



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

**DEBATES
and
PROCEEDINGS
(HANSARD)**

42 Elizabeth II

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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, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
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
GRAY, Avis	Crescentwood	Liberal
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
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PLOHMAN, John	Dauphin	NDP
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REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
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WOWCHUK, Rosann	Swan River	NDP
<i>Vacant</i>	Rossmere	
<i>Vacant</i>	Rupertsland	

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 25, 1993

The House met at 8 p.m.

ORDERS OF THE DAY

(continued)

COMMITTEE OF SUPPLY
(Concurrent Sections)

EDUCATION AND TRAINING

Mr. Deputy Chairperson (Marcel Laurendeau): Will the Committee of Supply please come to order.

The committee will resume consideration of the Estimates of the Department of Education and Training. When the committee last sat, it had been considering item 1.(d)(1) on page 34. Shall the item pass?

Hon. Rosemary Vodrey (Minister of Education and Training): Mr. Deputy Chairperson, when we were last together, I said that I would table this evening the departmental affirmative action guidelines on recruitment and selection. I would like to table those now. They are interim guidelines.

Ms. Jean Friesen (Wolseley): I wanted to ask about the aboriginal representation in the department, particularly the two areas where they are concentrated, PDSS and PACE, and to ask the minister what kinds of positions those people occupy.

* (2010)

Mrs. Vodrey: Mr. Deputy Chairperson, I am happy to start discussing. On our K to 12 side, as the member knows, we have a Native Education branch. The director of the Native Education branch, Juliette Sabot, is a Metis. Then we have a native awareness consultant, Garry Robson, who is a Status Indian, native studies consultant Dan Thomas, who is also a native individual. We have an early childhood education consultant, Florence Paynter, who is a Status Indian. We have also an English language development consultant in Dauphin, Betty-Ann McIvor, who is also Status. We have a community liaison consultant in Dauphin, Lillian De la Fuente, who is Metis. Then, in terms of our support staff, we have Nancy Trimble who is Status, Ina Lynn who is Metis, Marcy Richard who

is Metis, and Barb Sutherland, in Dauphin, who is Metis.

In the Student Support Branch, we also have one aboriginal consultant. I will just take a moment for the information on the post-secondary side. Then, in the New Careers, we have a regional coordinator, Glen Cochrane, and also a trainer, Clayton Sandy.

As I look at the information which was tabled this evening, we have throughout the department, of those people who have declared, 26 individuals who are of native background. However, we also, I am informed, have people, particularly Metis, who have not necessarily declared their background.

Ms. Friesen: I note that this is as of March 19, '93, so this predates, I assume, the reorganization of the department.

Mrs. Vodrey: No, this is after the reorganization. I beg your pardon, but I am informed that the 26 number is before the reorganization.

Ms. Friesen: So the whole thing then, the 26, represents simply the addition of the numbers in this column. Does it not?

Three, four, five. One, two—yes—25, 26.

* (2015)

Mrs. Vodrey: The number, 26, is the number before the reorganization.

Ms. Friesen: Does the department have the numbers after reorganization?

Mrs. Vodrey: The number following reorganization is 21.

Ms. Friesen: Does that mean 26 plus 21, or 21?

Mrs. Vodrey: It is 21 totally.

Ms. Friesen: So that in fact today in the department, after you have New Careers, you have actually fewer aboriginal employees.

Mrs. Vodrey: Yes, according to that list and of those people who have declared, the number would be fewer.

Ms. Friesen: Well, could the minister then explain where the drop came?

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

Mrs. Vodrey: Mr. Acting Deputy Chair, the staff reduction was achieved or was carried out according to the government employee master agreement, and according to that master agreement, it is the most junior employees who then would be those who are laid off. I understand that the numbers did primarily come from the New Careers area.

* (2020)

Ms. Friesen: I am really quite confused now. I wonder if the minister would agree to table a real document that is up to date that tells us how many aboriginal employees there are in the department, how many there were before the reorganization, including the areas that people came from.

It seems to me, first of all, we have lost five right away out of this document. Where did those five come from? [interjection] But that does not even add up. I mean, if you have got 26 and you lose five?

Mrs. Vodrey: Mr. Acting Deputy Chair, the number according to the document, which is the latest compilation, and as the member will note on that document, it is not just a compilation of employees who are of native background; it also includes numbers which relate to other affirmative action programs also. I believe you are looking at the document that looks at women and native people and disabled individuals. In that particular document, that was the most up-to-date document we had relating to the affirmative action issues which we had been discussing.

If we are looking at very specifically any changes, yes, I can tell the member that there have been some changes as a result of reorganization in the area of employment for native people. As I was explaining, there has been a reduction of five from 26, with a reduction of five to 21. I believe those numbers do make sense and do add up in terms of the actual arithmetic.

The member asked where those five aboriginal individuals, what part of the department they came from. I had just explained to her that they did come from the post-secondary side of the department. I am informed they came from the New Careers area and that the layoffs occurred according to the government employee master agreement which states that it is the junior members who will be laid off first in this type of reduction.

* (2025)

Ms. Friesen: I think we have got apples and oranges here. The only column I am looking at is the column which says native, so the minister's introduction really is not relevant. I am only looking at the native column. I am looking at a date which says March 19, which says there were 26 people of aboriginal-declared descent. Now, as I understand the minister, that was before anybody was transferred. So on top of this 26, we would expect to have people out of a variety of programs from Apprenticeship to New Careers to a number of other programs transferred into the department. We also see a drop of five people.

Mrs. Vodrey: I am looking at the list that was tabled for the member. This list, as I said in my last answer, does provide to March 19, 1993, the numbers of affirmative action employees who have declared themselves to that date. Now, the member has also said that with the changes and the restructuring in the Department of Education and Training, with the introduction into Education and Training of programs which were previously in the Department of Family Services and which were in the Department of Labour, would these numbers have changed?

At the moment, I am informed that we do not have the up-to-date numbers with those new changes. However, what I have explained to the member is a change from the total number of 26, which was listed on here. However, if we could look to seeing if those numbers would change and would be increased in total across all of those areas of affirmative action, with the introduction of staff who have come from the other programs which were previously housed in other departments, we do not have that information at the moment.

Ms. Friesen: Sorry, it is still not clear. On March 19, 1993, before changes were made, there were 26 aboriginal-declared people in the department. Today, after changes have been made and additional people have been brought into the department from a wide variety of areas across the government, there are 21 aboriginal people. Do those numbers still stand?

Mrs. Vodrey: The number 21 does deal with changes which occurred in one area, in the area of New Careers. However, in terms of a total number, I am informed that we could certainly have that information available for the member at the next

sitting. That would include then the inclusion of those people who had declared aboriginal background in the programs which have just been included within the Department of Education and Training.

Ms. Friesen: We are still not clear, Mr. Acting Deputy Chairperson. What does the number 21 refer to? Where does it come from?

Mrs. Vodrey: Mr. Acting Deputy Chairperson, the number 21 comes from a number of 26 on March 19 that is the total of those people who had declared themselves as individuals of aboriginal background and five who, through the budgetary process and then eventually the reorganization—but if we look strictly at where staff reductions came from in that particular area, five individuals of aboriginal background from the number 26, bringing the number to 21, if we use that number of 26.

* (2030)

However, the member has also asked us: With the introduction of programs and with the introduction of areas which were previously housed within other departments, will that number change again? I have said to her that we will have a look at the people who have now joined Education and Training from those other departments, and we will have that information for her the next time that we are sitting.

Ms. Friesen: This base line 26 refers to the department before any additions. So you cannot simply take away from that additions which have not yet been made to the department. You are mixing apples and oranges here. You have 26 people in the department before New Careers is added. You cannot simply take the number of people—[interjection] On March 19. That is what I asked at the beginning.

Mrs. Vodrey: New Careers has been a part of the Department of Education and Training. That was not a part of another department, but there has been added, as the member knows, services which were previously part of Family Services and also Department of Labour.

Ms. Friesen: Okay. So I understand now. So the five that were lost were from New Careers. They all came from that program?

Mrs. Vodrey: Mr. Acting Deputy Chairperson, using the No. 26, if we look at the reduction of five, the five reductions did occur in the area of New Careers, as I was explaining to the member, according to the

government employee master agreement. If we are to look at what the total number is now as a result of reorganization, that number, I understand, we will be able to have available; however, we are still, I am told, having the transfer of files from the Department of Family Services and the Department of Labour. So we are still looking at exactly the background of individuals who have come over, but again, as the member knows, not all individuals do declare.

Ms. Friesen: I wonder if the minister could tell me why, when I asked her this same question in the House on the loss of aboriginal staff in New Careers, she refused to answer, because I asked this question specifically.

Mrs. Vodrey: Mr. Acting Deputy Chairperson, again, the member has asked questions that have related to staffing which it is obvious we are best dealing with here in the Estimates process, when we are looking at the detailed number of staff, where the staff have been employed and where changes have been made in terms of staff.

Ms. Friesen: I do not think that excuses the minister's response in the House. I asked specifically. There has been a loss of six people in the New Careers Program. I identified the line in the Estimates, and I asked, were all of those people aboriginal, or how many—in fact, I think my question was: How many of those people were aboriginal?

Well, it seems to me that the minister knew how many were aboriginal or declared aboriginal and simply chose not to answer that in the House. Now why is that?

* (2035)

Mrs. Vodrey: Again, the details of staffing and staffing decisions are best managed and best discussed here in the Department of Education and Training's Estimates, and we are discussing this line, the area of Human Resources. The details are available to provide the information regarding the human resources and the staffing for the Department of Education and Training.

Ms. Friesen: I understand the minister has her staff here, and she does not have them in the House. Would it not be more straightforward and more appropriate in a legislative setting to say, I do not know the answer to that and I will find out? Why did she not do that?

Mrs. Vodrey: Mr. Acting Deputy Chairperson, certainly the answers that have been provided to the member in the House are answers to the questions.

I have made every effort to provide her with the information that she feels she would like to have and based on the questions that she asks.

Mr. John Plohman (Dauphin): Well, after that revelation, I guess it is no surprise that the answers in the legislative Chamber are very often unclear at best and certainly not straightforward from the minister.

I think it is clear that she was aware of this information and chose not to provide it in the House at that time because it was rather embarrassing for herself and the government. Is that why the minister did not provide that information?

Mrs. Vodrey: Really, I wonder if this is a point of order of attempting to speculate on motivation and attempting to attribute motives to a member.

I think it is very important for the member to understand that answers that have been given in the House are answers to questions and information which we believe will assist the member who is answering the question.

Mr. Plohman: The more the minister says, the more ridiculous it becomes. The answers to the questions that are asked in the Legislature before the public—although the committee is public as well, it certainly does not have the same scrutiny as the legislative Chamber.

The minister gives some garbled answer about how these answers would be helpful to the member. The fact is that the minister has a responsibility to the public to provide clear answers and straightforward and honest answers to the public. That is her responsibility in the House, not to try to cover up information and keep it from the public. If that is what the minister is saying she did, well, then she can clarify.

Point of Order

Mrs. Vodrey: On a point of order, I believe the member is making accusations about the issue of honesty, and I think that is a point of order which I think is not acceptable.

The Acting Deputy Chairperson (Mr. Reimer): On that point of order, the minister does not have a point of order, but I would remind all members that we are all honourable members and the implication of attitude and decorum should be maintained at all times.

* * *

Mr. Plohman: Well, then, is the minister saying she did not know at the time that she answered the question in the House?

Mrs. Vodrey: Mr. Acting Deputy Chair, again, the answers which were given in the House were answers to the questions that were posed, and we now have an opportunity in Estimates to look in further detail at some of the questions which the member would like to ask. We are attempting to provide the information to the member for the questions that are being asked now.

Mr. Plohman: So the minister is saying that she is trying to correct the record at this time and hoping that we will accept that. Is that correct, Mr. Acting Deputy Chairperson?

* (2040)

Mrs. Vodrey: There is not a sense of correction. There is an opportunity here to discuss at greater length the questions which the members wish to pose, and we are making every effort to provide the information that the members require, as has been done in the House at any time that questions are asked by members.

Mr. Plohman: Is the minister saying it would have required a lengthy answer to indicate that those five were all aboriginal people that were laid off from New Careers?

Mrs. Vodrey: It seems to have taken us some time this evening to deal with the issue of the numbers of aboriginal individuals who are employed in the Department of Education and Training. This is our opportunity for discussion around that issue so that there can be clarification if the members are not clear on the answers given.

Mr. Plohman: So is the minister now saying she did not understand the question in the House when it was asked?

Mrs. Vodrey: The questions which were posed were answered, and now we have an opportunity to look at answering in more detail and to answering more questions than we have at the time of Question Period. This is an opportunity for our discussion and an opportunity for further questioning. So the answers which are being provided now are answers which I hope will provide the information that the members are looking for.

Mr. Plohman: Does what the minister means in more detail mean a little more straightforwardly that

she can now provide a little more straightforward answers in committee?

Mrs. Vodrey: The answers which have been provided in Question Period and which have been covered over some time are answers to the questions which are posed, but we do have an opportunity in the Estimates process to discuss more fully, members on one side have the opportunity to ask a question and ask it again and to discuss it, and we on this side have the opportunity to provide the answers, to provide explanations should the members not understand the answers fully that are presented to them. We have an opportunity to provide clarification for them, and in the Estimates process that is what has been happening over the past while, providing additional information to the members and providing for their benefit clarification where they require it.

Mr. Plohman: Mr. Acting Deputy Chairperson, did I hear the minister correctly say that there are answers that are covered over in the Chamber?

Mrs. Vodrey: I am not sure what the member is getting at with that question. The answers which have been covered within the Chamber and the answers which have been given in every attempt to answer the question, and as I look at the Hansard, I look at May 13, the question from the member for Wolseley (Ms. Friesen). I look at the answer which I gave, and I will quote from Hansard: "Mr. Speaker, again, when we are in the Estimates of the Department of Education, I will be happy to look in detail at the staffing of the New Careers section of my department." So on the record there was an answer provided to the member regarding staffing.

Mr. Plohman: Mr. Acting Deputy Chairperson, the minister gives a selective quote. Is that the whole and total answer that we are getting from the minister now?—because we can get that Hansard very quickly if the minister is omitting some important information. If not, that is fine; she has an opportunity now to clarify that, but we can get that answer.

Mrs. Vodrey: Well, let me read the question from the member for Wolseley: "Mr. Speaker, will the minister tell us how many of those people who have already been," in her words, "cut were aboriginal?"

My answer: "Mr. Speaker, again, when we are in the Estimates of the Department of Education, I will be happy to look in detail at the staffing of the New Careers section of my department."

Mr. Plohman: Is the minister saying now— [interjection] Well, now we are getting some talkative backbenchers and ministers here. I want to ask the minister whether she is now saying that she did not know the answer on May 13.

Mrs. Vodrey: Again, as I have been describing for the past while, the details of staffing are often best covered within the Estimates process when we can look very fully at the staffing across the department, and that was exactly what I had recommended in that answer. That is exactly the point that we are covering here this evening.

Mr. Plohman: So the minister chose an evasive tactic rather than answering this question straightforward. Is that correct?

Mrs. Vodrey: I provided an answer for the member which described when we would be able to look in detail at this particular issue, and that is exactly what we are doing this evening.

Mr. Plohman: Mr. Acting Deputy Chairperson, can the minister tell me how many increments clinicians have on the pay scale that were laid off from the Child Care and Development Branch?

Mrs. Vodrey: For clinicians, they can make one step per year and there are a total of seven steps in the scale based on merit.

Mr. Plohman: The minister is saying that there are seven steps based on merit. So these are not automatic increases, but must receive the endorsement or recommendation of the superior.

Mrs. Vodrey: Yes, that is correct.

Mr. Plohman: Can the minister indicate whether the Human Resources branch has received any information from school divisions as to whether they are hiring graduating clinicians as opposed to those who are working with the department who are obviously at a much higher pay scale in many cases?

Mrs. Vodrey: Mr. Acting Deputy Chairperson, as we discussed this afternoon, the matter of hiring of clinicians has been a private matter between the clinicians and the hiring authority. So clinicians have not necessarily reported to us whether or not they are being employed by school divisions.

* (2050)

In terms of reporting by school divisions, school divisions are independent in terms of their hiring and they will be making their decisions about whether

they will be hiring new graduates or clinicians who were previously employed.

Any information which we might have at the moment is really hearsay information as we have not received direct information, nor are people required to report that information to us.

Mr. Plohman: Well, is the minister interested in surveying school divisions to find out exactly what the situation is with regard to the hiring of clinicians? Does she intend to do anything, any follow-up there?

Mrs. Vodrey: The matter of who school divisions hire as their clinician is in fact their business as employers. We will know that they do hire clinicians by virtue of their receiving funding through our school funding formula.

Mr. Plohman: The minister is not particularly interested in finding out whether her former staff who were laid off, who are going to be laid off effective June 30, are hired or not hired by school divisions. Is that correct?

Mrs. Vodrey: Mr. Acting Deputy Chairperson, I am informed that our human resources director has asked clinicians if they have been offered employment. The response has been from clinicians that that is really a private matter for themselves and that they do not wish to discuss it.

Mr. Plohman: Yes, I understand that. I was not asking whether the minister was asking clinicians. I asked her whether she was interested in following up with the school divisions to find out whether her staff, her former staff, unceremoniously dumped as of June 30, were of any concern to her as to whether they were still working in the school system in Manitoba.

Mrs. Vodrey: First of all, the member is concerned about what he would see as a lack of interest. I can certainly say to him that in terms of any follow-up with school divisions who are employers—certainly does not imply a lack of interest. In fact, we have at the moment a process in place which will assist our staff in the process of transition. So there certainly is concern and interest on behalf of our staff.

We also will know in the fall the names of the people who have been hired because they will be required to receive certification through our certification branch, but some people may already be certified. If it is someone who is not certified, then we would certainly know the newly certified individuals.

Some individuals who have not been hired by school divisions or may, for whatever reasons, not wish to be hired by school divisions, as we discussed this afternoon, they will be on our re-employment list. So we have the re-employment list in which we are attempting to assist staff, and we also have our certification branch.

In terms of our assistance to employees who have received layoff notices, where possible, case managers are available to persons who have been notified as a layoff. This may include times outside of working hours where individuals require assistance, and it also includes counselling and referral services. It also may include dealing with the counselling of family members as well.

(Mr. Deputy Chairperson in the Chair)

In addition, the efforts have been made to place a person in a position of equal pay and classification and may also look beyond pay issues in attempts to ensure that a person may in fact gain from this process of change and may have an enhanced career path. They may learn some new skills, or they may use talents and explore interests that had previously not been considered.

Our Human Resource Services is committed to work as colleagues with other agencies for the benefits of those who have received a layoff notice.

Mr. Plohman: I thank the minister for that. So she is saying no surveys will be done.

Mrs. Vodrey: Mr. Deputy Chairperson, I have said two parts. I said, first of all, clinicians themselves have told us that this is a matter between themselves and their employers and they do not feel the need to give us a reporting of where they have been hired. School divisions, as the member knows, are also the employers and they are able to bring into their employ those individuals that they wish, and our role would be to be sure that those individuals are certified.

Mr. Plohman: So the minister is saying she will not be doing any surveys with school divisions to determine whether they have hired outside or from the clinicians laid off by her department.

Mrs. Vodrey: At the moment we do not have a plan to survey the school divisions about who it is that they have hired, but as I have explained to the member, we will know that clinicians have been hired because the funds will be accessed through our ed funding formula.

Mr. Plohman: So the minister will not be following up to survey those school divisions.

How many of the individual clinicians have availed themselves of the counselling services that the minister spoke about a few moments ago?

Mrs. Vodrey: Mr. Deputy Chairperson, I am informed that out of 50 clinicians approximately 35 have availed themselves of the counselling service, and also divisions will be contacting us at the start of the school year if they have not been able to hire a clinician by that time, because we did make the commitment that we would assist divisions in the hiring of clinicians.

Mr. Plohman: Is the minister saying that 35 asked for counselling services or that 35 contacted Human Resources to find out what their rights were with regard to redeployment and salary severance and so on? Are we talking about personal counselling services for individuals and their families, 35?

Mrs. Vodrey: Thirty-five contacted Human Resources for a variety of reasons, for a whole range of reasons.

Mr. Plohman: Mr. Deputy Chairperson, I dare say that probably the number was quite low insofar as the actual counselling. The minister can clarify that if she wishes. How many indicated they wished to be redeployed up to this point in time?

* (2100)

Mrs. Vodrey: I am informed that three individuals have been looking at redeployment to this point.

Mr. Plohman: Yes, was this offered as an avenue to all employees? I know that this was pursued in some detail this afternoon, but I am not sure that specific question was asked as to whether there was an offer for redeployment or whether it was just a matter of indicating that was one of the options if spaces were available and so on somewhere else in the government. Was it offered as a direct option for all employees?

Mrs. Vodrey: Yes, each of the employees and certainly any employee within our department, these employees in particular, yes, did go on the redeployment list, did have the offer.

Mr. Plohman: Is the offer of going on the redeployment list a guarantee of a job offer or is it just, we will do our best to find one for you?

Mrs. Vodrey: When individuals go on the re-employment list, there is not a 100 percent guarantee that individuals will become

re-employed. However, the government has a very good record at re-employment and, in addition, they are given priority, I am informed, in terms of their job applications.

Mr. Plohman: Mr. Deputy Chairperson, how many signed a letter of permanent layoff so that they could get a severance package from the government, therefore forfeiting any eligibility for re-employment?

Mrs. Vodrey: In terms of the process, our clinicians have at the moment received verbal notice. They will receive the formal letter, I understand, on the 31st of May. Therefore, we cannot know until the 30th of June how many will have signed the letter which the member has spoken about.

Mr. Plohman: So, Mr. Deputy Chairperson, the minister says they have a mandatory 30 days before they have to respond or they could respond in a week if they wish to?

Mrs. Vodrey: I am informed that the employees can respond, if they wish, as soon as they receive the notification, or they may choose to wait for the four-week period.

Mr. Plohman: Can the minister indicate when new employees are hired whether the minister makes the final decision or the deputy minister?

Mrs. Vodrey: Until the 1st of March it would have been the Civil Service Commission who had the final say in the employment decisions, and as of the 1st of March, 1993, the Department of Education and Training appeared before the Civil Service Commission and received its delegated hiring authority back. Under that delegated hiring authority it is the deputy minister and/or the director of Human Resources who will make the final decisions regarding the hiring.

Mr. Plohman: So the hiring processes, what we could say, normalized for the Department of Education after the Civil Service Commission removed the hiring jurisdiction from the department a couple of years ago, I believe it was. Maybe the minister could tell us how long it was in the hands of the Civil Service Commission exclusively. So the minister is saying now that there was a presentation made and the department now has its own hiring authority back. Is this a permanent designation until further notice? Is it a probationary thing or is it something that will come up for a review in a six-month or a year period?

Mrs. Vodrey: Mr. Deputy Chair, the delegated hiring authority was removed from the Department

of Education and Training on November 25, 1991, and that delegated hiring authority was returned to the Department of Education and Training March 1, 1993. It was returned under normal conditions. There are no conditions specific to the Department of Education and Training, and the hiring authority will be reviewed annually as it is reviewed in all other departments.

* (2110)

Mr. Plohman: The minister is saying that she has been told it is the deputy minister or the director for Human Resources that makes the final decisions on hiring, it is not the minister. The minister could clarify whether that is the normal process for all departments at the present time.

Mrs. Vodrey: Mr. Deputy Chair, under The Civil Service Act, obviously, the minister is responsible for what happens within the department. However, it is a normal part of the process that the decision making in terms of the hiring tends to rest with the deputy minister and/or the director of Human Resources.

Mr. Plohman: Does the minister prefer that personnel matters be kept out of her hands and in the deputy minister's and the director of Human Resources' hands?

Mrs. Vodrey: Mr. Deputy Chair, I can tell the member that I have a commitment to follow the rules and to operate according to the rules. In addition, we have made a commitment to the Civil Service Commission that we will in fact be following the rules, and that is the way that this department is operating.

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

Mr. Plohman: So the minister understands the rules as that she, as minister, should not be making the decisions on hiring as to who is hired and on other personnel matters. Is that what I read from what the minister said?

Mrs. Vodrey: Madam Acting Deputy Chairperson, again, let me say that I recognize as minister that the minister is responsible for what happens within the department. The minister is the ultimate authority in terms of what happens in the department. However, my direction is that I am wanting the Department of Education and Training to operate according to the rules, that I have made a commitment that the Department of Education and Training will operate according to the rules of the

civil service and that is the way that we have been proceeding.

Mr. Plohman: So the minister is saying that the way the department is dealing with personnel matters now is consistent with the rules of the Civil Service Commission and consistent with the way all departments, as she understands it, deal with personnel matters.

Mrs. Vodrey: I can tell you in the Department of Education and Training that we are following all acts regarding hiring, that we are following the provisions requiring equity and fairness in hiring and I believe that we are operating according to the rules of the civil service in our hiring practices.

Mr. Plohman: Yes, and could the minister add, and consistent with how she understands other departments are dealing with these matters.

Mrs. Vodrey: Again, it is very difficult to speak for departments other than my department, the one for which I am directly responsible, and I can say though that, as the member knows, departments are subject to audits by the civil service and we are certainly subject to that, as are other departments, and that would be a system of checks and balances. I speak again with the greatest knowledge about the Department of Education and Training.

Mr. Plohman: Well, I would hope that the minister would speak with the greatest knowledge about the department that she is now responsible for. I just asked the minister if it was consistent with the way other departments handle personnel matters, as she understands it. I asked the minister if that is fact.

Mrs. Vodrey: Yes, I believe that to be true. But again, I have to say to the member that the area where I am directly responsible, and that is the Department of Education and Training, is the department that I speak with, obviously, knowledge about.

Mr. Plohman: Yes, we kind of assumed that since we are on those Estimates, Madam Acting Deputy Chairperson.

Is the minister talking about permanent staff only, or is she talking also about term appointments in terms of the procedures? Are they different with regard to what the civil service requires of the department?

Mrs. Vodrey: The member may know that some departments do have more delegate authority in some areas than the Department of Education and

Training, or than the way in which we operate. In addition, the Department of Education and Training operates somewhat differently than other departments in that we do have secondments from school divisions.

Mr. Plohman: The minister is very vague on her comment about delegated authority. I asked specifically about term appointments. Is the minister saying that the department, under the newly delegated authority from the Civil Service Commission, does not make any distinction between term appointments and permanent employees?

Mrs. Vodrey: I am informed, and in response to a very specific question, the answer is that in the Department of Education and Training we handle the term appointments in the same way that we handle the permanent appointments.

Mr. Plohman: I want to thank the minister for that clarification.

Can she tell me exactly how secondments are handled?

* (2120)

Mrs. Vodrey: In terms of secondments, I can tell the member that our secondments are being done by competition and that by and large they are now always being done by competition. I am informed that there may be a case at some time where there is a very specific type of expertise which is required, but we are, in terms of secondments, certainly now making every effort to do those by competition.

Mr. Plohman: How many secondments are there presently in the department?

Mrs. Vodrey: We do not have the exact numbers of the secondments with us this evening. We could have those numbers available to the member at the next time that we are sitting together.

I can tell him that the secondments occur in two areas of the Department of Education: the PDSS area and the BEF area. The first is the Program Development and Support Services, and the second is BEF de bureau.

Mr. Plohman: Just one other question for clarification. Did the minister indicate earlier that the delegated authority for her department was not full and complete? In other words, some departments have more delegated authority from the Civil Service Commission than the Department of Education.

So even though the Department of Education now has delegated authority, it does not have as much delegated authority as other departments. I assume that that means limitations on term hirings as well in terms of the process.

So if I am correct, the minister could indicate so.

Mrs. Vodrey: We have the full and complete hiring authority which has been returned to us. I understand, and I am informed that in some departments—and I am not able to provide the member with a specific example—there has been occasionally some further delegated authority for day-to-day management within that department. However, the delegated authority which was returned to the Department of Education and Training is that authority which would have been expected to have been returned to us.

Mr. Plohman: I thank the minister for that. Can the minister indicate the status of the diagnostic centre? Is it now closed or will it be June 30, and what is happening to the staff there?

Mrs. Vodrey: The diagnostic learning centre is due to close on June 30. However, two staff will be retained, one to look at emotionally behaviourally disordered young people and another, a specialist in the area of learning. In terms of the other staff, we have two of those staff who were seconded to the Department of Education and Training. They will return to their divisions. Three staff have been placed and there is just one staff individual yet to be placed.

Mr. Plohman: Are these all full-time staff the minister is talking about?

Mrs. Vodrey: The positions that the secondments were in were term positions. Though the individuals, during the time of their placement with Education and Training, worked full time, the positions in fact were term and, as I have said, those individuals now will return to their home school divisions.

Mr. Plohman: Two staff retained—are they going to work out of that centre or are they going to be housed somewhere else?

Mrs. Vodrey: Madam Acting Deputy Chairperson, the two staff who will be retained will work from the Child Care and Development branch from the central office.

Mr. Plohman: Did the minister say that they will be doing assessments of emotionally disturbed or disordered young people?

Mrs. Vodrey: The positions will ensure that the department is still able to provide some leadership and assistance in these areas. As I said, one will be retained to deal with emotionally, behaviourally disordered young people. Another will be a learning specialist, and they will become part of the core staff who will remain in the Child Care & Development Branch.

As I said, one position will be utilized to provide service to children with the most extreme learning problems, and the other will be used to provide service to children with the most severe emotional and behavioural disorders.

Mr. Plohman: I guess I would ask, if it is appropriate here, are all of the staff being moved out of the diagnostic centre? It is being closed down and sold off, the equipment and so on or rented out to somebody else—is that the intention?

Mrs. Vodrey: The diagnostic learning centre, Diagnostic Support Centre, is housed within the building of the Manitoba School for the Deaf. Therefore, the building certainly does remain. The equipment which had been used will now be housed in the resource library, and it will be available to be borrowed by schools.

* (2130)

Mr. Plohman: Can the minister indicate how many clients were being served by the eight staff there?

Mrs. Vodrey: Again, we are getting into some of the details which may be best covered under the Child Care & Development Branch, but I do have the numbers. The total number is 79—

Mr. Plohman: Per year?

Mrs. Vodrey: 79 in this past year.

Mr. Plohman: We will have an opportunity to deal with this, as the minister has said, under the Child Care & Development Branch. I just want to make one observation. I find it kind of interesting that the minister says that out of 79 that somehow one staff is going to be retained to deal with the most extreme learning problems. It is going to be interesting to find out whether the minister thinks that that kind of token staffing is sufficient to deal with the worst situations out of the 79 that were there, which are in themselves extreme situations. That is why they are there in the first place, but I will not pursue that with the minister right now.

I wanted to ask the minister about the staffing changes in Distance Education, how many were

staff reductions, what the fate of those staff is at the present time.

Mrs. Vodrey: In terms of Distance Education, there were 11 people in the reductions. There were 12 positions. One position was vacant. Two of those individuals received their layoff notices, and their last day of work was April 26. They are currently laid off. In terms of the other nine individuals, they will have a last day of work on June 30. They have not yet received their layoff notices; however, I am informed that six of those individuals are already placed in terms of a new position, and there are three individuals who would, in fact, be laid off on June 30, who are yet to be placed.

Mr. Plohman: Does this mean that this branch and the expertise of these people are lost to the department? Are they being redeployed to areas where they will still deal with distance education?

Mrs. Vodrey: As the member knows, we have been discussing the reorganization that is taking place within the PDSS section of the department, and what we are looking at is to reorganize again for efficiency and, through that reorganization, to integrate the work that had previously been done by the Distance Education area into the work being done by PDSS so that curriculum design and development, for instance, is now done within PDSS with a consideration for the area of Distance Education, and not to have Distance Education, as was seen before, as a completely separate area where there was not necessarily the integration of the concerns for Distance Education within the PDSS and the regular curriculum design and development area, by way of example.

Mr. Plohman: The minister did not answer the question. The six that are being placed, they have been placed in the department, other departments, or are they being placed in areas of curriculum development where their expertise can be utilized in an integrated fashion, as the minister says, with the other PDSS staff?

* (2140)

Mrs. Vodrey: I am informed that one of the individuals has been placed within the Department of Education and Training and the other individuals have been placed elsewhere in government.

Mr. Plohman: Still dealing with personnel matters, is the minister not concerned about the—it is one thing to disband a branch and say the service is now going to be integrated into the department. It is

another thing to say that none of those staff that were the experts in dealing with that whole area are going to be included except one, and we do not even know yet whether that one is in the branch where they would be working with their expertise that they have developed.

So I am rather shocked at the minister's answer. I just wonder whether the minister is concerned about the capacity of her staff to deal with an initiative in this area in the Program Development section.

Mrs. Vodrey: One of the individuals, the one individual who has been placed within the Department of Education and Training, has been placed within the curriculum area. Other members who have been replaced are supports who have been employed within government; they are support staff and have the skills which would allow them to move to other areas of government, as also the media technician who has moved elsewhere in government.

We certainly look through the restructuring of this area to make sure that this area is, in fact, as integrated and as efficient as it can be, and that it will provide, but in an integrated manner, for the development of distance education as it is a part of the work that is being done by PDSS.

Mr. Plohman: What the minister has said then, I guess, and she can correct me if I am wrong, is that of the six Professional/Technical people in this area, one has been redeployed within the department, and five are gone. The Administrative Support people are all—the five there are gone as well. Only one of the Professional/Technical people out of six has been redeployed in the Curriculum Branch.

Mrs. Vodrey: Again, some of those people, as the member has said, have been redeployed, and they have been redeployed to other areas of government, but we have been speaking about the restructuring. We believe that the restructuring of branch programs will focus resources on the integration of technology into the instructional process across the curriculum. The technology training for educators will be targeted to the needs identified at the school level and delivered in the field using the school facilities.

Distance Education program development and delivery services will be integrated with other curriculum development and instructional support

services of the Program Development and Support Services division of the department.

This change in focus, we believe, will better position the department to adapt to the rapidly changing technologies, No. 1, and also to adapt these changing technologies to educational instruction.

Mr. Plohman: The minister has just said that she thinks this elimination of this branch and the staff here, with their expertise, will better position the department to deal with the changing technology. I find that hard to believe.

The minister—could I put words in her mouth, and she could indicate if she does not agree with it. Is the minister saying that she does not have any concerns about the ability of the department to be able to initiate new challenges, new programs in this area, and she has no concern about the ability of the department to do that without these experts?

Mrs. Vodrey: The member uses the term "elimination." What we have said is that this is an integration. We have been looking at integrating the services, the work that had previously been done separately by Distance Education into the PDSS section of our department.

We will be looking to continue, as I have just explained to him, under the restructuring, and how we will look to focus our resources on the integration of technology into the instructional process across all of curriculum.

Five areas of technology that reflect current activities across the province are things such as computer-assisted learning and telecommunications, interactive instructional television, satellite delivered courses, and newer, emerging applications of existing technologies. As I said, the focus, as a result of that, will be on enabling divisions to move ahead with the areas that I have just spoken about.

Mr. Plohman: The minister is saying, then, that the loss of the five out of the six Professional/Technical people in that area will not prove to be a problem for any initiatives in this area.

Mrs. Vodrey: Madam Acting Deputy Chairperson, we believe that through this restructuring it really will lead to very effective changes. We believe it will lead to a new approach. We believe it will be beneficial in terms of the work in the field. We believe, as I have said several times, it will integrate the work of distance education and the challenges of distance

education into the challenges which we are looking at in terms of our curriculum development and our curriculum delivery and the use of technology.

The branch does continue to have staff which does have some of this similar expertise, and it will allow us to develop in this area, being conscious of Distance Education as a potential application for our curriculum areas, for example. It will also, we believe, assist us to be responsive to the field.

Mr. Plohman: Yes, well, we understand the integration approach that the minister is talking about. That is not really what I am questioning at all.

I am just wondering whether the minister feels it is regrettable that she has to lose the staff, six staff, with expertise in this area, and whether she will in fact be able to carry out the mandate with this loss of expertise. It seems that the minister does not want to deal with that very sensitive issue, and that is her choice.

I want to ask the minister—

* (2150)

Point of Order

Mrs. Vodrey: Madam Acting Deputy Chair, just on a point of order, in terms of carrying out the mandate, I believe that I have said over the past several answers that I have given, that we certainly believe that we will be able to carry out the mandate and we believe that this mandate will be carried out in a very effective way.

* * *

Mr. Plohman: Madam Acting Deputy Chairperson, could the minister indicate, from her staff, how many reclassifications have been made in the last year by her Human Resources department? I understand that position classification issues are a part of the jurisdiction of this branch of her department and they are done in conjunction with the Civil Service Commission.

Could the minister indicate how many have been initiated and carried out, and of those, how many were reclassifications upward and how many were reclassifications downward?

Mrs. Vodrey: I am informed that there have been very few of those reclassifications initiated, and I can have for the member when we are sitting together the next time the exact number and the details.

Mr. Plohman: Yes, could the minister also include in that information any red-circling, so to speak, of

staff, rather than those that were not reclassified downward but red-circled instead, as a result of transfers or whatever?

Mrs. Vodrey: Yes, we will provide that information the next time we are together, as I said. I am informed that the number is very few, where the reclassifications had been initiated, and extremely few in the area of red-circling.

Mr. Plohman: Yes, my colleague has some questions before we move on in this area, Madam Acting Deputy Chair.

Ms. Friesen: I wanted to get back to the loss of aboriginal personnel in the New Careers Program.

Could the minister tell us how many aboriginal people are left in the New Careers Program?

Mrs. Vodrey: Madam Acting Deputy Chairperson, it seems to me it is very difficult for us to give an exact number at this point in terms of the number of people who have declared. At this moment, I can say that we would say that there are three individuals for sure who are of aboriginal background remaining in the New Careers area. However, I did say that, when we were discussing this area earlier, we would look at a reconciled list in terms of the post-secondary part of my department in the Advanced Education and Skills Training area. Of the numbers of aboriginal individuals, that would include only those people who have declared.

Ms. Friesen: We can only deal with those who have declared. That is true.

So the minister is saying then that here is a program which deals with approximately 70 percent aboriginal clientele, that puts some store by peer counselling, in that sense, by culturally sensitive counselling kind of programs in effect which the annual reports and discussions of this program make a great deal of, and the minister loses five out of eight of those aboriginal people in that program. This is not a program, in that sense, like other programs, and the minister is still going to maintain that, when asked that question in the House, she had no idea that all of the people she had lost, or at least that five out of those, were aboriginal.

Mrs. Vodrey: Madam Acting Deputy Chairperson, in terms of the layoffs, I can tell the member again, as I have told her earlier this evening, that the layoffs were conducted according to the rules. It was the junior employees who were laid off. We followed very carefully the rules of seniority which are laid out

within the collective agreement. That process was one in which I know has been of importance to the member in terms of the following of the rules of the collective agreement.

I would also say in terms of the New Careers Program, one of the important features of that program has been that it is a— I would use the words—community-based program in that individuals do have the opportunity to work within their home communities and where individuals also receive support within their home communities and in areas where they are also doing their work. That is the feature that seems to be the distinguishing feature for the New Careers Program.

The member is attempting to draw another distinguishing feature, but the main distinguishing feature is, in fact, that it is a community-based program and that individuals have received a great deal of the support from those areas in which they live and they work.

Ms. Frlesen: Yes, I understand the minister was following the principles that are laid out in the book, but here is a program which aims at further education and job training for aboriginal people and depends to considerable extent upon culturally sensitive counselling and training.

So could the minister tell us how she weighed up that policy? How did she decide in a program which aims at affirmative action and which had at least got to the point where it had at least hired eight aboriginal people, all of a sudden decides to get rid of five of them? What entered that kind of policy decision?

* (2200)

Mrs. Vodrey: Madam Acting Deputy Chairperson, the member is speaking very particularly about New Careers as one program. As I have said to her before, the layoffs, the reductions were done according to the government employees master agreement, where seniority rules. The questioning this evening has been on a line to determine if in fact we were following the rules set out by the civil service. We have been discussing over this evening that the Department of Education and Training, now that we have received back our delegated authority, has been very careful to follow those rules.

The member is now asking: Would this be a special circumstance in which the rules would not be followed? I have said to her that in this case we did follow the rules, but I think it would also be

important to let her know that within Advanced Education and Skills Training there are still aboriginal staff who, I am informed, would be found in all levels of the organization.

As I have said also, we will look to provide her the next time that we are together with as much detailed information as we are able regarding those people of aboriginal background who are employed in this area.

The Acting Deputy Chairperson (Mrs. Rønder): It is a little after 10 p.m. What is the will of the committee?

An Honourable Member: Carry on.

The Acting Deputy Chairperson (Mrs. Rønder): Carry on. Okay.

Ms. Frlesen: The issue that I am addressing here is a policy issue on reduction. Why did the minister choose to reduce the aboriginal staff in this area when they are such a high component of the entire aboriginal staff of her department? I mean, five people is a considerable number. They are coming out of one program that is supposed to be culturally sensitive and where they would presumably be an integral part of that program.

(Mr. Deputy Chairperson in the Chair)

The minister may choose to answer it, to consider it, in another way. What are the implications for that program of having lost such a high proportion of their aboriginal counsellors?

Mrs. Vodrey: Mr. Deputy Chair, again I am informed that the union does not allow for affirmative action under this section of the general employment master agreement. Therefore, it does not allow for us to look at the issue in terms of layoff, in terms of particular affirmative action rights. So the layoffs were done and the reductions were accomplished according to this Section 23, and all of the employees did have less than four years of seniority.

When we look at the staffing, the staffing was done according to the rules, and according to the rules of the collective agreement, and those are the ones that we are working within. However, we also recognize, as does the member, in looking at the New Careers Program that students do receive support in other areas. They may receive support in the places in which they are working. They may receive support in the areas of their home communities, and the distinguishing feature of this program is that it is a community-based program.

Ms. Friesen: Mr. Deputy Chairperson, well, it seems to make a mockery of affirmative action if the minister—and I am emphasizing this, not the collective agreement but the minister—chose to cut in this area. I mean, that is the issue, is it not?

Mrs. Vodrey: Mr. Deputy Chairperson, we did discuss under the policy area some of the changes that occurred regarding New Careers Program and the restructuring which is being done within the Advanced Education and Skills Training area.

So that section and that area have been discussed partially, and I am sure the member may wish to discuss it again when we actually get to that budget line. Under the line that we are discussing now, which is the Human Resource line, the member has been asking questions about how that was accomplished.

I have been letting her know throughout the discussion this evening that under this line, Human Resources, where it is very important for us to outline how we provide for staffing within the Department of Education and Training and any changes in that staffing, we have done so following the rules set out in the master agreement, the rules set out according to the civil service, the rules set out according to the collective agreement.

I have explained to her, those reductions did occur in line with the master agreement, that that does not provide for the issue of affirmative action, which I know that she would, perhaps, like to see raised with the union. It is not provided for.

In the area of policy decisions, I also have described to her, and am prepared under the budget line specifically for New Careers to discuss more fully, if she would like to go over those answers again, the restructuring that is occurring in Advanced Education and Skills Training. In addition to that, to remind her, as I have said, there have been very difficult budget decisions which have been made across government not only in the Department of Education and Training but within this area of New Careers.

Yes, there has remained programming in this area. There has remained funding to support this particular program area, and there has been a continued support through this budget line for this community-based programming. I have discussed several times that that is the distinguishing feature for this particular type of programming, and the commitment has remained.

Mr. Deputy Chairperson: Order, please. I was wondering if there might be the will of the committee to take just a 10-minute recess to stretch one's legs?

Mr. Plohman: If we could just wait about five minutes, we will be finished with this area and we can move to the next line, and then that would be an appropriate time.

Mr. Deputy Chairperson: That would be fine.

Mr. Plohman: Mr. Deputy Chairperson, I guess what the minister is saying, then, is that we as opposition and the people of Manitoba should be thankful for small mercies. There still is remnants of the program left.

But the minister chose to cut an area of her department which effectively purges years of affirmative action. The minister made that decision, not the collective agreement, not the union, but the minister, by her decision, to eliminate five of eight positions that were affirmative action positions.

Would she not agree that this will largely destroy the program because she has lost staff, critical staff, to this culturally sensitive program?

Mrs. Vodrey: Mr. Deputy Chairperson, again, it was not my decision to specifically reduce the positions or these particular people. Holding the position, however, the member appears to be saying that he would like me to raise with my colleague the Minister of Labour (Mr. Praznik), to raise at the next union negotiations that there would be an affirmative action policy in relation to layoffs.

Mr. Plohman: Mr. Deputy Chairperson, that might be a consideration, but the minister is saying today that she did not even take into consideration the impact of her decisions on cuts on affirmative action. That is a shocking revelation by the minister.

I would hope that the minister would have considered all ramifications of her decisions before these cuts were made, instead of just hastily throwing them together as it seems the minister has done, without any forward planning or consideration of the impacts.

Mrs. Vodrey: As I have said several times this evening, the collective agreement does not provide for affirmative action in the area of layoffs. Therefore, in this area of reduction, we were not able to look at, particularly, issues of affirmative action. The reductions were done according to the collective agreement.

I think it is important that the member understand that the collective agreement and its terms were respected in this area. If he would have it any other way, then perhaps he should say so.

Mr. Plohman: The minister is being mischievous now. Knowing this, that there is no affirmative action on the layoff side, why did the minister choose to make the cuts in this area that effectively destroy years of affirmative action efforts in her department?

Mrs. Vodrey: Mr. Deputy Chairperson, again, I have explained that across government there were difficult budgetary decisions which had to be made. We are looking at a restructuring in the Advanced Education and Skills Training area. As we were looking at that restructuring and the accommodation of the kinds of skills training that Manitobans would require, we did have to look across all of our programming.

But, as I have said, there are, and there have been, some—again, there has been this restructuring, which is taking place now, but the distinguishing feature of this program has been that it is community based. As the member notices, there is still a budget line.

I have just received some information from staff now which is an update in terms of the number. The update that I have now is that there are seven aboriginal staff who are remaining in the area of New Careers.

Mr. Plohman: Yes, well, Mr. Deputy Chairperson, the minister stated earlier that it was not her intention to lay off affirmative action employees. That was not her intention.

Well, what kind of commitment did she have to affirmative action if she did not even know that she was dealing with affirmative action staff when she made the decision to cut these positions in New Careers? What kind of commitment can we interpret this minister has to affirmative action in her department?

Does she have any commitment at all, or shall we interpret that she does not have a commitment, that this is a low priority? As a matter of fact, it is such a low priority, it is being reduced, not increased in terms of affirmative action efforts in the Department of Education.

Mrs. Vodrey: I have explained, during the course of the evening, the affirmative action which is taking place in the area of the hiring, and I have also distributed, for the member's information, the interim

policy on the hiring in the areas of affirmative action. We have also made a commitment to the numbers to providing the most up-to-date numbers in the area of affirmative action.

However, as we have spoken about this evening, the collective agreement does not allow for affirmative action to be considered in the area of layoffs, and, as I have said, if the member thinks that is an important area and would like to have that raised to the union, then that would be an important message to provide to my colleague the Minister of Labour (Mr. Praznik).

Mr. Plohman: Mr. Deputy Chairperson, since the minister should have known that the collective agreement does not allow for affirmative action insofar as layoffs are concerned, and since the minister should have known that if she made the decision to cut New Careers, she was going to target affirmative action employees, why did she make that decision?

Mrs. Vodrey: Again, I can start at the beginning for the member in terms of saying that there are, and there were, some very difficult budget decisions which had to be made all across government. We did look to the need to do that, but we also recognized the fact that we were looking at restructuring in the area of Advanced Education and Skills Training, so we had to make some decisions.

Some of those decisions were made based on the kinds of programs which would be within the area of Advanced Education and Skills Training. We did look at the opportunity to restructure and to improve effectiveness. In doing that, yes, some staff were affected. In terms of the staff affected, we then had to look to the collective agreement as a way then to deal with the staff who were affected.

As I have said to the member as well, in the area of New Careers its distinguishing feature is that it is a community-based program, and we have retained the program. The member can look at the budget line. Yes, there were some difficult decisions to be made in that program as there have been across government.

Mr. Plohman: Mr. Deputy Chairperson, it is nice to see that the minister always manages to deal with the distinguishing feature. I do not know what we would do with her answer if she did not have that distinguishing feature of this program.

Now that it has been mentioned 15 times, or whatever, the fact is, what we have seen as the

distinguishing feature here of this program is that the minister cut the program without any consideration for the impact it would have on affirmative action employees in her department. She obviously has no commitment to affirmative action if she could make this callous, hasty decision without considering its impact on affirmative action, knowing that she would not be able to protect those employees under the collective agreement. Obviously, the minister had no commitment to the program, makes a farce of affirmative action in her department.

With one fell swoop in this particular decision, it is crystal clear. No matter how much she wants to say that black is white, or any other colour, it is obviously clear that the minister has no commitment to affirmative action. It is crystal clear for all to see.

No amount of evasive discussion about the redeeming features of this department will change the minds of the public when they see this minister's decisions. The implications are clear, crystal clear. The record shows that now. This minister has no commitment to the program.

We can recess, Mr. Deputy Chairperson, if you would like, at this point for a short break.

* (2220)

Mrs. Vodrey: Mr. Deputy Chairperson, let me say, the member is wrong. One only has to look at the discussion that has taken place this evening to see that the member is wrong.

The issue of the community-based distinguishing feature of the New Careers Program is important to raise, because when the program was discussed by one of the other honourable members in questioning, the issue of specific peer counselling within the program was noted as a main feature. I just wanted to make it clear that that program actually has another feature that is a very important one.

We have gone around the issue. We have gone around the issue from the hiring side. We have gone around the issue from the side of affirmative action not being included within the layoff clauses for the master agreement.

We stand by the fact that we look for the integration to provide continued support in the area of New Careers, and we have retained a budget line in the area of New Careers.

Mr. Deputy Chairperson: Order, please. The committee will recess for 10 minutes.

The committee recessed at 10:21 p.m.

After Recess

The committee resumed at 10:34 p.m.

The Acting Deputy Chairperson (Mr. Bob Rose): Order, please. We will resume consideration of 1.(d) Human Resource Services (1) Salaries \$329,200—pass; (2) Other Expenditures \$54,900—pass.

1.(e) Financial and Administrative Services (1) Salaries \$903,800. Shall the item pass?

Mr. Plohman: The office of the assistant deputy minister being who—the minister introduced some of her staff. Is she prepared to indicate whom the assistant deputy minister is, how long he or she has been employed in this particular area, and what part of the department or where did this person come from?

Mrs. Vodrey: The person who is now in this position, Mr. Jim Glen, came into this position from his previous position of director of Schools Finance. He has been the acting assistant deputy minister for approximately six months, and he moved into this position because the incumbent moved into the position of assistant deputy minister in the post-secondary area because that person had moved on to become a deputy minister in Industry, Trade and Tourism.

(Mr. Deputy Chairperson in the Chair)

Mr. Plohman: So the director of Schools Finance, is this an acting or is this a permanent appointment?

Mrs. Vodrey: This is an acting appointment at the moment, and currently there is a competition underway.

Mr. Plohman: Can the minister indicate when the department is planning to have this completed?

Mrs. Vodrey: The screening process has been initiated now. We expect to begin the interviewing shortly, and we expect to have completion of the competition by the end of June. The current person who is holding this position in an acting capacity is currently at the table.

Mr. Plohman: Is the acting deputy minister going to apply for this position?

Mrs. Vodrey: That is a private matter of the individual who is in this position in an acting status, and he may choose to discuss whether or not he is applying for the position.

Mr. Plohman: I kind of wonder whether he would want to do that considering one of the Expected Results in this area is: "Effective schools funding program meeting its objectives, including program results, real and perceived equities, and satisfaction of school divisions in other educational organizations." It would seem to me that he might have a couple of strikes against him right now, and with that kind of an impossible expected result at this point in time, he would want no part of that job.

Now that is said with tongue and cheek, but I want to ask the minister about that particular expected result. Would the minister not agree that she is a far cry from meeting that particular expected result at the present time, particularly the part about "... satisfaction of school divisions and other educational organizations"?

* (2240)

Mrs. Vodrey: The area of school funding has been a very important area, and part of the work in that area has been with our new ed finance model, or the ed funding formula. That ed funding formula, as we said from the beginning, is one which will look to be a dynamic one, and this year it did experience some changes.

Those changes came on the recommendation of the advisory committee. They made recommendations to assist and to make that formula more responsive to school divisions, and we accepted their six priority recommendations in that area. So, in terms of the funding formula and the mechanism, we are in a process which, we believe, provides much more certainty to school divisions than the time without the funding formula and the time before the new funding formula when there was not a degree of certainty and there was a great deal of funding by way of an ad hoc method to school divisions at that time.

Mr. Plohman: Would the minister characterize her 2 percent cut as effective school funding?

Mrs. Vodrey: Again, and we have discussed this, and it is a fact that is an important one and perhaps needs to be restated that there were very difficult budget decisions to be made in the past. When difficult budget decisions were being made, Education and Training did not have to experience the same reductions that other departments had to experience in other years.

This year we had a great concern regarding the deficit and regarding the debt and had certainly

understood that we had a responsibility to bring that under control. One of the ways that this government looked to bring the deficit under control and the debt under control was to look at controlling spending. When we looked at controlling spending, we had to look at all areas of government, areas of government which, in the past, had not had to look at any kinds of reductions, whereas other departments had, in the past, looked at reductions.

This year Education and Training did experience some reductions. They experienced reductions as this government looked to control spending as one way in which to look at controlling our deficit.

Mr. Plohman: Notwithstanding the difficult decisions that the minister persists in going over with members of the committee, I asked the question. The minister could alter her Expected Results if that is what it would take to more accurately reflect what the minister has done with her difficult decisions.

I am asking whether the 2 percent cut constitutes effective school funding in the minister's eyes this year.

Mrs. Vodrey: Mr. Deputy Chairperson, this government had to look at what the deficit was in this province. We had to look at where a continually increasing deficit would place this province. In looking at those concerns, we did make decisions which, we believe, were difficult decisions. They were made to assist Manitobans.

One thing we had to do was look at controlling our spending, so we did make decisions. Some of those decisions were made based on controlling our spending. In the area of Education and Training we had not, in the past, had to deal with that area. We had, in fact, been receiving increases while other departments were not receiving increases. So this year we did have to look at Education and Training now, looking to control spending in order to reduce the deficit and to reduce the debt.

Hon. Harold Gillehammer (Minister of Family Services): Mr. Deputy Chairperson, I wondered if I could ask a question on the new funding formula as opposed to the old funding formula.

The funding formula that existed during the NDP years was—the old funding formula, it seems to me, was based on the theory that the more frugal the school division was, the less money they got. I am wondering if there has been a complete change in that funding formula so that the funding formula

more accurately reflects the size of the division and the needs of the division.

Mrs. Vodrey: Mr. Deputy Chairperson, yes, we believe that the new funding formula does more accurately reflect the foundation of education expenses that divisions encounter, and it does provide, also, a much greater degree of certainty to divisions and does, in a much more accurate way, reflect and also ensure that there is a way for divisions to access funding.

I look at the area of Library, and I look at the area of Guidance and Counselling that in the past, when funding was offered in a different way, we did not necessarily have any way to know if, in fact, funding did go into those areas and now we are able to look at how the funding flows and divisions are able to access funding under a number of different areas.

Mr. Gilleshammer: Does the department have information on the surpluses that school divisions have? I ask that because I have seen in the media that some school divisions can accommodate increased costs in the coming year through the surpluses that have been accumulated over a number of years—

Point of Order

Mr. Plohman: I am a little bit concerned about allowing this questioning, on a point of order, Mr. Deputy Chairperson. I have to raise this for the record whether the Chair rules in my favour or not, but I think this is, from my experience, highly unorthodox that a minister of the government would be questioning another minister on her spending Estimates. It is just not done in committee. Backbenchers have done it, but ministers have not done it, to my recollection.

On that basis, I think that this questioning should be ruled out of order as inappropriate by one minister to another. It is just a waste of the committee's time at the present time. We will get to the issues that the Minister of Family Services is raising in due course, but this is the opposition's time to question, and backbenchers on occasion, but certainly not ministers of the Crown to question their colleagues.

Mr. Deputy Chairperson: The honourable member did not have a point of order. It is a dispute over the facts.

* * *

Mr. Gilleshammer: It seems to me that the member for Dauphin is a little testy this evening. I would think he would be interested in the surpluses that exist throughout the province, where school boards are indicating that they can fund this year's increases and maybe even next year's increases with the surpluses that they have accumulated.

Mrs. Vodrey: Yes, we are aware that school divisions do have surpluses. It does vary from school division to school division. As of June 30, '92, we are aware that surplus was in the area of \$68 million, and that surplus amount of money is available to be used by school divisions in terms of funding within their own school division.

* (2250)

Mr. Plohman: Yes, Mr. Deputy Chairperson, the minister has persistently referred to the Department of Education and Training not being subject to cuts in the past and therefore was a candidate for reductions this year. We are not talking about the department at this particular point in time. We are talking about this funding to school divisions, which the assistant deputy minister is responsible for. One of the Expected Results is: "Effective schools funding program meeting its objectives, including program results, real and perceived equities, and satisfaction of school divisions and other educational organizations."

I would think that the minister has clearly failed to meet that expected result. I want to just ask the minister to elaborate on how she feels she has met that expected result, as she listed in her Supplementary Estimates book?

Mrs. Vodrey: The new funding formula, we believe, does meet the needs of students. It does identify a foundation of education by which the department and which the government is able to flow funds for those particular activities. It also meets the equity of the taxpayer, and in addition, in the development of that funding formula, the Department of Education and Training and the government worked with the representative groups, the representative educational partners, to arrive at that funding formula.

As I said, when that funding formula was first put into use for the school year '92-93, that funding formula would then be looked upon for recommendations and revisions. School divisions, in the first year of application, did submit to the

advisory committee areas where they believed that there could be changes and developments. As I have said to the member, we did then look at adjusting the funding formula. There have been six areas in which there were recommendations accepted, six priority areas in which there were recommendations accepted.

So we believe that, first of all, it was developed to meet the needs of students. It was developed to provide a greater degree of certainty. It was developed in conjunction with our partners in education, and it remains as a dynamic model. The advisory committee does continue to work on the recommendations that come forward from school divisions for their consideration.

Mr. Plohman: I think what was the key here in the question I asked the minister that she seemed to avoid was the issue of the 2 percent cut, not the model, the 2 percent cut this year. This is what I was speaking about. Maybe the minister missed that portion of my question, and that is the 2 percent cut across the board manifesting itself at three, four, five percent, six percent and even higher in some school divisions.

How does that constitute in any way, shape, or fashion, meeting the expected result the minister stated in her book? Would she not have been more accurate to have just removed that expected result under the circumstances for this year, considering that she was not even going to come close to meeting it?

Mrs. Vodrey: I believe the member's questions did look at the funding formula as a way of accomplishing that funding. When we were speaking specifically of the reduction, the reduction was, as was stated in the announcement, a 2 percent reduction in the funding for the school year.

The funds available, then, had to flow through the ed funding model to each school division, and how it was applied in each school division would depend on a number of things, including issues such as declining enrollment, and also the incorporation of the six areas of change and priority that were requested by the advisory committee.

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

So the actual funding was across the board. The 2 percent reduction was in the total amount of funds available, and then funds had to flow through the funding formula, and were very dependent upon

issues such as declining enrollment or in areas where adjustments were made, in the areas where the funding formula was modified.

In that way we still had, through the use of the funding formula, looked at applying, in what we believe to be at least a fair way, a way in which school divisions could at least look at a reference point through the funding formula as a way of actually accessing the funds.

Mr. Plohman: Mr. Acting Deputy Chairperson, I think it might be appropriate at this time to follow up on the minister's colleague's question about surpluses which he raised.

Can the minister indicate how many school divisions had surpluses? Out of the \$68 million, how many school divisions were included in those?

Mrs. Vodrey: I am informed that all divisions except one had surpluses.

Mr. Plohman: The minister might care to characterize the surpluses to make this relevant. If a surplus of \$100 or \$1,000 or even \$50,000 was present, it would be, generally, a very small portion of the total budget, although some school divisions would have relatively small budgets compared to others. In terms of significant surpluses, say, over 5 percent of the total budget for the school division, how many divisions would there be in that category?

Mrs. Vodrey: I am informed that overall the surplus is approximately 6.4 percent of the expenditures.

Mr. Plohman: Yes, and I asked if we want to use that figure, then 6.4 percent—and that is on total, how many individual school divisions would be at that average or above?

Mrs. Vodrey: Mr. Acting Deputy Chairperson, I am informed that over 30 school divisions exceed that number.

Mr. Plohman: So the 6.4 percent figure, in addition to being the average, is almost the median for school divisions in the province. There is about—what?—25 or more that have less than that?

(Mr. Deputy Chairperson in the Chair)

Mrs. Vodrey: Mr. Deputy Chairperson, the answer is yes.

* (2300)

Mr. Plohman: So there is a point to be made here with regard to the surpluses. It is kind of misleading to bring out a figure of \$68 million. Is that the figure? I think it was \$68 million that the minister answered

to her colleague the Minister of Family Services (Mr. Gilleshammer) earlier, and when we explore it further we find that 30 divisions have at least 6.4 percent of their expenditure budget in place as a reserve, and the remaining divisions having varying amounts less than that.

Therefore, the ability of school divisions to tap into that reserve to any degree is very limited for those school divisions that have smaller than 6.4 percent. We could use a figure of 5 percent or whatever relevant figure we want to use, but the fact is it is a small number of dollars available to them, and it is misleading to talk about that money as if it is equally available to everyone. There are many school divisions that have significant reserves, others who have very little reserves and some right in the middle.

So I would ask the minister to clarify for the record, in light of her colleague's questions, this issue, that in fact it distorts the ability of school divisions to draw upon other funds in light of the minister's capping in Bill 16, and that many school divisions are treated in an inequitable fashion as a result of this emphasis on reserves by this government.

Mrs. Vodrey: Mr. Deputy Chairperson, the issue of reserves was not ever characterized by myself as equally available to all divisions.

The issue of surplus, however, has been an issue which has been raised publicly on a number of occasions. There have been a number of Manitobans who, I believe, have made inquiries of their school divisions regarding any surplus that those school divisions may have.

Mr. Plohman: Mr. Deputy Chairperson, the minister would agree then that it is unfair and distorting of the facts to use a broad-brush approach when talking about reserves. Would the minister agree with that?

Mrs. Vodrey: Mr. Deputy Chairperson, I think the point to be made here is there are a number of issues which are to be considered in the funding for school divisions. The issue of surplus is one issue which has been raised publicly. Another issue which is to be considered is the phase-in funding. We also are aware of certain exceptions to the cap on the special requirement, depending upon enrollment also.

There are a number of areas in which there is flexibility available to school divisions. The surplus is one area which was raised here this evening which has been raised publicly. There are others.

Mr. Plohman: Could the minister just table the list of the divisions with surpluses and those without; in other words, a list of all school divisions and their status with regard to surpluses?

Mrs. Vodrey: Mr. Deputy Chairperson, we believe that is information which the divisions would wish to release and would themselves determine how they would like to share that information.

Mr. Plohman: Well, the minister has it, and she answers questions on it. Why will she not provide it to the committee? It is not providing it to any competitor here or some other sinister reason for it. We would like to see what the distribution is.

Mr. Deputy Chairperson: Order, please. Could I ask the honourable members in the committee to choose their words very carefully? So far I have had the words "distort, misleading" and now "sinister."

It does start to lead us into a little bit of a problem when it comes to the decorum of the committee when members start to choose these words which are on the very borderline of unparliamentary. I would ask the honourable member to choose his words very carefully at this time.

Mrs. Vodrey: Just in answer to the member's question. He has been asking some broad and general questions, and I have been answering him in terms of broad statements. I have not released during our discussion, or we have not discussed this evening, the specific numbers available within each specific school division, and I believe, as I answered previously, that the specific amount within each school division would be discussed by that particular school division.

Mr. Plohman: I had indicated to the minister that it was not for sinister purposes that I wanted to have this information. There is certainly nothing wrong with using the term in that regard. I was not saying the minister was sinister or anyone else was. I said, I was not asking for the information for sinister purposes.

I believe it is important that the minister be prepared to share all the information with regard to school financing with the committee. There is no logical reason why the minister has to feel that she has to hold back on any traditional grounds or whatever other reasons for not providing full and complete information to the committee.

Now is the minister drawing on some precedent that she is getting in terms of advice from her staff that this should not be provided? What is the reason

for not being complete and open with information with the committee? The sheet is right in her staff's book there. I can see it from here. Just provide a copy of it to the committee. What is the problem?

Mrs. Vodrey: We do provide information on the revenue and expenditures of school divisions and make every effort to provide as much information as possible regarding the funding of school divisions and regarding information about school divisions. However, we have not ever provided the surplus; that is information which school divisions themselves will determine how they wish to discuss that information publicly. There have been times, I understand, where, based on the revenue and expenditures information, various groups have attempted to calculate what the surplus would be, but I think it is very important that the member understand the department does receive information from school divisions. We do work with school divisions. School divisions do provide us with some information on trust.

What I am saying this evening is that, if the member wishes to have that information regarding a surplus, it would be important for the school divisions to release that particular information. We are prepared, certainly under the budget line, when we look at schools funding, to look at the information which we do make public regarding the revenues and the expenditures of school funding, and we are very prepared to speak about how that school funding is distributed.

* (2310)

Mr. Plohman: Mr. Deputy Chairperson, I did not raise this issue. The minister's colleague the Minister of Family Services (Mr. Gilleshammer) raised this issue about surpluses. Now I want to follow up on that information. Since the Minister of Family Services thought it so important that he asked his colleague about it, even though he should have heard about it in cabinet or in Treasury Board or wherever, he chose to ask it in committee.

So I would assume from that that the minister has used this information to make decisions on funding. Therefore, it is completely within the jurisdiction of this committee to ask for information upon which the minister has based decisions. Now the minister has utilized this information to justify the decision she has made with regard to funding. She did it even tonight in answer to her colleague's question when he asked about the surpluses. She referred to those

surpluses and answered the question that he asked in relationship to the financing of public schools in Manitoba as a result of the line dealing with the assistant deputy minister responsible for funding. So it is entirely within the purview of this committee. The minister has the information and should be providing it to the committee upon request. Why will she not do it?

Mrs. Vodrey: Mr. Deputy Chairperson, the member's question, as I recall it, was simply a question of, do school divisions have surpluses? That is information which has been put forward in various news reports and so on, that divisions do retain surpluses. Some school divisions have chosen to release publicly if they have a surplus and what that surplus would be. The answers that were given earlier this evening simply focused on a very global, a very general question about surpluses and a total surplus amount. Again, I qualified the answer that I gave to my colleague based on a date. That date was not for this school year, but rather at the end of last school year.

So the information that we have discussed so far has been extremely global and also was based on figures from last year. I, again, cannot speculate on the reasons for asking the questions, why the questions were asked, other than to say that members of the public have asked, do school divisions have surpluses? The amount of the surplus, I have said to the member, is something which school divisions would be discussing. However, I am more than prepared under the Schools Finance line to look at issues of revenue and expenditures of school divisions, and I know that the member has indicated that he will be interested in looking at that regarding school divisions.

Mr. Plohman: Well, the minister's colleague raised this matter in the committee. The minister has referenced it in response to questions that I have raised. The minister used global figures, and it is misleading to the public and almost irrelevant in terms of the arguments—

Point of Order

Mr. Deputy Chairperson: Order, please. I think I have asked the honourable member to choose his words carefully once now. This is the second time, third time, fourth time the honourable member has used the words "misleading to the public," and I

would ask the honourable member to withdraw that word from the record.

Mr. Plohman: Mr. Deputy Chairperson, if the Chairperson will consult with the rules of the committee, he will understand that when a member accuses a minister or any other member of deliberately misleading, there is, perhaps, a difficulty in terms of parliamentary language. It is not an issue when it is not deliberately misleading, and I have not accused the minister, up to this point in time, of deliberately misleading. I just said it happens to be misleading to the public to have global figures thrown around on surpluses—

Mr. Deputy Chairperson: Order, please. At this time, I am going to take the matter under advisement, because just the other day the Speaker of the House had made a ruling to the word "misleading." I want to refer to exactly what the Speaker had ruled to on this one, because it is at the option of the Chair to not only choose the words, but in the way the words are chosen to be used. I will be referring to the Speaker's Ruling, and I will come back to the committee with that at that time.

I will ask the honourable member to choose his words very carefully. It does aid myself as the Chair in my job of keeping the decorum within a committee. So, if the member would choose his words carefully, I will bring back my ruling to this matter at a later date.

The honourable member for Dauphin to finish his question, please.

Mr. Plohman: Mr. Deputy Chairperson, I think I would, with all respect, also implore you to consider, when you are looking at this ruling, for the record, that the context of the statement is very important, and the Chair has to consider, I believe, in considering this issue, whether, first of all, the member has accused the minister of deliberately misleading or the minister of misleading. I did neither. I said, it is misleading.

Mr. Deputy Chairperson: I will thank the honourable member for that, and, as I have told the member, I have taken this under advisement. Let us carry on with the committee meeting tonight, and you can get on with your questioning.

Mr. Deputy Chairperson: The honourable member for Dauphin to continue, please.

Mr. Plohman: I would like to point out to the minister that by providing only partial information, in other words, the global information, and not the total information, a very different picture can be drawn, or conclusion, by the public. So, if the minister says the public is interested in knowing about this issue, about surpluses, then it is important to provide it, division by division, not in a global sense, because it has very little relevance and can lead to misconclusions, if I could. That is why I used the term "misleading," because it leads to other conclusions than that which should be drawn, with regard to the relevance of surpluses.

So I think it is important that the minister, if she wants to be forthright, and I do not know that—well, the Chair could say perhaps that is not a kind inference to the minister. I would say if she wants to be forthright that she indeed should provide this information. I can tell her, we are going to ask for it under the Schools Finance, under 16.5, in any event, and we were going to ask it on other occasions as well. The minister could make life easy for herself by providing the complete and total information now.

Does the minister feel that this is confidential information, that this is not public information that the public should be aware of?

Mrs. Vodrey: This evening, in an effort to be as clear as possible on this matter, I did discuss the global total, which again I qualified by saying it was a total as of June '92. I did also say that we are aware, and I have been informed, that a total of 52 of 53 divisions have a surplus. Also during questioning, I discussed the fact that approximately 30 divisions have surpluses in excess of 6 percent of their budget.

This is a fair amount of information which I think would allow individuals, who wanted to put the issue of surplus into the mix of the other issues affecting school funding, a way and a context in which to do this. However, I would say that school divisions do reveal to us some information, but their process and the direct information which they reveal to us is theirs. It is information which I believe the member should approach school divisions with and to ask school divisions regarding their process and their numbers.

*(2320)

What I have been able to speak about this evening is again more global numbers, however

numbers which I believe do provide some background and some context to the issue of surplus. I have been willing to speak about it in this more global way, but I have been able to speak about it, as I have said, in relation to other factors as well. Surplus is one area. I have also spoken about the issue of phase-in. I have also spoken about other reasons in which there may be an exemption in some area to the 2 percent cap on the special requirement.

I could provide for the member, if this would be helpful on Thursday or the next time that we discuss this budget line, the number of divisions in percentage ranges, those number of divisions in the range of zero to 2 percent of surplus and 2 to 5 percent, 5 to 7 percent, and so on, but I am of the belief that the specific names of divisions, the information by name of division should be released by the division itself.

However, if the numbers are important in terms of constructing a picture, I am prepared to look at the numbers of divisions within certain ranges.

Mr. Plohman: The minister is bordering on playing games with the committee here in terms of providing availed information. The minister's reluctance to provide this information perhaps tells us a great deal, Mr. Deputy Chairperson.

I can only ask the minister why would she want to hide this information from the committee?

Mrs. Vodrey: I am not sure why the member believes that he needs a specific division name. I have offered him what I believe to be a very good picture and I am prepared to offer him some additional detail in terms of numbers of divisions who have surpluses within certain percentage ranges.

I believe that in our discussion of schools funding that this may be the information which would be helpful to him in terms of looking at a context and looking at the use of funds.

Mr. Plohman: Would the minister just provide the list to the committee without the names of the school divisions then?

Mrs. Vodrey: I am able to provide to the member a list of the percentages by divisions if that would help, without the names of the division, without the division number attached, because as I have said that the information specific to the process of each division is information which I believe that the division should be able to provide and should

provide to the member should he believe that that is what he needs.

However, I have offered through this process to look at the numbers of divisions in certain ranges and if the member believes it would be helpful, to offer him a list of percentages.

Mr. Plohman: Mr. Deputy Chairperson, that is a step in the right direction, but why will the minister not include the actual dollar amounts for each of those divisions as well?

Mrs. Vodrey: I believe that the percentage relating to the expenditures would be helpful in terms of what the member is asking and in terms of looking at what the surplus is. That is how we also began to look at the issue. That is where his initial questions had focused in terms of percentage in relation to expenditures, and that is the information that I am able to provide him.

Mr. Plohman: Mr. Deputy Chairperson, the minister is obviously wanting to withhold public information on these details, and the record will show that.

Would the minister—

Point of Order

Mrs. Vodrey: On a point of order, Mr. Deputy Chairperson. This information is public when the school divisions decide that they will make it public. In terms of our funding to schools, this is not information which specifically is ours to provide in a public way. What I have said to the member is that I will look at the percentages and the percentages of expenditures which may be helpful to him as he looks at the issue of surplus in relation to school funding. However, again, the information, as I said, would be made public by the school divisions if the school divisions wish to do so.

Mr. Deputy Chairperson: Order, please. The honourable minister did not have a point of order. It is a dispute over the facts.

* * *

Mr. Plohman: I thought the minister was answering the question. I did not realize that she was attempting to make a point of order there.

Can the minister indicate what kinds of information she considers to be private information or information she cannot divulge unless she has the permission of the school divisions? I mean this is rather novel of the minister to be protecting the privacy of the school divisions in the province on this

issue. Why this issue of the surpluses? What other issues or pieces of financial information does she feel falls into the same category?

Mrs. Vodrey: We do make public anything which is published under the frame reporting and that, as I have explained to the member, is details of revenue and expenditures. However, that frame reporting does not include a release of information regarding assets and surpluses of school divisions, and that information is available through the school divisions themselves. Other information which we do not release publicly is information about specific students and also specific personnel information, information regarding specific salary lines, that there is some information which again is part of the working on behalf of students within the Department of Education. But as I have said, that we do publish under frame certain details, and that information we are certainly able to discuss and able to provide information to the member. We will certainly do so.

Mr. Plohman: I imagine the minister is saying that specific salary lines and personnel matters dealing with specific students, that kind of thing, is not released in committee. Of course, I would not be asking about the specific students or personnel matters of that nature. What we are asking is financial information, and is the minister saying the only financial information that she would exclude from the committee because of the past practice that traditionally the school divisions' assets and surpluses have not been released?—that seems to be the only reason. I do not think the minister is indicating she would get sued by a school division if she released this information. So I can only assume that she wants to abide by past practice. Is that the only piece of financial information that falls within that category?

* (2330)

Mrs. Vodrey: The issue of the surplus does not affect how funding is flowed to school divisions under the school's funding formula. I know that is an area that the member would like to speak about, and I believe we will speak about more fully when we reach that budget line. The surplus issue is information which school divisions use within their divisions in terms of making their decisions regarding the setting of their mill rate and soon. That is why that particular information is internal to the school division, and the school divisions are the best ones to speak about any surplus which that division may have.

Yes, it is a matter of past practice that we do not release that information, but we do release the information which we publish under frame, and that some information, again, which is provided to us by some school divisions is in fact information which the school division themselves would be the one who would release further and to a wider group than simply to the Department of Education and Training. So it is a past practice. It was a past practice when the honourable member's party was in power also, and it is a practice that currently we are respecting.

Mr. Plohman: Is the minister indicating that she would be violating some element of trust with the school divisions if she did provide this information or released it to the committee?

Mrs. Vodrey: I will tell the member that I do have some concern around a breach of confidence with the school divisions based on past practice. The past practice has not been to release that information and there has not been an expectation by the school divisions that that information would be released.

I would feel that there may be this breach of confidence to simply release it without informing the school divisions or without allowing the school divisions the options that they may wish to release this information themselves on behalf of their school trustees and to their own taxpayers.

Mr. Plohman: Then the minister has no plans to release this publicly and in any other format either. Is that correct?

Mrs. Vodrey: Again, I have said that the past practice has been not to release this information and that the school divisions have by past practice not expected us to release this, though they may themselves wish to release it. The information which we release is information according to the frame budgeting. In terms of discussing school funding, we will be happy to provide the member with as much information as possible.

However, in order to assist the member, I have also made the offer that I could release to the member on percentages of expenditures what the surplus is. I could release it to him in categories of numbers of divisions based on, for example, zero to 2 percent, 2 percent to 5 percent or, as the member has asked, a list of percentages of expenditures by school division. However, it would be without the school division's name and number.

Mr. Plohman: I thank the minister for that summary, once again, of her answers up to this point in time. Can I draw from that that the minister will not be releasing the information I have asked for for this committee in terms of the precise dollars for each school division of the surpluses in any other format as well, that she is not intending to release this in another forum?

Mrs. Vodrey: Mr. Deputy Chairperson, we are not intending to release the actual dollar amount in another forum. The member may know that certain amounts were released not by government, but by another organization who did some calculations around this issue. School divisions have then been the ones who have responded to those calculations.

Mr. Plohman: Is the minister saying that her department has not been the source of specific information as to the dollar value of reserves for any specific school divisions in the province?

* (2340)

Mrs. Vodrey: We do not supply those numbers to other organizations, though through the information that is released through the frame, which is public information, some other organizations have been able to do some calculations which have led them to some numbers which may be the surpluses of various school divisions.

Mr. Plohman: So the minister is saying that the information that has been made available by organizations has been quite accurate insofar as surplus is concerned?

Mrs. Vodrey: Mr. Deputy Chairperson, in total the amount was somewhat accurate, the total amount which was released by another organization, not by the Department of Education and Training. In terms of the specific school divisions and the amounts, again, it would be up to the school divisions to confirm if that was in fact the amount of a surplus within their division.

Mr. Plohman: Is the minister attempting in any way to claw back these surpluses?

Mrs. Vodrey: I can say to the member that certainly today the surpluses have not been taken into account in terms of our funding policy. They were not considered in terms of the funding which was announced by this government in terms of schools funding.

Mr. Plohman: It seemed the minister's colleague the Minister of Family Services (Mr. Gilleshammer)

thought they were pretty significant. That is why he asked the question here. I cannot attribute any other motives to it.

Is the minister saying that they were not of any consequence in decision making for funding for school divisions in the province?

Mrs. Vodrey: Mr. Deputy Chairperson, it is very hard for me to speak completely specifically on behalf of my colleague and his reasons for bringing forward the surplus issue. However, that amount was released, as the member knows. The issue of surpluses was raised, as the member knows, by another organization; it was not raised by the Department of Education and Training or by the government.

However, when the issue of surplus was raised, it was raised within a context. As the member is aware, the context it was raised in, the member was speaking of what he believed to have been an underfunding of education and my colleague raised the issue which occurred to him that, in a case where there is underfunding, was there in fact a surplus retained by school divisions?

Mr. Plohman: If the minister has indicated here tonight that the surpluses were not considered in the funding announcements or level-of-funding announcements for school divisions up to this point in time, then I have to ask the minister whether she is considering or planning to include the surpluses in future funding announcements. By include, I mean consider the surpluses when she arrives at a funding level in future years.

Mrs. Vodrey: Mr. Deputy Chair, I can tell the member that these have not been considered as part of the funding announcements in the past. They were not considered as part of the funding announcement this year.

It is very hard to predict the future. I am not sure what the future will hold. However, at the moment we have not considered the issue of surpluses held by divisions in the matter of school funding.

Mr. Plohman: So, as they exist right now, does the minister consider them terribly significant or even relevant to the issue of funding?

Mrs. Vodrey: Mr. Deputy Chairperson, in terms of considering the issue of surpluses, certainly taxpayers may ask the question about surpluses, and school divisions may answer in terms of how they have achieved a surplus and why a surplus would be seen as important by school divisions and

what level individual school divisions may decide that they wish to retain surpluses and why they have chosen that number. Surpluses may be indicative of the spending patterns of school divisions. They may also be a sign of the type of funding which has been provided to school divisions and which was not expended.

So the issue of surpluses is one that, again, school divisions may be the best ones to comment on, because they will have an understanding of how they have arrived at that surplus and how they have arrived at a number which they might determine is an important surplus, and whether or not their surplus at the moment is over or above that particular amount of money.

I think it is important to note, again, when the member speaks of the issue of underfunding—my colleague did mention the issue of surpluses—to say that in a case where the member has been concerned about underfunding, that in speaking in a very global way, 30 divisions had what the member, by the use of a percentage, would have considered to be a fairly significant surplus. We are aware, too, that since this government came into power that there has been an increase in surpluses for school divisions in terms of a global number of funds available.

In terms of surpluses for individual divisions, as I have said, they may be indicative of a number of issues and a number of reasons. That particular school division may be the best one to describe how it is that there is that surplus within that division.

Mr. Plohman: I would submit to the minister that school divisions probably sensed that the squeeze was still to come, and that is why they were very careful to ensure there were some surpluses, not because the minister was overfunding over the last couple of years.

She is certainly trying to leave that impression that there was more funding even than required by the school divisions. Surely the minister does not consider surplus as a factor primarily of provincial funding. Does she not believe it to be more a function of management decisions at the local school level? Is that not a major factor here?

* (2350)

Why would she try to leave on the record that the surpluses are due to some generosity in surplus funding, extra funding, additional funding beyond what was required to provide the education at the

local level by the provincial government, by her government? Surely that is not representing an accurate picture here.

Mrs. Vodrey: The member has been leaving on the record an issue which he is concerned about—underfunding. Therefore, the issue of surpluses was raised by another member who was observing in the committee this evening, and who raised the issue. But each time I have spoken about the issue of surpluses, I have said that they may be a result of several issues I have spoken about, and the member can check the record, spending patterns within school divisions, efficiencies within school divisions. They also may reflect the funding that flowed to that school division.

There have been, as I have said each time, a number of reasons which may account for the surplus. I have also said to the member that the amount of the surplus may vary according to school division depending upon what that school division determined would be a surplus that is important for it to maintain, whether or not the amount of money is above or below that amount of surplus.

Mr. Plohman: Well, yes, as long as the minister does not try to leave the impression here that the primary factor is provincial funding. I would not think that would have a great deal of credibility amongst school divisions in this province if she were to go out and say that. I think she knows that, so it is better to play that one down quite a bit in this committee, rather than playing it up as a major factor, if any factor at all, insofar as the school divisions, ensuring that they had surpluses.

I think what is much more a factor here is the fact that school divisions were wary of this government, wary of future cuts in education funding, and preparing themselves as best they could to guard against a major deficit in funding from the provincial government. That was probably a much greater factor in surpluses being developed by school divisions over the last number of years. It seems that the minister now is attempting to grab that surplus and to reduce it or to eliminate it.

I get the impression, the minister can correct me if she wishes, that she is almost of the opinion that surpluses are not appropriate, that school divisions should not have surpluses whatsoever, and she would like to have them disappear before she would stop using them as a consideration in the overall funding to school divisions publicly, because I know

the minister has mentioned the issue of surpluses, just as her colleague did. That is why I have been pursuing this.

The Minister of Family Services nicely opened the door on the issue, but I intended to pursue this matter with the minister in any event because she has used in speeches the issue when dealing with finance of education and comments to the media and to the public, the issue of surpluses, to somehow imply that things were fine with regard to funding of the public school system in this province. So I caution her, because I know that the minister will not have a great deal of credibility with the school divisions in this province if she uses that.

Would the minister indicate whether she could provide at this time the sheets from the frame budget reports that would indicate the annual proportionate value of direct provincial operating support in relation to total budgetary operating expenditures by school divisions and districts for the '91-92 and '92-93 school years?

Mrs. Vodrey: Mr. Deputy Chairperson, I just have to address the first part of the member's question. First of all, around the issue of surplus, the issue was not raised by myself this evening, and in fact I did not at any time imply that I was, as the member said, grabbing the surplus, nor did I indicate that the surplus was a factor in the area of funding. I have not at any time implied that surpluses were inappropriate. What I have said to the member is that surpluses may be a result of a number of issues within school divisions, and certainly the explanation of the surplus would fall to the individual school division. They may wish to make that explanation to their taxpayers who may ask the question regarding surpluses and may ask the question regarding educational funding.

My explanation has focused upon how the funding and how the money available to Manitobans is flowed through the ed funding formula and is made available to school divisions and that an accounting for that money is made back to the department through the frame accounting system and that, through that frame accounting system, we are able to give information regarding the expenditures and the revenues of school divisions. So we have spoken about the process of government funding to school divisions.

However, we recognize that school divisions do have the option to raise funds independently. They

have the opportunity to raise funds through the special levy, and school divisions have through perhaps several mechanisms been able to accumulate a surplus. Divisions will determine how much of a surplus they believe they need and they will determine how they wish to spend the funds within their school division. So the issue of surpluses, as the member knows, has been one not in which I have relied in answers to discuss the issue of surpluses.

In fact, the issue of surpluses was never raised by myself in the beginning. It was raised by information which was released by another organization. That organization chose to do some calculations which led them to looking at the issue of potential surpluses and then to look at some estimates of surpluses of school divisions across this province. So that issue was not one which was raised by the government. It was not raised by myself as minister.

Now the issue has been raised by another organization, Manitobans have asked some questions of their school divisions, and school divisions will decide how they will be able to answer within their individual divisions about their surplus, the amount of surplus that they have within their school division at the moment.

The member has also requested some additional information, and it relates to percentages of government funding. Yes, I am able to provide the information to him, and it would best be provided under the budget line of 16.5 where we can consider it in more detail.

Mr. Plohman: Sorry, I interrupt the minister there. Did the minister say she will be providing that information for the '91-92 and '92-93 years? Is that what I heard?

Mrs. Vodrey: I have said that we are able to look at that information, and we can provide the information. It is best provided under the budget line 16.5, and so as we approach that line, I will be prepared to see the member gets that information.

* (0000)

Mr. Deputy Chairperson: The hour being 12 midnight, what is the will of the committee?

Mr. Plohman: Just carry on, Mr. Deputy Chair.

Mr. Deputy Chairperson: Okay.

Mr. Plohman: I do not want to carry on long. I just had one or two more questions, if that is okay with the minister, and then we can close.

I wanted to just ask the minister whether this will be provided on a division-by-division basis, because that is my anticipation in asking the question?

Mrs. Vodrey: Yes, I can provide that on a division-by-division basis.

Mr. Plohman: For the total percentages there. Then can the minister indicate whether the information on school grants, in other words a breakdown of this total line when we get to 16.5. We do not have to pursue it too far at this point, but a breakdown of the total amount including the school grants and other assistance, the amount to private schools, the amount to public schools, the total operating support for the public schools paid under the SFP, the second year phase-in support for the Schools Finance Program, totals of appropriation for public schools then, the general support grants, Teachers' Retirement Allowances Fund and miscellaneous grants, to get the total. Does the minister have that information as well?

Mrs. Vodrey: Mr. Deputy Chairperson, that is information that we have been willing to provide in the past and, yes, we will be willing to provide that this year.

Mr. Plohman: The only reason I referred to all of that tonight was to ensure that it could avoid delays later.

Mrs. Vodrey: As I have said, that is information which has been provided in the past, and which we are prepared to provide under that particular budget line.

Mr. Plohman: Committee rise.

Mr. Deputy Chairperson: The hour being after twelve o'clock, committee rise.

EXECUTIVE COUNCIL

Madam Chairperson (Louise Dacquay): Order, please. Will the Committee of Supply please come to order. Would the First Minister's staff please enter the Chamber.

We are on item 1.(b), page 12, of the Estimates manual.

Mr. Gary Doer (Leader of the Opposition): I want to continue on with a few more questions I have on federal-provincial relations. The Port of Churchill: Can the Premier indicate who the consultant is for

the Arctic Bridge project that was referenced in the government's announcements?

Hon. Gary Filmon (Premier): The lead consultant chosen jointly by us and our Russian partners is Caribou Ventures.

Mr. Doer: Thank you for the answer.

Can the Premier indicate the situation for ships in this shipping year, please?

Mr. Filmon: I am sure the member opposite can appreciate that I have not been personally involved in much of these discussions, but I understand that a good deal of discussion has taken place with the Canadian Wheat Board and with Ports Canada, and Ports Canada is supportive of obtaining greater tonnage through the port to reduce their unit costs and to make their expenditures more productive. The Canadian Wheat Board indicates that they continue to seek opportunities to put grain through the port, but no commitments. We cannot give any indication of numbers of ships.

Mr. Doer: The Premier indicated that they have other contingency plans for the proposal on the spaceport at Churchill, they authorized an Order-in-Council that expired March 31, 1993. Could the Premier indicate the status of that proposal with the—we have had the denial of the Western Diversification. The Premier was going to take that a step further. Has he discussed this with the federal minister responsible? Has the change in the funding formula from the federal government announced last week affected this proposal? What is the status of proceeding with the spaceport?

Mr. Filmon: I indicated last week we are following up on that. A letter is in the final stages of draft for my signature to pursue this with the Western Economic Diversification minister. I spoke earlier today with Mr. Richardson, who is principally the private sector money source, and intend to follow up with him as early as perhaps tomorrow. The issue of the date, in which the Order-in-Council committing our \$75,000 expired, was a matter of it being committed for the last fiscal year which we could not commit it for a future fiscal year, so it is just a matter of us repassing the authority for the funding.

As I said publicly, our funding remains committed.

Madam Chairperson: Order, please. I would just like to draw to the attention of all members of this committee that it is not necessary to stand. It is if

you so desire—[interjection] As long as you can get the attention of the Chair, you may remain seated.

Mr. Doer: The further question is dealing with CN Rail and its less than strong commitment to the rail line. We see cement cars of certain tonnage being able to operate on those tracks right up to Gillam. We see other cars of greater capacity operating right to Churchill, yet there is a great deal of reluctance from that railway to give the Port of Churchill the kind of a rail service for both passenger and freight for that matter to that port.

Has the Premier had any discussions? I know in the past he has indicated he has had meetings with the chair of the board of CN. Are there any discussions that have gone on between the Premier and the federal government, Jean Corbeil or the new head of Canadian National?

Mr. Filmon: I think there are several yeses that I should be giving the leader of the opposition. Yes, I have spoken on a number of occasions with the chair of the board of CN, and we will be seeing him again, I am not sure if it is next week or the week after. I guess it is next week.

I have had discussions with the new CEO, Mr. Tellier, whom I have met and had dealings with on numerous occasions during the constitutional debates, and expressed very strongly our desire not to see a reduction of service to Manitoba and our desire to preserve that line.

The member for Concordia (Mr. Doer) has accurately, I think, portrayed the reluctance, as he called it, of CN to make any long-term commitments or to invest in any particular upgrading.

There does appear to be a bias against a continuing to provide for service on that line. So it is a struggle in which we have to utilize all of the contacts, all of the lobbying strength that we have, whether it be through the Minister of Highways and Transportation (Mr. Driedger), who regularly raises the issue, or whether it be through myself and contacts that I make directly with respect to CN and the people who are accessible to us.

Mr. Doer: What impact will the change in method of payment have for the Port of Churchill and for railway jobs in Manitoba, based on the analysis of the Premier (Mr. Filmon) in his capacity as Chair of the Economic Development Committee of Cabinet?

Mr. Filmon: Our information is that the method of payment should have a neutral effect in terms of ports and lines of transportation. Obviously, there

are many studies that suggest the method of payment can have a positive effect in terms of secondary agricultural processing development in Manitoba and the livestock industry and so on, but we have no indications that the method-of-payment change should have any negative effect on the Port of Churchill.

Mr. Doer: The second part of the question was the impact on railway jobs in Manitoba. I wonder if the Premier could indicate on the impact of that.

Mr. Filmon: I have no information to indicate any negative impact on the railroad jobs in Manitoba.

Mr. Doer: The previous study that the Minister of Agriculture (Mr. Findlay) tabled in the House indicated a cost on highways to the province. We have already talked about the federal offloading and a reduction in the number of jobs on the railways. Is that no longer the current thinking of the provincial government on the change in the grain transportation changes?

* (2010)

Mr. Filmon: In all due respect, I would have to ask the member to discuss that with the Minister of Agriculture. I do not have the study. It is not something that comes directly under my responsibilities. If he wants to debate that, he should debate it with the Minister of Agriculture.

Mr. Doer: Given the original mandate of the new cabinet secretariat, the new economic structure, as announced November 8, 1991, to evaluate the impact of certain development activity, to have a central role in government between departments, this body would not be evaluating those kinds of changes and its impact on Manitoba, providing a kind of clearinghouse impact which was the impression I had from reading the original statement from the Premier on the bill in 1991 and the announcement that was made shortly before that.

Mr. Filmon: If you were to take that to its ridiculous extreme there would be no need then to have much of the work of the Department of Transportation, of Industry, Trade and Tourism, of Agriculture, anything done by those departments.

The member opposite knows full well, although he thinks there are too many people in the Secretariat of the Economic Development Board, there are not the staff to be able to conduct those kinds of in-depth analyses.

So within the ambit of this government those continue to be responsibilities of line departments, and the Minister of Agriculture (Mr. Findlay) has been in a position to debate and discuss that with the Leader of the Opposition before. I suggest that he continue to seek that avenue for detail on this matter.

Mr. Doer: Thank you, and I would have thought that in some place in government, when there are changes in agriculture having impact on producers and changes in transportation policy that may have impact on jobs, that there would be some way of analyzing these initiatives.

I have asked the Premier these questions before, and the Minister of Agriculture has been the one answering it. But there are impacts on other industries, and I was hoping that we could find out tonight just whether there is any impact or not. I guess if we do not know, we do not know, and that is too bad.

I want to move on to the airline industry, Madam Chairperson. I wrote the Premier earlier on another key area of transportation, the airline industry. Can the Premier advise on the status of that issue? We have again different departments, Transportation, Industry and Trade, the economic committee dealing with this issue. We expect an announcement this week. It is obviously crucial to Manitoba.

We have more people employed in the airline industry in Manitoba as a percentage of the population. What strategy has the government had on this issue, and can the Premier advise us of the status of it as he sees it from a Manitoba perspective?

Mr. Filmon: As the member knows, it is a federally regulated industry area. We are in a position which might be described as between the devil and the deep blue sea, having fairly significant complements of staff in both major airlines. About 1,800 prior to some of the layoffs, about 1,800 in Air Canada; about one-quarter of that, 450 in Canadian Air Lines; Gemini with 175, I believe or something in that range of 100 to 150.

Every potential move within the airlines industry also carries with it the potential for loss of jobs. If you take the scenario of a combination of Air Canada and Canadian, there are certain projections as to what job losses might accrue.

If you take the proposal that is being put forward by Canadian Airlines of their alliance with American,

which would undoubtedly trigger an Air Canada alliance with an American carrier, there might be a different set of losses, perhaps more losses on the Gemini side, less losses on the operating side.

It is a very difficult situation. We also have to be mindful of the potential loss of service. We are in a situation in which recently we have been working very diligently to try and increase service here, try and find—and I have been lobbying for additional air connections into the United States, additional use by Air Canada of its ability to have a connection between Winnipeg and Chicago, additional opportunities for overseas flights originating here.

All of these things have involved meetings that I have had in the past, even in the past six months, with Claude Taylor, Jack Fraser, who is the Winnipeg or Manitoba representative on the board of Air Canada, Mr. Mauro, who is on the board of Canadian Airlines, direct discussions that I have had with the CEO, Mr. Eyton and so on.

We have had some staff directly involved with any and all of the meetings that have been taking place with respect to the restructuring of Canadian Airlines. In all these things, what we are attempting to do is be as knowledgeable as we can about what is happening, what the potential impacts are and play an honest-broker role in protecting Manitoba's interests.

I cannot give the member opposite any definitive figures. In fact, if you listen to the figures from the two competing airlines, they give you different figures. Each one has a different scenario that paints their own position in their best interest.

I think it is very difficult to do anything other than stay as close to the situation as we have and try and offer whatever encouragement we can to find a solution that preserves jobs here in Manitoba. That is really the position that we have been taking.

Mr. Doer: Moving on to another federal-provincial issue, that is, the issue of the proposed NAFTA agreement with Canada, the United States and Mexico, has the Premier called on the federal government to suspend the ratification of an agreement that is now in a state of flux because of renegotiations between Canada, the United States and Mexico? What has been the position, formally and publicly, since the analysis was tabled in December of 1992 in this House from the provincial government?

* (2020)

Mr. Filmon: I will not go into the lengthy discussion of Manitoba's position and the six conditions that we placed on any agreement that we might express with respect to NAFTA.

As the member knows, there are, of those six conditions, probably three key and substantive issues that are outstanding; one being a parallel accord on labour; second, a parallel accord on environment; and thirdly, commitment to federal adjustment measures.

We have indicated throughout the discussions, even in the past few months that Minister Stefanson has had on behalf of the government, that those three issues must be addressed before we could indicate whether or not we supported a NAFTA agreement or any implementing legislation.

Certainly, given that parallel accords, parallel agreements are still being negotiated, one could argue that the federal implementing legislation is premature. On the other hand, the same could have been argued about the federal government's original signature on NAFTA without legislative authority.

So I do not think it is news to anyone that the federal government is committed to the NAFTA agreement and is going to do everything in their power to see it completed by the time of the next election whenever that might be federally.

That, I am told, is well understood and also that they have provisions so that should there be parallel accords on these issues, particularly labour standards and the environment, they would be able to be implemented along with the legislation that they are proposing to pass in the House of Commons.

Mr. Doer: I noticed the Premier answered the question in third-party terms. One could argue that it is premature, which is very unusual for the Premier to answer a question with such language. Does the Premier himself believe that it is premature to ratify it?

Has he formally indicated to the federal government in his capacity as Minister of Federal-Provincial Relations that he and his government are opposed to proceeding with the ratification prior to the final deal being known?

Mr. Filmon: Madam Chair, I have not written to the federal government, and the position that I take is that we have put pretty clearly on the record what

our desires are with respect to having parallel accords on labour standards, on the environment.

As I said, I think, the last time that the member opposite asked the question in Question Period, I am confident that, because of the position of President Clinton, NAFTA will not proceed without those parallel accords on labour standards and the environment.

So I think that we have a big brother out there who is going to probably ensure that the things that we have been arguing for are going to be part of that overall agreement. That says to me that we are probably in a stronger position than trying to argue with the federal government not to proceed with an issue that they have been committed to.

Mr. Doer: Madam Chairperson, I guess on issues like triple transformation and other issues that are of importance to Manitoba in the clothing industry we should not rely necessarily only on, quote, big brother. I do not think they are going to change triple transformation clauses dealing with our clothing, our textile and apparel industry in Manitoba, but the Premier has given me his answer and that is clearly on the record.

I would like to see us try to influence more the federal Conservative government and therefore hopefully get some of Manitoba's specific items on. I do not imagine the President of the United States is carrying that brief in his book, but I will move on to other items. I would like to ask—I think he wants to answer this one.

Mr. Filmon: Can I just indicate that, again, we are dealing with this in the context of discussion on Executive Council Estimates. The Minister of Industry, Trade and Tourism (Mr. Stefanson), who is sitting right behind me, has spent hours and hours with his federal counterpart making known the concerns that we have about triple transformation and all those specific issues on Manitoba.

Those things are in writing, both in letters that he has written and letters that I have written, and they remain areas of concern that we hope will be dealt with by the federal government. It is not for lack of articulation of our position on it or pressure on our part to the federal government to get the job done.

They are very, very much familiar with our position and, in fact, I know very sensitive to it because the minister responsible has phoned directly on numerous occasions to try and get the unequivocal support of this government, talked to the minister

and talked to myself about it. We are not budging from our concerns that have to be dealt with in order for us to give support.

Mr. Doer: Moving on to another federal-provincial item, the government in the 1990 election indicated they were going to negotiate an immigration agreement with Ottawa and negotiate delegated authority in that regard, a position that not all of us agreed with at the time and, subsequently, this matter was more formally in the constitutional proposal.

Has the government changed its position, given the fact that the Constitution, not just for that reason but for a number of other reasons, was rejected in Manitoba?

Mr. Filmon: No, Madam Chairperson, in fact we still think that the rationale for us having a greater influence is strong. In fact, the member opposite talked earlier in the preamble to our discussions about our population not growing as rapidly as it did in the early '80s, and one of the major differences of course is in the proportionate share that we have gotten of Canadian immigrants coming to Manitoba which has dropped to a third of what it was in the early '80s.

We are not going to have an opportunity to get a greater share of immigrants. We are not going to have an opportunity to get a greater share of independent immigrants who may have the skills that we are needing for particular growth and development areas in our economy or entrepreneurial immigrants who come here with business skills and the capital with which to start a business, if we do not have this agreement. With all of the work that has been done to try and influence the federal system, we are absolutely convinced that we need to have that direct influence by way of a federal-provincial agreement. We continue to work towards it and, I dare say, are making some progress.

There is a unit within the Department of Culture, Heritage and Citizenship who have responsibility for negotiating the agreement who are reporting some substantial progress in recent months. I would hope that the next time that we are debating these Estimates we will have an agreement in place.

Mr. Doer: Madam Chairperson, we have a disagreement about this, but it has been three years since the government announced this during the election—almost three years—he says by the next

time we are debating the Estimates, it could be a couple of months away, it could be 12 months away, et cetera. When does the Premier expect to conclude a promise, I believe, he made in August of 1990?

* (2030)

Mr. Filmon: The member can probably appreciate that it was almost impossible to get any real negotiations underway with the federal government while the constitutional matter was in process. They simply did not want to deal with it, I assume because they wanted it dealt with under the constitutional package. Only since the failure of that constitutional package have we had meaningful negotiations and real progress on the matter.

I think it is safe to say that with the progress we have made in the last six months, we are optimistic that, as I say, if we are debating these Estimates somewhere close to a year from now, we will have an agreement in place.

Mr. Doer: Just on a related topic, I attended a meeting of the Indo-Canadian Association of Manitoba recently. I think we all attend a lot of multicultural events, it is one of the joys that we have in our jobs as Leaders and MLAs. I was absolutely astounded to hear Mr. Neth [phonetic], the president of the association from Vancouver, describe the problems of family members from India being allowed to visit the Canadian citizens of Indian descent in Canada. They made the point quite eloquently, as fathers and mothers visiting for weddings and for sicknesses in Canada, the point was raised a number of times about the way in which Canadian citizens are treated in terms of their families visiting.

It was raised in terms of we want tourism, we want economic activity, yet when we have an opportunity to it, we are reticent to proceed. Apparently this has been raised with the federal Minister of Immigration.

I was absolutely moved when I listened to a number of Manitobans from all walks of life who could not have visitations from their families notwithstanding the fact that they were Canadian citizens. The point was raised to me—I was asked the question, I could not answer it—would this be the same if it was families from Europe visiting Canadian citizens here? I think there was a tremendous feeling. In fact, the president of the association and some of the Manitoba people

described it in very blunt terms in terms of the impact it has on families here in Manitoba.

Has the Premier been made aware of this immigration issue? I know this may be a question that may be more appropriate for the minister. Has he raised this at all with his minister or the federal minister responsible for immigration in Canada? I thought it was quite startling in terms of the examples I heard.

Mr. Filmon: Yes and yes.

Mr. Doer: Okay. I want to proceed to some other issues, interprovincial issues on the Premier's Estimates. I ask the Premier this question every year, on Shoal Lake, and the Shoal Lake water management strategy negotiations, I know, is an approach that we all agree with. I still remember the Premier asking me a question when I was Minister of Urban Affairs about Jean Chretien and negotiating at that time, I think, for Band 39, at that point, about six years ago. As I understand it, one of the bands has withdrawn from the agreement, but Ontario is trying to have the two bands, plus the Manitoba government, the federal government and the Ontario government and the City of Winnipeg involved in stakeholders' negotiations dealing with the Shoal Lake watershed and the economic proposals that are there.

I also understand the Consolidated mine proposal is not even proceeding at this time in Ontario due to an environmental assessment, but I think we were all disappointed that a mining exploration grant was provided by Ontario, which appears to be inconsistent with the basin-wide management strategy. I know that probably is a feeling the Premier has as well. Can the Premier advise us on those negotiations?

Mr. Filmon: We were disappointed with the Ontario government's decision with respect to the mining authorization. I continue to raise this as the one constant issue that Premier Rae and I have had on our agenda every time we have met. We probably have had the good fortune of meeting very regularly perhaps, even since the constitutional talks ended because of my trips from time to time to eastern Canada. I invariably put a visit on the agenda with Premier Rae and three, four different times that we have met—for instance, twice even this year, and we have discussed this particular topic both times.

I will say that I do not necessarily agree with the extent to which the players at the table are

increasing, because I think that is going to make it more difficult for us to get any understanding and approval on the watershed management plan, the basin management plan. I thought that we had an agreement to proceed in a particular way last fall, and then earlier this year it appeared as though we were going to go forth in a plan that Premier Rae asked me to hold back because of his own discussions and negotiations with First Nations.

As far as I can see, the matter is stalled. I am concerned because as long as we have no agreed upon basin management plan then we run the risk of an ad hoc decision being made, whether that is on a land development, whether that is on a mining proposal or anything else, an ad hoc decision that could have dramatic negative impacts on the city of Winnipeg's water supply.

Having said that, Premier Rae, I believe, is acting in good faith, even to the extent of sending a personal note to me from time to time to let me know the status of what is going on, so the communication lines continue to be open and healthy. But I am starting to become quite concerned about the length of time it is taking us to get to the table with the various players and work out a basin management plan.

Mr. Doer: The Premier mentioned he was concerned about the, quote, number of players "at the table." Is he concerned about the City of Winnipeg? Have they joined the negotiations, or are there others that he is concerned about?

Mr. Filmon: Well, specifically, there is I think a desire to have, not only the city, but—well, I am not even sure that the city is one of the people that Premier Rae feels should be at the table—but it is the federal government, the two provinces, and two First Nations.

To be honest with you, one of the proposals that we preferred was to jointly appoint a mediator and have that person work out all of the things, because I think that all of us independently at the table are not going to arrive at a plan that is acceptable. I do think it is a job for an independently appointed mediator. But we do not even have agreement on whether or not that is the best route to go, so at this point it is just something that will remain as a proposal for Manitoba.

Mr. Doer: The second water project that I asked in previous years, and you probably know what it is—the Assiniboine diversion project. I was quite

surprised last week to review the Shellmouth Dam proposal and find in statements made by the Department of Natural Resources that there is, quote: No comprehensive data on the Assiniboine River projects, and only that quite a bit of work is necessary to get data on the whole basin, which of course is concerning a lot of people upstream and downstream on the water.

* (2040)

I also asked the minister, the government and the Premier last week about any discussions with the Province of Saskatchewan, given the 50 percent ability to withhold water in the upper Assiniboine. Has the Premier discussed this issue with the Province of Saskatchewan, and will he be discussing it with the Province of Saskatchewan, if he has not?

Mr. Filmon: Well, to the extent that it does not impact on any flows or have any consequences to the province of Saskatchewan, no, there has not been discussions with the Province of Saskatchewan.

We are not in a situation such as Rafferty and Alameda in which there are downstream effects. This is a question in which the potential diversion is going to be hundreds of miles away from the point at which the river crosses into Manitoba. The ultimate effects will be totally within the Hudson Bay drainage basin, and contained within the province of Manitoba.

Mr. Doer: Does the Premier not feel that, first of all, Saskatchewan is not exercising its full 50 percent withholding capacity in the upper Assiniboine part of the river? Does he not feel that will impact on the basin ultimately if Saskatchewan exercises it? Does he not think that is prudent in the discussions with Saskatchewan?

Mr. Filmon: Any calculations as to available flows, minimum available flows, would be based on what is the minimum available to us. Regardless of whether or not Saskatchewan is taking advantage of it, that would be assumed that we would only be getting what we are entitled to, not what Saskatchewan is flowing.

Mr. Doer: Well, again, I think we are going to agree to disagree on the whole basin-wide review and the need for data for the review to take place. With credibility in Manitoba, I think the government—I have stated this before—is not doing the environmental process any value at all to have such

lack of credibility on the data available on the Assiniboine River and the fact that the data has so little credibility with a number of people upstream and downstream, including the community of Brandon, the community of Portage, the community of Winnipeg, the community of Selkirk.

I guess we will just continue to agree to disagree on the way the government is proceeding on this matter and will continue to oppose the manner in which they are proceeding. I do not agree with the Premier totally on the issue of Saskatchewan. I think the Premier should be dealing with Saskatchewan. It would be very inappropriate for us to raise it with them. It is Premier to Premier, I would think, or government to government. That is why I asked the question last Friday.

Mr. Filmon: There are two things. One is that the member opposite is one who is choosing to go on a political basis of placing his own interpretation on what data is available and what is not available. The proponents who are going to go before the Clean Environment Commission are the ones who have to be concerned that they have sufficient data with which to make their case for the diversion. If they do not, then the Clean Environment Commission is not going to make a favourable decision, obviously. So they have everything to lose and nothing to gain by virtue of not having sufficient data, as the member opposite suggests.

Whether or not the member opposite knows and understands the proposal, knows and understands the data that is available, is another issue. But he is not the one who is going to have to be satisfied. It is going to be an independent impartial commission with the advice of experts and the ability to have consulting engineers, water hydrologists and river basin experts and so on available to them. The other issue is that he, again, has not shown me any basis upon which there will be any change to the province of Saskatchewan for their water regime or anything else.

We are not assuming anything but the minimum flows that we are entitled to under Saskatchewan's agreement, so should they choose to take their full 50 percent of their flows, that will not alter and affect the project because it was already being put forward on the basis of an assumption that they will take, at some point in the future, all of the flows to which they are entitled.

There is no basis that I can see for involving the Province of Saskatchewan in the proposal, and again, I do not need to be the expert on this. The Clean Environment Commission will take a look at it if they can be convinced that there are any potential effects on Saskatchewan that should involve the Province of Saskatchewan. This is a diversion that is totally contained within the province of Manitoba and, indeed, within the watershed within the province of Manitoba. So I think it is for that reason that the requirements of the Clean Environment Commission's hearing are very, very direct and straightforward.

Mr. Doer: We simply do not agree with the Premier and so be it—[interjection] Well, I am not going to get back into that debate.

I think the Premier is proceeding with this project. It has no credibility at all with the people upstream in the community of Brandon. He has had two MLAs that have criticized the process he is utilizing. He has reports that contradict what he is saying in the House. He has information in the city of Winnipeg done by experts in the City of Winnipeg talking about the lack of data. He has fish biologists looking at the Lockport-Selkirk area. That is his choice. If he wants to proceed on that basis, so be it, but we do not agree with him.

* (2050)

We think the way in which they are proceeding is wrong. The way in which they are proceeding with not complete information is wrong. The original proposal has even been changed with an agreement made by the community of Portage again inconsistent with what should be before the Clean Environment Commission. But we will just continue to disagree with this Premier.

I believe, quote, thousands of Manitobans disagree with this Premier on this proposal as well. That is why there is differences of opinion on this issue.

I want to ask another question of the Premier, moving into the specific line in Estimates, some lines in Estimates is his own Estimates process. Travel for the Premier's Office in 1987 and '88, according to Public Accounts, was \$75,000 per year. In '91-92, the last year available, it was \$131,000 from Public Accounts.

Can the Premier indicate the travel for the '92-93 fiscal year, and what is projected in his budget for the '93-94 fiscal year?

Mr. Filmon: If the member opposite would just repeat the question so that I can try and turn to some detail.

Mr. Doer: Our numbers indicate in the last year of Public Accounts, \$131,000 for travel, transportation of Executive Council. I wonder what the number is for the '92-93 fiscal year and what is projected in the '93-94 fiscal year.

Mr. Filmon: The figure for '92-93—and it is not quite finalized, but it is very close to being finalized—is \$190,000, and that is for '92-93; and for '93-94 it is estimated, we have budgeted for \$172,000.

The member will appreciate that in '92-93, the travel that was associated with 35 days or 36 days of constitutional meetings involved, for instance, the Deputy Minister of Federal-Provincial Relations going to virtually every one of those meetings whether it be with myself or with the Minister of Justice (Mr. McCrae).

On a number of the occasions, we would have three of the four at the table here who were on those trips. Even when the Minister of Justice was representing our province, there would likely have been, not only the Deputy Minister of Federal-Provincial Relations, but also a member of the staff of the Communications Secretariat as well.

Mr. Doer: Madam Chairperson, in terms of travel, do all travel expenses for the Premier come out of this Executive Council? Are there any bills processed through the Department of Industry, Trade and Tourism out of the economic development group?

Mr. Filmon: I am told that, in all cases, my hotel bills and my travel costs—that is, airfare and taxis and whatever have you—are all shown out of my budget.

The only time that there might be some meal expenses paid is that, if a banquet or a dinner is put on by I, T and T as part of a trade promotion and I happen to be the featured speaker or the featured host, it would show up as an expense of I, T and T.

Mr. Doer: The Premier mentioned the federal-provincial discussions that went on last year, even this year, the '93-94 year. The \$172,000 estimate is considerably above \$100,000 in '88-89. But I want to deal with some of the issues of travel that have been a bit controversial between the Premier and ourselves. I think we have raised these before.

It used to be, as I understood it, the policy of the Premier of the province when he travelled internationally to issue a press release on the itinerary of the trip. Usually, as I recall it, there used to be press conferences with a cost breakdown of who also would be accompanying the Premier and how much it would cost.

It seems to us that this issue that was rather routine has fallen by the wayside in the '92-93 fiscal year. There was some international travel that was accompanied by a press release and a statement of how many people would be going and how much it would cost, and other trips, et cetera, were not accompanied by that kind of information.

When we went later for freedom of information on it, we were given this mushy response with very little breakdown, which is very inconsistent with any other premier in any other province. We have done some checking on that.

So is it the policy that the Premier issues a press release and also stating whom they are going to visit, what is the goal, the objective in terms of trade, and who is going to accompany the Premier, and how much it will cost, or is that kind of hit-and-miss?

I remember that there was a press conference in the '92-93 fiscal year on Rio de Janeiro. I am trying to go by memory now whether there was one on the trip to London just shortly after the constitutional proposal was proposed. I do not recall any press release or any information on the Asian trade trip in November of 1992. I do not recall anything in terms of Davos except for a comment that came—we certainly knew you were going to Davos. I know you were accompanied by other premiers from other provinces on that particular international venture.

Of course, Argentina, the Premier, in terms of the Pan Am Games asked us whether we would support it and not be critical. We certainly agreed that it was an important function, not that it was any right of ours to do that, but I just want to go back over this fiscal year because it is tough times. We are cutting back lots of organizations, et cetera, and we just want to know what the policy is. Is it required to put out a press release as it used to be, or has that changed?

Mr. Filmon: Madam Chairperson, I think that may be the first time that the member opposite has criticized me for too little publicity on any of the efforts that we have made.

One of the difficulties—and I do not recall a detailed itinerary being put out by previous ministers

and previous Premiers with respect to trips—yes, press releases, no question. I think, by and large, we attempted to do that, as the member opposite indicates. I held a news conference to announce the Rio de Janeiro visit after consultations with both leaders at, certainly, a very public discussion with the media here about the trip to Mar del Plata with respect to the Pan Am Games.

* (2100)

One of the difficulties with respect to getting into detail is the sharing of commercial information on things like our trip to England with the various people that we visited there in search of some business development opportunities and some particular investment opportunities.

Secondly, the trip to Asia which, again, results have come forward vis-à-vis the establishment of a contract for Feed-Rite mills to build a feed mill in Shanghai. We have had a public press conference here in the building about that, letters of intents having been signed for another six feed mills, a letter of intent having been signed by the high-voltage, direct-current people, Teshmont, for a pretty big project there—all of whom were with us. I believe that in the interviews I gave at that time I indicated who were the private sector people with us. There was news coverage, as the member probably knows, in the media, so it certainly was not something that we were in any way attempting to hide.

The purpose, of course, of these is to develop investment and trade opportunities for Manitoba. If the member opposite would care to engage in debate on whether or not they are productive, I will compare the very frugal budget upon which we have been travelling and visiting those places with the budgets of other Premiers and what they spend on travel. I will also compare results with any of their missions at any time.

We have had results from each and every mission. I can point to specific successes that have arisen out of every time we have gone. I would say that when one spends a bit of money with respect to \$10,000 or something on a particular mission in which some of your mission members get several million dollars worth of work, I think that that is not a bad investment for Manitoba.

I was, for instance, looking at some data with respect to the Province of Alberta that spends \$11 million on overseas installations. That is, they have

offices in various locations overseas. When I was in Davos, and I met with the minister of industry and trade for the province of Québec, he told me that they spend \$28 million annually on their overseas posts for trade and so on.

We, of course, aside from the office in Hong Kong and a contractual agreement that we have with a person in London, spend virtually none of that. So our whole promotion effort is when we establish these trade missions and we attempt to give it as high a profile as possible having the Minister of Industry and Trade (Mr. Stefanson) and myself there, having speaking engagements, public sessions perhaps at the embassy or the high commission, depending on where we are, and a very, very high-profile series of government-to-government contacts as we did in China and we have done previously in both Moscow and Kiev. I would say that if you compare the very small investment that we are making compared to the very large investment that is being made by virtually every other province, there are not too many that would be spending less than we are in the way of industry and trade promotion.

I will tell very openly the Leader of the Opposition that there is no question that the profile that you can get, the publicity that you can get is probably five times higher when you have the Premier leading the mission versus having a minister. I am allowing myself to be utilized in this respect to create a greater profile and greater attention on the investment and trade promotion mission for the province of Manitoba. I come back from these missions usually exhausted, having been speaking two and three and four times a day throughout a period of 10 days or 12 days, having attended many, many functions with respect to it, and not coming away from it with any sense that this is a fun thing to do, but with a sense that we have to do it in order to maximize a very minimal budget that we have for trade and investment promotion. That this is probably the optimum use of our dollars is by having these kinds of missions more regularly, because we do not spend the money on having an installation there and people on the ground, you know, 12 months of the year.

Mr. Doer: I would just like to go through it, just to get the exact numbers. Can the Premier indicate the cost of going to Rio for the environment summit? I believe that the Premier indicated before that two of his staff attended as well with the Premier. Can the

Premier indicate the cost out of the Executive Council line for that activity?

Mr. Filmon: For the three it would be a total of about \$15,000. I might indicate that as a result of the contacts, the networking and the profile that was created there, Manitoba's name was raised time and time again. I attended a couple of functions. One, the Business Council for Sustainable Development dinner that was hosted by Maurice Strong and I sat at the head table with Mr. Strong and Stephen Schmidheiny, Madam Chairperson, who is the president of that council, and our name was raised probably half a dozen times in the remarks made, and I dare say that Manitoba would probably not have been mentioned under any other circumstances.

We also attended the dinner with the International Institute for Sustainable Development. Again I sat with Dr. Strong and again the various people who were there as guests, people such as Sir Shridath Ramphal who wrote the book that was distributed at the Earth Summit, was a guest and mentioned Manitoba and our commitment to the establishment and our funding commitment to the international institute who had cosponsored his book that was distributed at the conference.

We of course, and I may have mentioned this in speaking to the House last year, talked about the fact that one of the things that we did was add three days to the time spent there so I could go and visit MCIC projects in Brazil, and I am told that I am the first Premier who has gone to visit any of their projects. There was publicity not only throughout Canada on that but, indeed, through the Mennonite Central Committee, worldwide publicity of that kind of thing. They were very proud of that opportunity they had and I think that is understandable.

Since then, of course, having participated last week in the Sustainable Development Conference that the United Nations put on, having met people who are aware of our activities, there have been a couple of opportunities that have been proposed to me. One is potentially to meet with Vice-President Gore and another is to go on an international board with Vice-President Gore in issues dealing with sustainable development.

* (2110)

I would say that all of these emanate from the contacts that were made through a series of initiatives, not only the International Institute for

Sustainable Development, but people we met and were in contact with in Rio de Janeiro, so for that investment of some \$15,000 I think there are some long-term benefits to the province of Manitoba in terms of keeping our leadership in sustainable development first and foremost.

Mr. Doer: In September 1992 the Premier visited the United Kingdom and other countries, I believe. Can the Premier indicate who went and how much that amount came out of the Executive Council with the Premier?

Mr. Filmon: On that particular trip the expenses would have involved approximately \$4,500 for my costs, approximately \$4,500 for the costs of the Clerk of the Executive Council who was there as well. There would have been a similar cost which does not show up in my budget for one I, T and T senior staff on the investment promotion side who accompanied on that trip.

Just so that the Leader of the Opposition has some idea of what other Premiers spend on these kinds of initiatives, Premier Rae, who overlapped with my trip to China and Japan in November, spent \$35,354 on that trip for himself and the group that he took. I am sure the member will want to ask me about what our comparative expenditures were. Premier Harcourt spent \$868,000 on his economic development mission in November of '91 to Japan, Hong Kong and China. Premier Rae's trip, for instance, was approximately 85 percent of the total expenditures that my office had vis-à-vis all of those trips he talked about in the last fiscal year. That was for one trip.

Mr. Doer: Yes, and these reports are readily available from the media and from FOI information, but we cannot get the same information. I do not like to go through these things with the Premier. We have written before.

The trip to Asia in November, which we did not see accompanied by a press release, can the Premier indicate who went with the Premier and how much did it cost? As I say, we have written before on this and could not get it, so that is why I am going through this. Quite frankly, I would prefer not to.

Mr. Filmon: That trip in November involved the Clerk of the Executive Council and myself from Executive Council with an approximate cost of about \$6,500 each for all travel, hotels and meals. The Minister of I, T and T also was there with one of his

staff members. The Minister and Deputy Minister of Finance were there as well.

The member may recall that was when we signed one agreement for, I believe it was, a \$300-million loan in the Japanese market at 3.83 percent interest and also made the agreements for another syndicated loan with another insurance company that was signed about 10 days after our return. That was part and parcel of the reason why the Finance minister was there.

We, of course, did have a number of objectives of trying to utilize the long-term relationship that Manitoba has with the finance community to convince people to look in terms of investments here. A number of the financial community contacts did stage seminars at which we promoted Manitoba as a place to invest. They would select about eight or 10 of their best clients who might have an interest in Canada to come to these sessions. We did that. In addition to that, we went to visit Governor Hiramatsu of Oita Prefecture who had been visited previously by Premier Pawley and Premier Schreyer. There is a long-term relationship there that is resulting in Oita sending a group of business people here in July, I believe it is. They will be here in Winnipeg this July in follow-up to our mission there. So that was a sort of a flavour of what was involved in that for the investment that I spoke of.

Mr. Doer: Moving along to later, I think February or so of '93, the end of January '93 the Davos session in Switzerland, I believe the Premier was accompanied by the Deputy Premier (Mr. Downey) to that session. Was there anybody else at that? What was the cost of that, please?

Mr. Filmon: In discussion with the Clerk of the Executive Council I have been told that one of the difficulties is the way in which information is being sought by the member opposite. A member of his caucus did ask for the information, but the information that was asked for was give the costs for travel for the Premier's Office for 1992-93.

If they wanted it on a trip-by-trip basis, they could have asked for it and we could have generated the information on a trip-by-trip basis. We would be happy to do that if that is what the member opposite is asking for, then we would be happy to try and do it that way.

All of the information was generated based on what the request was for and it did not specify on a

trip-by-trip basis which is why the member is now asking for the breakdown.

The trip to Davos has been recommended to the Province of Manitoba ever since we have been in office. I have not been able to go, although it would have been possible, I suppose, to attempt in previous years to send a minister. Davos is, as I am sure you are aware, a very exclusive kind of opportunity that, generally speaking, is only made available to the Premier. I have turned it down on two previous occasions.

However, from my discussions with the Premiers of Quebec, particularly, and British Columbia, have been told time and time again that it is the best source of information on the world's economic trends that they have ever participated in, so finally, this year, made plans to be able to attend in Davos.

There is no question that it probably was the most enlightening analysis of the world's economic trends that I have seen and participated in. They had the foremost minds in the world from the areas of academia and, of course, the areas of major businesses of the world. At this particular meeting the great focus was on the new administration in Washington. So they had a number of the foremost advisors, Paula Stern and Lester Thurow and all of these people who were there giving lectures about the priorities and the new trends of the new administration.

* (2120)

My costs were \$7,774 for attendance. We were granted the good fortune of not having to pay for any of our delegation. There was a 15,000 franc fee for every private sector person who attended who was not an invited guest. There were about 600 invited guests, I believe, and about 1,500 fee-paying people there, and we were among the 600 invited guests as were the Premiers of the other provinces who were there.

All of us were put on notice though that in future that they were not going to be liberal in allowing that because some of the Premiers have been there every year for six or seven years, and they feel that they cannot justify inviting them back if they do not pay some portion of the costs. So in future years there will likely be a charge for the attendance of anyone including the Premiers.

As I say, my costs were \$7,774. I was accompanied at that time by the Deputy Premier (Mr. Downey), by the CEO of the Economic Innovation

and Technology Council, Mr. Bessey, and the Clerk of the Executive Council, and our total costs were \$31,000.

We also visited the people in Milan, the Augusta helicopter manufacturers to promote greater use of the aerospace industry in Manitoba for their portion of the EH-101 helicopter award—a very productive meeting and one that I believe will result in some substantial work coming to our aerospace contract this year in Manitoba. That was done because it was a four-hour train ride from Davos over to Milan and was able to be put together in a coherent fashion.

I might say that the comparison is that Premier Harcourt with his entourage spent \$100,000. The member opposite will know some of the members of that entourage including Mr. Parasiuk and others who were there.

Mr. Doer: Thank you. I am just trying to recall the press clippings through my mind on Augusta helicopters of Milan. I hope they are not any of the ones that are involved in the bit of the scandal going on in Italy right now. I cannot recall. I know there is one helicopter company that is under investigation in Italy.

The last question on the trip to Argentina, was that paid for by the Pan Am committee, or did it have to come again out of the Premier's Estimates, and did anybody else from government attend with the Premier?

Mr. Fillmon: Nobody else from government attended with the Premier. It was paid for by the Pan Am committee. I put \$168 of miscellaneous meal expenses in from my budget.

Mr. Doer: Thank you very much for those breakdowns. We note that the government is going through every item with a fine-tooth comb. The Premier himself in past years has asked questions of that very, very frugal Premier that preceded him on spending and travel, and I think it is important this item in the budget has gone up from \$131,000 to potentially \$190,000; \$172,000 represents a major increase from when they came into office.

One could ask, you know, I guess everything in its own merit can be defended, but we know that there is such tightening of the belt going on all across government. I remember just a brief conversation once with Howard Pawley when he was talking about international missions. He used to say that one year he would have trade missions to Europe, the other year would be trade missions to

Asia, and that was the practice he believed was in place for a number of years. It seemed to us that this had changed somewhat.

Some of the other Premiers that the Premier had mentioned had combined the trip to Great Britain and Europe with the trip to Davos, Switzerland. The Premier indicates commercial reasons, et cetera, but I would point out that this is a time when every dollar and every line of every government department is being looked at, and I think that these questions are fair ball for the Premier and fair for the taxpayers of Manitoba. I should say that I just think that these are important questions.

I believe, on international trade travel, no matter who is the Premier, that the Premier should have a press conference ahead of time indicating the objectives. I believe that the Premier should report back to the public when the Premier comes back about what the results were, the costs, who went, and everything should be upfront. I just believe that is a much better way to do business. I just leave that with the Premier. That has happened on some occasions. That has not happened on other occasions.

I was trying to answer questions about where the Premier was in the middle of the constitutional debate and federal Tories were spreading rumours about the Premier over in Scotland and England, et cetera, and I was trying to get things through my own council on that proposal and the Premier was in other places. I am sure it was a priority for the Premier, but I think it is important to lay these things out upfront early and then report back. I think that is a good way just to do business on behalf of the people of Manitoba.

We have a tradition of frugality all throughout this government in Manitoba. I know you can bring out examples of different Premiers, et cetera. I am not interested, quite frankly. I am interested in the frugality that has been traditional in the Estimates of Executive Council, the frugality that we are bringing to bear in other decisions and the fairness test with all of us.

I hope to underspend my budget this year in my own Estimates, if I can, because I think that should be the goal of all of us in this Chamber even though it is a much more modest, by definition, budget than other potential lines in these Estimates.

I want to proceed with one last question to the Premier, because I know that the Leader of the

Second Opposition does want to raise some issues as well. I have one more set of questions and that is it.

Mr. Filmon: Firstly, I will say two things. I do not think that any comparisons can be made between the activity of Executive Council now versus what it was under Howard Pawley, because I have consciously taken on the responsibility to go out there and be, shall we say, the lead marketer or the lead salesman for the province on investment and trade promotion. If I am going to do that job, I cannot do it sitting in my office back home. We spend almost nothing by way of international presence. We have closed down the office that was in Belgium. There have been other offices that no longer exist, but we are maximizing that by virtue of calling attention through trade missions and activities.

I have to say to the Leader of the Opposition that we cannot go into a situation of saying that you come back from a trip and you have in hand contracts that you have received. These things take time. All I can do is open the doors that allow the private sector people to go to work on them and to bring them to fruition.

I give him an example that he does not even know about because I took one day off from the Legislature last June and went down to speak in Kansas City, at the invitation of the mayor of Kansas City, to an international trade seminar.

In going down there, I met earlier in the day with Black & Veatch, a major international consulting firm, and the next day travelled to St. Louis where I spent the entire day with Monsanto.

The result of that was an announcement in November of the Centre of Excellence that Black & Veatch have set up here in Winnipeg in partnership with UMA Engineering—a minimum of 45, and a maximum of 100 high-tech engineering jobs in the field of power engineering—and the announcement that was made then in February by Monsanto to locate their dry Glyphosate or dry Roundup plant here.

In both cases, I would have been unable to respond as to what we were doing there because of the high sensitivity. We were, in fact, competing against other provinces for both of those particular investments. I would not have revealed what we were doing down there or who we visited with, because it took, in both cases, six to nine months of hard work by the private sector people and our

department in bringing those investments to Manitoba. But I am satisfied that in going down there my time was well spent and the opening up of the doors right to the top executive suites in each case facilitated the ultimate sale.

* (2130)

The same thing was true in the trip to China, where we were going after some specific opportunities for Agri-Tec, for Feed-Rite mills, for Teshmont engineering. Had we gone out publicly and said what we were after, you can be sure that every consultant in Montreal would have been on the next plane going after exactly the same things.

Quite honestly, I do not think that is in our interest to, shall we say, blow the work that is being done by our private sector people by reporting publicly as to who we are visiting with and what is the nature of the investment that we are chasing. But in every case, I can say months down the line, we can point to the results of each and every trip. I say to the Leader of the Opposition (Mr. Doer) that we have to be circumspect if we are serious about getting these investments.

In the meeting in China, it happened that, because of my presence, we were able to get together with Vice-Premier Deng, which immediately opened some doors that heretofore had not been able to be opened for the private sector people we were with, nor even the Embassy staff. They had not met the vice-premier in all the time that they were there, but having a senior person on the mission opened those doors. It did not hurt that I had met with the vice-premier in Vancouver in 1988, and he was very happy to renew the acquaintance, I might say.

The other aspect of it is that in terms of value for money spent, the member opposite probably knows that there were not always examples of frugality in his predecessor government, particularly as it relates to the pursuit of potash investment. We have figures from the files of various people who were involved in that pursuit of potash investment that would say that a million and a half dollars of fees that were paid to the companies that were represented by Messrs. Domdowski and Messer, one Matrix and Newmarket, some \$600,000 or \$700,000 of that was in travel and entertainment expense over a space of about four years. Those things did not show up in the accounts of the ministers of the day who were on those trips, but, again, it is not too

difficult to go through the archives to find out who those ministers were.

There was a lot of money spent. I can justify every nickel that we have spent and say that we have been frugal and we will continue to be frugal. If we are going to do anything by way of overseas investment development and trade promotion, we have to do at least what we are doing. In fact, by most standards across the country today, we are probably being exceptionally frugal.

Mr. Doer: During the last provincial election, the Premier, in the election debate, and I quote: We are offering the people of Manitoba our commitment, and our commitment is not to raise taxes.

Does the Premier feel in the last budget that (a) he raised taxes, and (b) does he feel the tax changes or raise in taxes was fair?

Mr. Filmon: Madam Chairperson, firstly, one has to know the preamble and the context to that. Throughout all of the discussions, the Leader of the Liberal Party (Mrs. Carstairs) even corrected me, saying, all your Minister of Finance (Mr. Manness) has committed to is not to raise personal income taxes. We broadened that throughout our discussions to say that we would do our level best not to raise personal, corporate income taxes and the sales tax. We have done better than that, as the member knows, managing to reduce selectively in the area of personal income taxes and, as well, in the area of the payroll tax.

I will say this, that we have not raised the rates of any of those principal areas of taxation. We never did talk about gasoline tax within that context. At no time did we ever talk about the gasoline taxes being one of those taxes that was sacred. That happens to be an area in which some would argue that it is a user fee concept. If we are going to be putting money into the building and maintenance of highways, we have to continue to keep it.

We have raised, in the six budgets we have been in office, the gasoline tax less than almost every other province going to the point where we were second or third highest. We are now third lowest in terms of gasoline tax across the country. We have not relied heavily on increases to the gasoline tax throughout our period in office, but, yes, indeed, we did add a cent a litre in this year's budget.

We did not increase the rate of the sales tax but, as I note, virtually every other province has done—it has been broadened, as New Brunswick has done,

as Ontario as done, as Québec has done, I believe P.E.I. and Saskatchewan, the base upon which it is applied has been broadened which brought in something in the range of about \$40 million. The member might want to compare what is regarded as tax increases in this country in an article that is in *The Globe and Mail*, I think today, in which we have comparisons of increases by way of revenue changes in all the budgets of Canada.

I would argue that we compare exceedingly favourably with every other provincial budget that has been brought down thus far. I will give him those figures in just a second, but the reality is that this government has done exceptionally well in keeping to its commitments to the people of Manitoba.

Even if you throw in the changes to the property tax credits, and call them tax increases, they are, of course, reductions in the property tax rebates that people had gotten previously, but if you want to say that they have the same effect as raising taxes, the total amount that we have increased by way of revenue changes in this budget, according to the independent analysis in *The Globe and Mail*, is \$92 million. As a percentage of GDP, it is less than all of the other provincial budgets that have been brought in.

For instance, the same analysis done on the province of Ontario is a \$2 billion additional revenue imposition which, as a percentage of their GDP, is substantially higher. The same is true—I believe that the figure for New Brunswick is .6 percent of GDP in their revenue changes; ours is .4 percent.

So we certainly have done, by all yardsticks, a better job of trying to keep the tax load down in all of the measures that we have put in, even if you include the property tax changes, as I said.

Mr. Doer: Just so I understand when the Premier makes future promises, and I am just going by memory on *The Globe and Mail* article, it did not include gasoline taxes and it did have other provinces that did not raise taxes. I believe Newfoundland, even though they are—I am just going by memory from the article and the chart, but it did not clearly include gasoline tax.

I just want to get back to the fundamental point of fairness and taxation. Does the Premier consider a reduction in the property tax credits to people, does he consider that an increase in taxes?

Mr. Filmon: The Newfoundland tax increases were announced in December of last year in the

minibudget statement. Just as he earlier said that Mazankowski's changes were all in his minibudget in December, so were Clyde Wells'. So they really apply to this year and—well, some of them cast all the way back.

He, in fact right at the end of the year, announced an increase in the rate for personal income tax that was retroactive all the way back to January 1. So that is where their increases were, but they obviously are tax increases, and substantial tax increases, not in the way of ours.

* (2140)

Just so that the member knows that the marginal personal income tax rates in Canada in 1987, Manitoba's were the highest at 58.05 percent. In 1993, the marginal personal income tax rates, Manitoba has now gone from highest down to seventh in the ranking of the 10 provinces at 50.40 as a result of the changes that have been brought in by this administration.

Mr. Doer: The Premier will know that taxation has a number of features to it. Manitoba's tax system was also considered one of the most progressive and fairest tax systems in Canada.

It was because of three elements. One was the property tax credit system; two was the fact that Manitobans did not pay for a medicare premium; and three, the family tax credits on the provincial side. So there are a number of other studies that indicate progressivity and fairness in the tax system.

I come back to my fundamental point. Does the Premier consider it an increase in taxes when the property tax credit is reduced for Manitobans? Is that an increase in taxes, yes or no?

Mr. Filmon: I want to talk about that progressivity because in fact we have done nothing, of course, to change the lack of premiums. We have improved the family tax credits since we have been in office. Thirdly, our adjustments vis-à-vis families on property tax credits have been income tested so that those who are in low-income situations are not affected by that reduction of the minimum from \$325 to \$250. They are still eligible for the maximums based on their income and their need. So we have retained, without question, the progressivity and the fairness in Manitoba's system, even with the changes we have made.

The member opposite can say that that is a tax increase if he wants. I would choose not to say that because I believe that what we have done is income

tested it so that those who cannot afford to pay more are not asked to pay more, and those that can will pay more.

So, indeed, those are not tax changes. Those are not changes that go across the board and hit everybody. They are ones that alter people's credits based on their ability to pay. I think that that preserves Manitoba's reputation and standing in terms of its fairness.

Mr. Doer: I feel like I am part of the flat earth society debate, Madam Chairperson. I mean, why can the Premier not say it is a tax increase? [interjection] Well, you know, I guess in the next election or the next period of time the Premier seeks a mandate, when he goes around saying, I will not read my lips, I will not increase taxes; we can say, well, but hold on to your wallets in terms of the \$250 property tax credit because the Premier does not consider that a part of their taxation.

I would just like to ask the second question on fairness. The Premier says that it is not a tax increase. Most homeowners—well, you know, I consider it a tax increase. The Minister of Finance (Mr. Manness) I think has indirectly stated—[interjection] I beg your pardon?

Mr. Filmon: You are being political about it, so we understand where you are coming from.

Mr. Doer: It is not political. I pay my property taxes. It is an increase in taxes. Why can the Premier not have the honesty to say—[interjection] I beg your pardon?

An Honourable Member: You are an upper-income person. You should not get as big of a credit.

Mr. Doer: Madam Chairperson, does the Premier consider it fair that somebody making \$150,000 a year and living in Tuxedo with an average house in Tuxedo is paying 1.3 percent more in property taxes, and somebody making \$30,000 a year and living in Elmwood is paying 10 percent more? Is that what the Premier considers to be a fair taxation policy?

Mr. Filmon: These cutoffs pertain, no matter how you set them up, where the member opposite when he was in government, when they applied surtaxes to people's incomes, they clicked in at a certain level. It did not matter, quite honestly, whether the person was a dollar above or a dollar below, the surtax clicked in. It is an arbitrary decision line.

The same thing is true of the figures that were set up, for instance, for applying subsidies on daycare or anything else. Once a line is chosen as to where it applies, it becomes an arbitrary decision. In this particular case, property tax credits, minimum property tax credits have always prevailed regardless of whether your income was \$30,000 or whether it was \$200,000. Those property tax credits were \$325 as a minimum, now they have been reduced slightly to \$250.

We did everything possible to ensure that we maintained as much of a property tax credit as we could possibly do. That reduction, yes, of \$75 is not something that anybody wants to pay. But we think that it is a small price to pay for trying to keep intact government services that people depend upon, and at the same time maintain one of the, now, lower structures of taxation in the country.

We were, after all, when we took office, the second highest overall tax regime in the country. We are now down to fifth or sixth and getting better with every passing budget including this one, as we have maintained a hold on the tax increases and others continue to increase them well beyond Manitoba's rates.

Mr. Doer: On this point, the Premier's (Mr. Filmon) own briefing note, as I understand it, indicated that the revenue changes, the equivalent would be, as I recall it—the Premier knows that every percent of increase on the personal income tax side in Manitoba is worth \$17 million. So the Premier knows that the changes in the property tax credit are equivalent to about a 3 percent increase in the provincial income tax rate, but applied in a much more unfair way because of the fact that, as I say, somebody in Tuxedo at a certain level with a home, is going to pay—[interjection]

Well, you know, the Premier may want to live—maybe he has been in his office too long. Maybe he has been getting totally out of touch with what people are paying. But I can tell the Premier, the calls we were getting and the information we know of outside of this building tell us that people know that a \$75 amount increase on a property tax is a much higher burden for somebody with lower assets in the form of a house than it is for somebody with a very high asset. Therefore, the percentage increase is completely different.

The Premier can deny that is happening, but that does not change the reality of it. The Premier's own

briefing note was probably more forthright, and we should all keep it in our pockets than some of the information the Premier gives us in the House. The revenue changes were equivalent to 5.7 percent increase in the Manitoba tax rate or a 1.4 percent increase in the sales tax. They were just applied in a more insidious, and I would suggest, unfair way.

I am not going to ask any more questions of the Premier because he wants to deny reality. Bottom line is, we believe it was applied in a very unfair way, and we also believe it was inconsistent with the promise the Premier made to the people of Manitoba. I guess if you are not going to call a tax a tax, because it is a reduction of property tax credits, that is your right to do so. But we believe the Premier is denying reality, and I think more importantly denying fairness in the decisions he is making.

These tax tables by the way, I am surprised the Premier would even go with them, have Alberta at this ridiculously low level, but you pay for your medicare premiums in Alberta. I am surprised we are even giving credence to this. I think one of the advantages in Manitoba is the fact we do not pay for health care. Some of the other things that are in Manitoba's budget, in terms of family credits, are not indicated in these studies from other provinces. I think Manitoba on balance has got—with the medicare issue compared to say provinces like Alberta is quite favourable. I just do not think you can compare one line on an income tax form and not compare other lines on the tax forms and other costs for citizens and get an accurate picture. As I say, one of the biggest ones, the \$700 and \$800 a year, if not more, in medicare premiums, surely is a different situation for Manitobans than it is for Albertans.

* (2150)

I saw the other day that somebody was saying you could save X percent moving from Ontario to Alberta. Well, you better give a disclaimer that you are going to be paying for medicare in Alberta. I mean it is just ridiculous not to have that. I just want to say that we believe it was a tax. We believe, Manitobans believe it is a tax and, yes, we believe that the application of it was very unfair. I think the Leader of the Liberal Party (Mrs. Carstairs) would like to go with this point. Thank you.

Mrs. Sharon Carstairs (Leader of the Second Opposition): I have a couple of general questions, and then I will get back to the tax question.

It has been traditional for the Premier to indicate, at this time, the staff in his office and the appropriate salary ranges. Do we have that available to the critics? The other thing in the way of documentation that I would like, I would like the listing, and perhaps I have to have it for last year rather than this year, of the international development programs that received support from the International Development Program that comes under this particular Estimates process?

Mr. Fillmon: I would be happy to provide both for the Leader of the Liberal Party. Because I do not think she was here for the beginning of my comments, I will just point out to her that I indicated that Executive Council's budget is the lowest it has been since we took office. Our staff complement is now 44, which is 25 percent less than the 59 it was when we took office. Just as preamble to that, I have the MCIC list of projects that our money went to in the 1992-93 fiscal year. There are two copies, one for the Clerk and one for each of the Leaders, and also the list of salaries and all of the staff in Executive Council.

I point out just for the record that all of these salaries will be reduced by 3.8 percent as per the agreement of reduction of the workweek throughout the course of the year.

Mrs. Carstairs: Is that 3.8 percent less than the money that is there, or that money listed includes the 3.8 percent?

Mr. Fillmon: It has to be now reduced by 3.8 percent to show what they actually will be receiving this year.

Mrs. Carstairs: I would like to get back to the whole concept of fair taxation. The Premier in his magical way of dealing with the tax increase because, like the Leader of the official opposition, I cannot understand how you make \$75 an increase any more than a tax. I mean, obviously, the First Minister does not realize that, but surely he recognizes that \$75 on someone with \$27,500 represents less disposable income that they are going to have than somebody who owns a \$400,000 house and ends up paying exactly the same \$75. In essence, the impact of that change, whatever the Premier wants to call it, is far more severe on the person at \$27,500 in income than the person at \$150,000 or \$200,000 in income.

Mr. Fillmon: All of a sudden, we have the Leader of the Opposition and the Leader of the Liberal Party trying to argue the fairness of property taxation. I was in British Columbia for the imposition of that

provincial budget, where that New Democratic government decided in its wisdom or lack of same to bring in wholesale changes by way of surtaxes on property taxes, the assumption being that somebody who is living in a house in the older district of Vancouver, like Kerrisdale, somebody who had bought that house 30 years ago when it was worth \$60,000 and today, because of its location and its attractiveness in proximity to downtown, an older very modest house that was now valued at \$900,000, that person was going to receive an increase in taxation by virtue of the policy that was being brought in of firstly stripping away property tax credits and, secondly, imposing a high-value surtax, an increase of \$4,500 overnight. It turned out that those people were retired, on fixed incomes, seniors who had bought the house 30 years earlier.

Another case that was publicized on the front page of the newspaper, a person who said he was a lifelong New Democrat who was teaching at a community college earning \$57,000 a year and living in a home that had gone up in value from \$85,000 when he bought it to \$950,000 today, 25 years later, that somehow because he had this asset that was worth a lot of money that it was fair to slap the taxes on that asset because this person was a wealthy person.

So property taxes bear no relation to ability to pay. Persons can be living in houses with a fixed income that is quite modest and be paying much higher taxes than people with higher incomes and they are living in a smaller house. We are into this whole area that I do not think is terribly productive.

Mrs. Carstairs: The Premier makes my point. Property taxes of course are not fair. They are not based on an ability to pay and neither, quite frankly, when you decide that you are going to give \$75 more in taxation to that same base of property taxes, neither is that fair. There is only one progressive form of taxation and that is the income tax. That is the only progressive, genuinely progressive, tax.

Now, the government made some decisions. He said, for example, that they still had the medicare premium—was not present in the province of Manitoba, that they had continued to protect that. But they did something else. They took a whole group of pharmaceuticals that used to be covered and they eliminated them, and, again, not income tested. They decided that there would be a whole series of home care products, including those who

have had ileostomies, and all of a sudden people are going to be expected to pay these things, but again not income tested.

So what we have as a result of the changes that have been made to a tax system—no matter what you want to talk about it, it is a tax system because it takes money from people. It is a tax system that is not based on ability to pay. It treats the patient who is living on a large income exactly the same as the patient who is living on a very small fixed income, and I do not understand how this government, the Premier (Mr. Filmon) and the Minister of Finance (Mr. Manness), can say that the budget they brought in was fair. Because when I look at all of the changes that they have made, none of them are based on income. All of them are going to hurt those in lower incomes much more than they are going to hurt those in upper incomes. I want to know how the Premier defines that as fair.

Mr. Filmon: Oh, what a tangled web we weave when first we practice to relieve.

Madam Chairperson, when you now say that changes in the Pharmacare program are tax changes we are really off into an area of never-never land. Manitoba, in reviewing it and comparing it across the country, has if not the richest—and I believe it is the richest and I stand to be corrected—Pharmacare program in the country. We have covered things in the past that no other province has covered. We have provided that coverage to all people in this province with just a deductible. Most of the provinces, including wealthy Ontario, do not provide universal Pharmacare coverage for all their people. We have the richest program in the country.

* (2200)

So when you start to criticize us for getting back into line with other provinces and then call that a tax, well, I think we are into a very, very complex area, that I just simply do not agree with the Leader of the Opposition that every time that there is a change in which we, the government, say we cannot afford any longer to cover those particular costs, that is now said to be a tax increase. I just do not accept it. The other thing is that the Leader of the Opposition has suggested is that somehow we are making low-income people pay more. That is the whole point of this is that low-income people do not get hit by this property tax credit adjustment. The

low-income people will continue to get their full property tax credit.

Mrs. Carstairs: If I have a stroke tonight and I go home and I am handicapped, nothing is going to prevent me from buying a walker—nothing. If I need three of them in three rooms of the house, I am going to go out at three hundred bucks a crack and I am going to buy them. There is no question that I am going to do that. But if I live on a fixed income and I am now told that I have to have a walker and I do not have that immediate money at my disposal, I am not going to be able to do that.

By the changes that this government made in terms of the home care supplies, like a walker, which used to be free and is no longer, by saying they are going to change the rule in exactly the same way no matter what the income level, surely the Premier understands that if a person on a small fixed income has that kind of debilitating thing happen to them they are going to be penalized in a way that I am simply not going to be penalized. That is what I mean when I talk about fairness.

When you institute a whole series of changes, whether it is to Pharmacare deductible, whether it is to home care equipment, whether it is to the property change, whether it is to new items that have never been part of the provincial sales tax before; you have to accept that you have hurt those on lower incomes to a far greater degree than those of us who are not. If the government cannot understand that, then I guess I have to accept that as Tory philosophy.

I also feel compelled that I have to make the point that it is not the same for everybody. As a result of these changes, some people are far less well off in our province than others of us. They are going to be living at a disadvantage. In particular, in some of the changes in Pharmacare and in some of the changes in home care, what I have real concerns about is that people are going to do without. They are not going to get the therapy they are going to need for that fractured hip because we have cut down on

physiotherapy services. They are not going to have the equipment which is going to get them out moving around and making them more mobile. They are going to end up in the long run with greater cost to the health care system, because they have not had the kind of treatment that they needed.

I am not going to belabour it because there is no point. I had to make the point that I think we have a lot of Manitobans that are going to be seriously disadvantaged. I do see it as a change in the tax system, and I see it as extraordinarily regressive.

Madam Chairperson: Item 1.(b) Management and Administration (1) Salaries \$1,634,100—pass; (2) Other Expenditures \$486,900—pass.

Item 1.(c) Intergovernmental Relations Secretariat (1) Salaries \$302,600—pass; (2) Other Expenditures \$66,500—pass.

Item 1.(d) Government Hospitality \$10,000—pass.

Item 1.(e) International Development Program \$450,000—pass.

At this time I would ask that the First Minister's staff please leave the Chamber.

Item 1.(a) Premier and President of the Council's Salary \$26,600—pass.

Resolution 2.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,976,700 for Executive Council, General Administration, \$2,976,700 for the fiscal year ending the 31st day of March, 1994—pass.

This concludes the Estimates for Executive Council. The hour being after 10 p.m., committee rise.

Call in the Speaker.

IN SESSION

Madam Deputy Speaker (Louise Dacquay): Order, please. This House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 25, 1993

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