of course, that is the myopic view from somebody who, I guess, has never been close to the government, who does not understand the general manual of administration, who does not understand the Treasury Board policies in place, who does not understand that there are today in place practices and procedures that address almost all of his points.

Mr. Speaker, I have knocked on thousands of doors in the city of Winnipeg, even in the constituency of Inkster.

An Honourable Member: When?

Mr. Manness: When? Over the years. Over the years, yes. Oh, Mr. Speaker, long before the member was even representing.

I want to tell you that I have never had this question brought up. Never have I had the question brought up to me as to disclosure, as to procedure. It does not mean that I have not had the odd business person, since I have been in office, knock on my door—usually an individual who has not won

a contract from the government—and said: I do not understand the process; I do not understand the procedure; I think it is unfair. I said, well, is it unfair because you do not understand it, or is it unfair because you lost it? They said, well, what is the difference?

* (1750)

Mr. Speaker, what the member is talking about now is disclosure. Public Accounts. Every cheque issued beyond \$10,000 is a matter of the public record to a corporation, to a company, to an individual. Part of the public record. Every cheque written over top of the signature, one Charlie Curtis, is public record. Now, it is not classified in such an easy way; it is not catalogued in the neatest of ways—I acknowledge that. But, Mr. Speaker, it is all part of the public record.

Every untendered contract, I believe, over \$1,000 is filed with me, for the members opposite and the media and, indeed, any member of the public to come forward and go through. As a matter of fact, ministers quite frankly get sick of that process, and we are trying to find a way to streamline it. Indeed, with the money that we are putting into the Wang system in this building, if we cannot find a way of streamlining it, then we have failed.

The reality is, though, it still is filed publicly by every minister in this House, undisclosed contracts over \$1,000, part of the public record filed every two weeks for public review. Every two weeks you can come into my office, and it is there. Every two weeks. [interjection]

That is right, that is what I mean. He does not even know what is going on here. Well, you know, there is this old saying: There are some people that rightfully so spend the right amount of time in this House, and some people spend too much time in this Chamber. That is not meaning you, Mr. Speaker.

Of course, we have freedom of information. Mr. Speaker, we have a manual that thick that says what you have access to as a member of the public, and never could I conceive of a time when we would deny access to this type of information under freedom of information, not once. No, because this is not internal cabinet rationale leading into a decision.

I do not know if it is well known, but I am going to sit down shortly and let the Minister of Government Services (Mr. Ducharme) address some of the

procedures that we have in place. But the Department of Government Services and certainly the Department of Highways and other departments of the government have long lists of individuals, people in the community, businesses or individuals who have an opportunity to become knowing of the government work of the day, and there are tendering processes almost in every instance. When those tenders are open, of course they are eligible to be there and to watch. So there is a process in place.

Mr. Speaker, it is better now that I sit down and let the Minister of Government Services stand if Gerry does want to speak.

Mr. Steve Ashton (Thompson): We will speak for a time. I know I normally am known for speaking my full 15 minutes in private members' hour, but actually I would be interested in hearing the comments of the Minister of Government Services because I think it is rather ironic the Liberals are bringing in a resolution. I know, not serving in cabinet but having been part of the government, that the Liberals are somewhat misinformed about procedures within government.

Now I know many Liberals in this province knew very much about the federal procedures up until 1984. In fact, they knew it only too well. I think that using and, in some cases, abusing the federal procedures probably kept the Liberal Party alive in western Canada for many years when it only had one seat, Mr. Speaker.

I do find it ironic sometimes when Liberals talk about patronage appointments. I mean, pork was a Liberal institution as much as anything for many years at the federal level. We can debate that back and forth about who started it and who is worse and whatever. Indeed, we have questions about the government on some issues, 280 Broadway, the way that has been handled, et cetera.

But for the Liberals to take a holier-than-thou attitude on this issue is absolutely incredible, when people sitting within the caucus knew a heck of a lot about patronage and about public procurement procedures when they were in federal government, Mr. Speaker.

Given that, I would be very interested to hear the Minister of Government Services perhaps give some information to the Liberals on what is the current procedure that has been in place, with its advantages and faults, over many years.

Hon. Gerald Ducharme (Minister of Government Services): Mr. Speaker, first of all, I did have an amendment to this resolution; however, not to take the time, I would maybe just explain to the member across the way and give him time to withdraw this particular resolution. After he explained, first of all, on undertendered contracts, he mentioned those in his resolution. The general manual of administration stipulates under which conditions contracts do not require tendering. On a bi-weekly basis, each department submits to Finance a listing of all untendered contracts over \$1,000. For its annual report, the department, at the present time, appends lists of capital construction tendered value at \$25,000 and over and service maintenance contracts tendered. Public Accounts—Finance publishes a listing annually by department of corporation, firms, individuals, et cetera, to whom a payment was made in excess of \$5,000.

Furthermore, for construction contracts that we may expect to be greater than \$20,000, we invite bids publicly, and the bid prices are made available to the building, new services. Traditionally, most contractors seriously interested in commercial and institutional construction have subscribed to or have been members of at least one of such services that are available.

It should be noted, for instance, under my department, Government Services construction work, anyone who is interested is welcome to attend the opening of the bids. If the member would like to attend any bids, when they come in he can attend any of these openings, and the prices are treated as public information. People may inquire about prices by telephone, so all the information that is suggested in the member's resolution, I know in a little over a year that I have been Minister of

Government Services, is all appealed to by my different departments.

I know every minister and every person is very, very cautious of what goes on. We do not have any lists that give anybody preferable treatment. I know the previous administration, when I came into office I noticed that they had lists of people who they might want used as consulting firms, but we do not have any such lists, and we have never had—[interjection]

Yes, we do not have any particular list whatsoever. I know the previous administration had lists that apparently had been going on for four or five years. So, to the Liberal member, we do not have any list like that. Everyone can tender, everyone can write to this Department of Government Services and put their name forward to bid on our particular projects.

As I mentioned to the Finance minister (Mr. Manness), I would love to move a resolution. The resolution, all it does is stress what we are doing now. For the member present, if I had more time, we have a WPIN organization that people now quote from computers across western Canada. It will now be open across Canada, where we are going more and more. Everyone doing a lot of bidding is aware of all contracts that are being let by the government. So I think that by even suggesting the resolution that the member has put forward, we are abiding by most of the information that he has asked for, and we will continue to work on that.

* (1800)

Mr. Speaker: Order, please. When this matter is again before the House, the honourable minister will have 11 minutes remaining.

The hour being 6 p.m., this House now adjourns and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

Legislative Assembly of Manitoba

Tuesday, May 26, 1992

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