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**Fifth Session - Thirty-Fifth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**DEBATES**  
**and**  
**PROCEEDINGS**  
**(Hansard)**

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Speaker*



**Vol. XLIII No. 18A - 1:30 p.m., Monday, May 2, 1994**

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

**Members, Constituencies and Political Affiliation**

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NAME	CONSTITUENCY	PARTY
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
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
KOWALSKI, Gary	The Maples	Liberal
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MACKINTOSH, Gord	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCORMICK, Norma	Osborne	Liberal
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
ORCHARD, Donald, Hon.	Pembina	PC
PALLISTER, Brian	Portage la Prairie	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROBINSON, Eric	Rupertsland	NDP
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
SCHELLENBERG, Harry	Rossmere	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WOWCHUK, Rosann	Swan River	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 2, 1994

The House met at 1:30 p.m.

## PRAYERS

### ROUTINE PROCEEDINGS

#### READING AND RECEIVING PETITIONS

##### Child Care System

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

**An Honourable Member:** Yes.

**Mr. Speaker:** The Clerk will read.

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS under the previous NDP government the province of Manitoba developed the best child care system in North America; and

WHEREAS this child care system was accessible, affordable, of high quality, community-based and nonprofit; and

WHEREAS the current provincial government has cut salary enhancement grants, increased parent fees, reduced the number of spaces for child care, reduced the number of weeks of child care for parents searching for work; and

WHEREAS many child care centres have seen children withdrawn, have been forced to lay off staff or roll back wages; and

WHEREAS many child care centres are experiencing severe financial problems; and

WHEREAS child care is known to be money saving in the long term, including savings on unemployment insurance, social assistance and other government programs; and

WHEREAS in the 1994 provincial budget child care grants were cut by \$300,000.

WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the provincial government to consider restoring funding and accessibility to high quality, affordable, nonprofit child care with decent wages for all child care employees.

##### Curran Contract Cancellation and Pharmacare and Home Care Reinstatement

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

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

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

*WHEREAS the Manitoba government has repeatedly broken promises to support the Pharmacare program and has in fact cut benefits and increased deductibles far above the inflation rate; and*

*WHEREAS the Pharmacare program was brought in by the NDP as a preventative program which keeps people out of costly hospital beds and institutions; and*

*WHEREAS rather than cutting benefits and increasing deductibles the provincial government should be demanding the federal government cancel recent cuts to generic drugs that occurred under the Drug Patent Act; and*

*WHEREAS at the same time Manitoba government has also cut home care and implemented user fees; and*

*WHEREAS the Manitoba government is giving an American health care consultant over \$4 million to implement further cuts in health care.*

*WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the Premier to personally step in and order the cancellation of the Connie Curran contract and consider cancelling the recent cuts to the Pharmacare and Home Care programs.*

**APM Incorporated Remuneration and Pharmacare and Home Care Reinstatement**

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

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

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

*WHEREAS the Manitoba government has repeatedly broken promises to support the Pharmacare program and has in fact cut benefits and increased deductibles far above the inflation rate; and*

*WHEREAS the Pharmacare program was brought in by the NDP as a preventative program which keeps people out of costly hospital beds and institutions; and*

*WHEREAS rather than cutting benefits and increasing deductibles the provincial government should be demanding the federal government cancel recent cuts to generic drugs that occurred under the Drug Patent Act; and*

*WHEREAS at the same time Manitoba government has also cut home care and implemented user fees; and*

*WHEREAS the Manitoba government paid an American health care consultant over \$4 million to implement further cuts in health care.*

*WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the Premier to personally step in and order the repayment of the \$4 million paid to Connie Curran and her firm*

*APM Incorporated and consider cancelling the recent cuts to the Pharmacare and Home Care programs.*

\* (1335)

**MINISTERIAL STATEMENTS AND  
TABLING OF REPORTS**

**Hon. Leonard Derkach (Minister of Rural Development):** Mr. Speaker, I have the honour today of tabling the Supplementary Information For Legislative Review, 1994-1995 Departmental Expenditure Estimates for the Department of Rural Development.

**Hon. James McCrae (Minister of Health):** Mr. Speaker, I am pleased to table the Annual Report 1992-93 of the then-Alcoholism Foundation of Manitoba.

Mr. Speaker, I am tabling the Annual Report 1992-93 for the Department of Health, and I am formally tabling today the Supplementary Information for Legislative Review, 1994-1995 Departmental Expenditure Estimates for the Department of Health, although I made copies available to the party critics on Friday afternoon.

**Hon. Bonnie Mitchelson (Minister of Family Services):** Mr. Speaker, it is my pleasure to table the Annual Report 1992-93 for Manitoba Family Services.

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, it is my pleasure to table the Annual Report 1992-93 of the Manitoba Labour Board.

**Hon. Jim Ernst (Minister of Consumer and Corporate Affairs):** Mr. Speaker, I am pleased to table the Annual Report 1993 of The Public Utilities Board.

**National Forest Week**

**Hon. Albert Driedger (Minister of Natural Resources):** Mr. Speaker, I have a statement.

I wish to share with the members of this House some information on behalf of Manitoba Natural Resources.

During the month of May, Manitobans of all ages will be celebrating three related events.

The week of May 1 to 7 is National Forest Week. We are blessed with a vast wealth of woodlands which have played and continue to play a vital role in Manitoba's and Canada's well-being on many fronts. This is a most appropriate time to reflect on the economic, recreational and environmental importance of Canada's forests.

May also marks the 75th anniversary of the Manitoba Forestry Association. This local organization has worked continuously to educate and inform generations of Manitobans on the importance of forests and how to protect these valued natural resources for our future, and have provided the members of the House with trees that they see before them here today.

While these two events are significant, I feel that this third is equally worthy of celebration. May is the 50th birthday of one of the most recognized and popular program mascots in North America. Smokey the Bear celebrates five decades of fame as a furry firefighter and friend of forest fans everywhere. His special message, Only You Can Prevent Forest Fires, has reached over half a million Manitobans with the excellent support of the Manitoba Forestry Association.

Together, Smokey and the association have made us more aware of the need to protect the forests while we enjoy them. I ask the members of the House to join me and the Department of Natural Resources in congratulating the Manitoba Forestry Association on 75 years of outstanding service to Manitoba and wishing Smokey a very happy 50th birthday and in urging all Manitobans to participate in the celebration of National Forest Week. Thank you.

\* (1340)

**Mr. Oscar Lathlin (The Pas):** Mr. Speaker, I am pleased to rise to join the Minister of Natural Resources in commemorating National Forest Week and Arbor Day 1994.

This week is National Forest Week. As the minister said, it is time for all of us to reflect on the economy, recreation and the environment and the importance of those resources not only to Manitoba but throughout Canada.

I, of course, come from northern Manitoba where we still have some forests left. I sometimes compare southern Manitoba and northern Manitoba in a lot of ways. There is another comparison I regularly make when I look at our province of Manitoba and that is, at one time southern Manitoba was not unlike northern Manitoba with the forests and everything, but of course, as development came on, land has been developed to the point now where in southern Manitoba we do not have the forests we used to. Hopefully, northern Manitoba will never turn out to be like southern Manitoba in terms of sustainable development.

I only wish that when it comes to government policy and budgets, these kinds of statements are reflected throughout government policy and in the budgets that governments present from time to time. I, for example, look at the operation in Repap. I wanted to mention that when I looked at the budget for this year, it again had been reduced considerably. I also look at Clearwater Lake Nursery, about how valuable a contribution that nursery had made to the people of northern Manitoba. With those words, Mr. Speaker, I congratulate the Forestry Association for these types of educational programs. Thank you.

**Ms. Norma McCormick (Osborne):** Mr. Speaker, as well, on behalf of our Liberal caucus, I would like to express our appreciation for the work of the Manitoba Forestry Association, and commend them on 75 years of service to our province.

We must, indeed, recognize that prevention goes beyond forest fire prevention. It is evident that a comprehensive forest management plan is more important today than ever before in ensuring the stewardship of our forests. We are still waiting, after six years of this government, for a comprehensive plan, and we look forward to an equal commitment from our government to leadership in protecting our forest resources. Thank you.

## INTRODUCTION OF BILLS

### Bill 3—The Cancer Treatment and Research Foundation Amendment Act

**Hon. James McCrae (Minister of Health):** Mr. Speaker, I move, seconded by the honourable Minister of Education and Training (Mr. Manness), that leave be given to introduce Bill 3, The Cancer Treatment and Research Foundation Amendment Act (Loi modifiant la Loi sur la Fondation de traitement du cancer et de recherche en cancérologie), and that the same be now received and read a first time.

His Honour the Lieutenant-Governor, having been advised of the contents of this bill, recommends it to the House, and, Mr. Speaker, I would like to table the message.

**Motion agreed to.**

#### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of honourable members to the Speaker's Gallery, where we have with us today, a gentleman celebrating his 50th birthday, the symbol of fire prevention, Smokey the Bear.

On behalf of all honourable members, I would like to welcome you here today and congratulate you, sir.

Also this afternoon, I would like to draw the attention of honourable members to the gallery, where we have with us 18 Japanese social workers from Sappaur, Japan. [interjection] Order, please. These are our guests this afternoon. We have 18 guests from Sappaur, Japan, and these are social workers.

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

Now, from the Ness Junior High School, we have seventy-five Grade 9 students under the direction of Mr. Baydak. This school is located in the constituency of the honourable Minister of Urban Affairs (Mrs. McIntosh).

Also this afternoon we have, from the Ken Seaford School, twenty-two Grade 9 students under the direction of Mr. Kraychuk. This school

is located in the constituency of the honourable member for The Maples (Mr. Kowalski).

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

\* (1345)

## ORAL QUESTION PERIOD

### Economic Growth Government Strategy

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

Last year, to a lot of fanfare and public relations, the Premier announced to the people of Manitoba, in his Framework for Economic Growth, that Manitoba's economy is going to be performing relatively better than most of the country and it is well positioned for growth. The challenge now is to commit to the policy framework that will enable Manitoba to take advantage of opportunities for sustained economic growth.

Unfortunately, again the words have not met up to the actions of the Manitoba economy, and today Statistics Canada reports that Manitoba is tied for last place in economic performance in 1993.

Economic growth allows us to tell whether we are growing as a province, whether people are getting jobs, whether they are getting opportunities, whether our young people can stay in our province, build homes in our province, establish roots in our province, Mr. Speaker.

I would like to know, given the high degree of optimism in the Premier's press conference last year, and the unfortunate results at the end of the year, has the government made any adjustments at all in their economic strategy contained within their framework to deal with the reality of our growth rate rather than the optimistic pronouncements by the Premier?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I recommend that the Leader of the Opposition do a little analysis and find out just exactly what is contained within that Statistics Canada report, because were he to do that, he would find that the most negative impact and the major impact on that factor from a Manitoba perspective was the effect

of last summer's abnormally heavy rainfall which resulted in a \$308-million loss to the farm economy.

If the nonfarm-sector economy is separated from the farm-sector economy, he will find that Manitoba's economy outperformed the national average. According to Statistics Canada, the nonfarm GDP grew by 3.1 percent, well above the national average of 2.7 percent.

As much as I know that he holds me responsible for everything that goes on in this province, I for one cannot accept the responsibility for the heavy rainfalls and the devastation that they wreaked on the farms of Manitoba. As much as I would like to take that responsibility, I cannot accept it.

#### Provincial Comparisons

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, the government has produced these types of predictions over the last number of years and, unfortunately, we have had very negative results.

Mr. Speaker, since the Premier has received a majority from the people of the province of Manitoba, a declining majority after the last by-elections, the government has had a growth rate of .8 percent when all three years are put together—less than 1 percent. We were tied for last or last place in 1991, we were at fifth place in 1992, and we are back to last place in 1993. The national average for those same three years is 4.5 percent.

I would like to know from the Premier, why is Manitoba performing at one-sixth the rate of the rest of the country? Why is the growth rate in Canada six times greater than in Manitoba? Why are you at 15 percent the national average in terms of growth and performance here in Manitoba?

**Hon. Gary Filmon (Premier):** Mr. Speaker, as I pointed out to the Leader of the Opposition in my response to the budget, if he looks next door at Ontario, under a New Democratic government, in that same period of time they have had negative growth over that period of time, and the same thing is true of his colleagues in Saskatchewan.

The fact is what we are talking about here in terms of 1993 is as a result of a very, very poor

condition in the weather that related to a \$308-million decline in the farm income, in farm production last year. Those are things that most Manitobans can understand, Mr. Speaker. I would hope that the Leader of the Opposition could, as well.

#### Employment Creation Strategy

**Mr. Gary Doer (Leader of the Opposition):** Saskatchewan's growth rate was significantly higher than Manitoba's last year, in 1993. Ontario's—[interjection] Well, maybe God is a New Democrat, Mr. Speaker. You blame the opposition, you blame an act of God, you blame Ontario, you blame Saskatchewan, you blame Mulroney, you blame the new Liberal government. You never take responsibility yourself. You never take responsibility.

Mr. Speaker, over the first three months of this year, we have a 20 percent unemployment rate for young people. Now, it did go down over the last month from the month previous, but the trend level is still above the national average. Young people are lining up 24 hours in advance to try to get a job. Many young people are feeling the double pinch of not being able to find employment and having costs go up dramatically with tuition and other increases in costs, some of them directly due to the provincial government.

Will this government have a very active program to put our young people back to work again, so they can stay in Manitoba, so they can get an education in our province and we can start to see our economy growing again, instead of declining as it has under the Conservatives?

\* (1350)

**Hon. Gary Filmon (Premier):** Mr. Speaker, I would ask the Leader of the Opposition not to try and put words in my mouth or not to try and misrepresent what I said. I did not blame agriculture on this. The fact is I quoted from Statistics Canada's analysis of it in which they said that the farm production was down by \$308 million, and if you took aside that, the nonfarm economy outperformed the national average. Now, he may not want to accept that. He may want to be

able to use something for his own political purposes, but that is fact and that is reality.

I do not blame my colleagues in Saskatchewan or Ontario either, Mr. Speaker. The fact of the matter is I say to him that he ought to make comparisons, that he ought to know and understand what is happening elsewhere in Canada and elsewhere throughout the world, because those are important things.

With respect to the youth employment programs in this province, I would just say to him that last year, as a result of the programs of this government, 9,457 youth were placed in employment through the Manitoba youth job centres and some 4,976 students were employed as a result of government programs in 1993-94 government, Mr. Speaker.

He knows full well that the throne speech and the budget did indicate a strong commitment to job creation for our youth in Manitoba in 1994, and he knows, as well, that the youth unemployment dropped by I believe it was 5 percent month over month, and so there is a very strong improving trend as a result of initiatives being taken by this administration.

#### **EITC Project List Tabling Request**

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, I certainly do not want to put words in the Premier's mouth, but in 1991, when the Premier announced the yet again shuffling of his economic portfolios and the creation of the Economic Innovation and Technology Council, the Premier said that the government's record would be determined over the next 18 months.

Mr. Speaker, we have seen today that the government's record is one of failure, and contrary to what the Premier says, in Ontario over those same three years the growth rate was five times what it was in Manitoba.

Mr. Speaker, my question is: After a series of failed deals by this government, including MacLeod-Stedman, Royal Trust and Repap which is announcing more layoffs or the possible downsizing of the wood room at The Pas, a failed

deal, can the minister indicate, the First Minister, or the Minister of Industry, Trade and Tourism (Mr. Downey), what direct projects the Economic Innovation and Technology Council has invested in on behalf of the people of Manitoba?

\* (1355)

**Hon. Gary Filmon (Premier):** Mr. Speaker, I say to him that there are more people employed today by MacLeod-Stedman's successor company, the company that bought them, Cotter Canada, than there was commitment—[interjection] When Repap, under its former incarnation, Manitoba Forestry Products, was being run by that very member, the member for Flin Flon, it was losing \$30 million a year and employing fewer people than it is today. That is the way these things are. The taxpayer paid with huge losses, and still people were being laid off.

The Economic Innovation and Technology Council was not set up to invest in businesses, Mr. Speaker. He ought to look at its terms of reference and the manner in which it was set up. It was set up to spur the development of innovation and technology in this province. As a result of that, this province's new jobs are in areas of the new economy. For instance, during the past year alone, as a result of telecommunications centres being opened up by Unitel, Canada Post and Canadian Pacific, as well as GWE in Brandon, almost a thousand jobs are involved in those four announcements, and those are in the areas of new technology.

I think that is something the member opposite ought to be happy about, instead of always preaching his doom and gloom here.

**Mr. Storie:** Mr. Speaker, I apologize for appearing to preach doom and gloom, as the First Minister says. What I would like to be able to tell Manitobans is that this government has an agenda.

Mr. Speaker, my question was with respect to the Economic Innovation and Technology Council. It does have a mandate to facilitate the transfer of technology between industry and research facilities.

Mr. Speaker, my question was: What projects has the Economic Innovation and Technology Council invested in? Will the First Minister table a list of those projects and explain what benefit there might be to the people of Manitoba.

**Mr. Filmon:** The Economic Innovation and Technology Council is there to stimulate the development of our innovation sector and our technology development sector. In addition to those telecommunications jobs that I just referred to, for instance, a company such as Monsanto had spent 10 years developing a dry form of glyphosate and looked worldwide for a place to locate that business, examined over 40 locations, and decided that the climate in Manitoba was the best available anywhere in the world.

That is the kind of development of the new technologies, the new investments in the new economy that are taking place as a result of the efforts of this government as well as its various other agencies such as the Economic Innovation and Technology Council.

#### **EITC Project List Tabling Request**

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, simply because the Premier refuses to answer or perhaps does not know the answer, my final question is to the minister responsible for the EITC.

Can the minister explain why the largest single project, the largest single amount of support from EITC, some \$500,000, has gone towards an innovations video?

Can the minister explain why that is a priority, and will the minister ensure that is not used like the Lotteries advertising as some pre-election gimmick?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** The Economic Innovation and Technology Council is a group of dedicated men and women throughout Manitoba working with the government, whatever stripes, to put forward the best technology activity that they can.

I believe, Mr. Speaker, that they are relatively new. They have put together a communication piece that I think will further communicate and advance the best interests of Manitoba in technology development.

Unlike the New Democratic Party, where they are going around throughout the province bad-mouthing Louisiana-Pacific, bad-mouthing the Ayerst Organics, bad-mouthing GWE in Brandon, we want to take a positive approach to the development of business to technology in Manitoba.

\* (1400)

#### **Economic Growth Provincial Comparisons**

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, I, too, read the Statistics Canada report today, as obviously the Premier did, and I was interested in the Premier's answers to my friend the Leader of the Opposition (Mr. Doer) on this subject.

The Premier appears to indicate, and cites the report in saying that because of the problems with the weather in the agricultural sector, we performed poorly in 1993.

I would like the Premier to answer a very simple question which flows from page 7 of that report. Obviously he is familiar with its contents.

In each of the last five years we have underperformed every other province in western Canada. Accumulatively, taken at a total of 3.8 percent growth over the last five years, ours has been 1.9 percent. That is half. That is taking the same measurement in the same years by the same organization. The overall five-year total is not only half that of western Canada's average, but it is significantly less than the national average which was 2.9 percent. We were 1.9 percent.

Why every single year are we doing worse?

**Hon. Gary Filmon (Premier):** The Leader of the Liberal Party obviously believes in the same philosophies as those espoused by, as he said, his friend the Leader of the Opposition, because I can tell him that one of the things that is a very

fundamental part of any growth measurement is the amount of spending in the economy that governments do.

I can tell him that the model, when evaluated, shows that if the government increased its spending by 3 percent in any year, it would add 1 percent to the GDP growth of the province.

As a result, since this province has been on a fiscal framework that has involved less spending than all of those other provinces which he compares us to, we are doing less towards that consumptive side of GDP measurement. That consumptive side does not add one iota to the competitiveness, to the attractiveness for jobs or for investment in this province. All it does is consume people's tax dollars.

I know that is what the Liberal Party wants to do, but that is not what taxpayers want done.

**Mr. Edwards** The excuses just keep spinning and spinning and spinning.

#### Government Forecast

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, given the Premier's comments, given that the Premier wants to indicate that there is some clear, cogent plan and that we are on track, and he has clearly said that so many times over the last years, why is it that each of the last five years—it is not just that they have been wrong on predicting the economic growth, they have always overestimated it; they have always underestimated the deficit—have they consistently been wrong about growth and overestimated it and underestimated their deficit?

**Hon. Gary Filmon (Premier):** Mr. Speaker, this government has maintained a record of fiscal management that is unmatched by any government in Canada.

Mr. Speaker, that is not the analysis of members of a political party who want to achieve some kind of cheap hit in Question Period; that is the quote of the Dominion Bond Rating Service. They said, this government has been the most fiscally responsible government in Canada from 1987 to the present.

This government has done that by meeting its targets, by and large, on the deficit and by doing it without raising any of the major taxes. We have met our targets better than anybody else.

**Mr. Edwards:** Two weeks ago when I questioned the Minister of Finance (Mr. Stefanson) in this area, he said, we rely on Statistics Canada.

Mr. Speaker, I put my faith in Statistics Canada, like the Minister of Finance, above the Dominion Bond Rating Service. They say we are tied for last. That is what they say: tied for last with Newfoundland. If you think we have had problems with rain, their fisheries have basically been wiped out. We are tied with them for last place.

My question for the Premier: Can the Premier explain the comment that he made to the business community in his Gary III: Tory Iron Man article in the Manitoba Business Magazine? Can he explain the comment to the rest of the community when he said in that interview, those who suggest that Canada through its own fiscal and financial policies can change job creation or economic growth in any dramatic way, are speaking nonsense? That was his quote, Mr. Speaker.

Can the Premier acknowledge and explain to us the Kim Campbell view that he appears to take, that it is all lost and we cannot do anything? Why is he leading us to believe that he can do something?

**Mr. Filmon:** Mr. Speaker, this government has been very straightforward and said time and time again, we can create the climate for investment that will attract businesses, but we cannot be the ones responsible like New Democrats say they are, by spending \$300 million or \$400 million at a shot of other taxpayers' money to try and do some artificial stimulation of the economy.

The real long-term jobs in this economy are going to be the ones created by Ayerst, by Monsanto, by Unitel, by Canadian Pacific, by Canada Post, by GWE systems, by Louisiana-Pacific, by those companies. It is the economic environment that we create, the fiscal framework that we create, that will ensure that we get more than our share of investment.

### Forest Management Division Layoffs

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, at the beginning of National Forest Week, I think it is important that we recognize the importance of the forestry to the economy of this province, but the forest must be developed and managed properly. To do this we have to have adequate staff in place. We need people who will ensure that it is managed properly. However, we hear rumours that there are changes in the Forestry department, and people are going to be let go.

I want to ask the Minister of Natural Resources: How many people are being laid off in the Forest Management branch and what are the implications going to be on the forest management plan that is very important to the economy of this province?

**Mr. Speaker:** Order, please. I would ask the honourable member for Swan River to ascertain the accuracy of her facts before bringing it to the —[interjection] Order, please. Now we will give the honourable member an opportunity to rephrase her question.

**Ms. Wowchuk:** Mr. Speaker, can the Minister of Natural Resources tell us how many people are being let go from the provincial Forest Management branch and what is the implication on the forest management plan that is very important to this province?

**Hon. Albert Driedger (Minister of Natural Resources):** Mr. Speaker, I want to assure the member that there is reorganization taking place within the department of Forestry, and I think that is a very natural thing that happens. Reorganization has taken place in the Department of Natural Resources in the various components, and this is the one component that had not been addressed yet. We are doing that in terms of the specifics of it, in terms of how many employees.

Once we get into the Estimates process, I will go through it job by job if they want to, but I think nothing untoward is happening. I feel very confident that by the time we do a reorganization, we will be able to deal with the challenges that are facing me and my department with forestry issues.

**Ms. Wowchuk:** Mr. Speaker, the minister said some people are being let go. We want him to confirm today how many people are being let go from the Forest Management, Department of Natural Resources.

**Mr. Driedger:** Mr. Speaker, I did not say that there were any being let go. I said we were reorganizing the department. I will get the specifics for the member once we get to that point.

### Forest Management Plan Duck/Porcupine Mountains

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, to the same minister: Since January, we have been raising the matter of the sawmill operators in the Swan River area who are concerned about how they fit into the forest management plan, whether there is going to be wood allocated to them. They were assured that they would have an announcement by the end of the month.

Can the minister tell us: What is the plan? Has his department laid out a plan on how all the users fit into the forest management plan in the Duck and Porcupine Mountain area?

**Hon. Albert Driedger (Minister of Natural Resources):** Mr. Speaker, I just want to tell the member again, as I have in the past, that when the concerns were brought forward by the smaller operators or permit holders, by and large, I gave them the assurance that they would have enough wood allocations to bring them through this cutting period, while we were reorganizing exactly the whole picture in terms of allocations, how Louisiana-Pacific fits in there with the hardwoods aspect of it.

Hardwoods, which are basically ash and poplar, were not even in demand two years ago. This is why Louisiana-Pacific is coming forward, and because they are coming forward, all of a sudden there is major concern and maybe not unwanted concern by many of the smaller operators that there will not be work.

Mr. Speaker, I want to assure the member that if we get Louisiana-Pacific to establish the industry here in Manitoba, our operators out there are not

going to be able to handle all the work that is going to be available to them.

\* (1410)

### **Mental Health Care Emergency Services Review**

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, over one year ago today, when the then-Minister of Health announced community-based services for mental health, a \$4-million program, we welcomed that announcement.

A month ago, when the present Minister of Health was apprised of the situation at St. Boniface and Health Sciences Centre regarding psychiatric patients clogging up the emergency rooms, the minister said on tape—we reviewed the tapes—that he would deal with the problem—a month ago. We did not raise questions because we took him at his word.

On Friday, when we raised the question of the clogging of emergency rooms with psychiatric patients, the minister did not say anything in this House, but went into the hallway and said he now was going to conduct a review.

Can the minister today tell the House: What kind of review is being conducted? Who is conducting it? How long will it last? What—

**Mr. Speaker:** Order, please. The honourable member has put his question.

**Hon. James McCrae (Minister of Health):** I have been very pleased over the last few months, Mr. Speaker, to note that changes have been taking place in the delivery of mental health services in Manitoba. Consumers of mental health services have been delighted to take part in partnership with the government to provide better services, something that is long overdue, been ignored for 20 years by governments in Manitoba, and this government is doing something about those things.

With respect to St. Boniface Hospital, Mr. Speaker, on Friday I announced, indeed, that Winnipeg Region of the Department of Health and the hospitals—plural, not just St. Boniface Hospital—are all working together to make sure

the beds that are available in Winnipeg are properly used.

Certainly, since the unusually high traffic that there was last week, the department and the hospitals, and then the St. Boniface Hospital, have agreed that some swing beds would be made available for people. Those beds have not yet been required.

**Mr. Chomiak:** Mr. Speaker, what I find difficult to understand, to the minister, is how we got into this situation when a year ago, when the process was announced, the minister had a special co-ordinating committee to monitor this. It was supposed to advise him what the situation is. What went wrong, Mr. Speaker?

**Mr. McCrae:** Nothing went wrong, Mr. Speaker. I think that everybody involved in the discussions agrees that in delivery of emergency health services there are peaks and valleys, and it is not, I am told, unusual that you have heavy traffic from time to time. You should always plan for it as best that you can as a whole health system, not one person working all by himself but all of the hospital people in Winnipeg.

I suggest, and no doubt the honourable member and I will have a chance to discuss that, that this points to a further need for hospitals in Winnipeg to plan together and to look at Winnipeg as a region and to work together closely to make sure that the beds that are available and ready to take patients that all of the players know where those beds are and what the availability is.

I say, even though five swing beds have been open to relieve pressure, none of them have been used.

**Mr. Chomiak:** Mr. Speaker, the government has been saying the same thing for six years, and it is clearly not working.

My final supplementary to the minister is: Will the minister table the terms of reference of not only this review committee reviewing mental health, but the review committee reviewing personal care homes that were also brought to light as a result of the documentary?

Will he table the terms of reference of both those reviews that are already reviewing things the government has already reviewed and supposedly reformed?

**Mr. McCrae:** Mr. Speaker, I am sorry to have to take issue with what the honourable member said. He said that the changes that are happening are not working, but I have not seen him at very many functions that I have been at. He has not responded positively to my invitation made, probably half a dozen times now, for he and I to sit down together and have a chat about health care in Manitoba.

Why does the honourable member save his comments for the cameras or for this Chamber and not sit down with me directly, or sit down with the consumers of mental health services, look into their eyes and listen to them when they say thank you for finally responding to the calls we have been making for change to the delivery of mental health services in Manitoba?

#### **Social Assistance Infant Rate Increase**

**Mr. Doug Martindale (Burrows):** Mr. Speaker, though this is the International Year of the Family, it is hard to tell looking at this government's budget, which for the second year in a row attacks children.

They removed \$300,000 from the budget of the Child Day Care office, hundreds of thousands of dollars less money to foster families for their children. In addition, there is a serious under-funding of infants whose parents are on social assistance. In fact, the amount is less than half of that of the City of Winnipeg—\$84.90 per month for the province and \$179.00 a month for the City of Winnipeg.

Will the Minister of Family Services give serious consideration to raising this amount to provide an adequate level as recommended by the Nutrition and Food Security Network in their April 1994 report?

**Hon. Bonnie Mitchelson (Minister of Family Services):** Mr. Speaker, I wish my honourable friend across the way would look at the budget

numbers when he makes certain allegations about what is in the budget, because quite frankly there is over \$6 million more in the child welfare system as a result of this year's budget than there was last, and many, many millions of dollars more than there were under the NDP administration before we took over as government.

So I want him not to leave on the record that there is not a commitment from this government for children in the province of Manitoba.

When it comes to social allowances we still are among the highest provinces across the country in funding for social assistance rates when our cost of living in Manitoba is among the lowest.

**Mr. Martindale:** Will the Minister of Family Services increase the amount of money for infants on social assistance, since this is a serious poverty and health and economic problem for these families and Winnipeg has the highest child poverty rate in Canada? Will the minister help these families and children get out of poverty by increasing the infant social assistance rate?

**Mrs. Mitchelson:** Mr. Speaker, and again my honourable friend is wrong in the information that he puts on the record, because indeed we are not the province with the highest child poverty rate. That may have been the instance back some years, but it is not, in fact, today. So I want to clarify the record and tell him that he should look into his facts and the information that he puts on the record before he comes to this House with questions.

Mr. Speaker, I have indicated, and I will indicate again, that we pay among the highest, across the country, social assistance rates, and in Manitoba today our cost of living is one of the lowest.

**Mr. Martindale:** Mr. Speaker, the fact is the province pays less than half what the City of Winnipeg pays.

Will the minister, who, I assume, is a member of the Human Services Committee of Cabinet, which is responsible for Healthy Public Policy, take to cabinet the recommendation of the Nutrition and Food Security Network since Healthy Public Policy focuses on the underlying causes of good or bad health, of which lack of income is one,

according to the Minister of Health's action plan for health?

**Mrs. Mitchelson:** Mr. Speaker, I do want to indicate again and ensure that the record clearly shows that in fact we do not have the highest child poverty rate across the country at this point in time. I have written a letter to Stats Canada, as a matter of fact, to look at the way that they determine child poverty rates, because when you look at Manitoba in the context of all of the other provinces, we are lumped in with such cities—Winnipeg is lumped in with cities like Toronto and Vancouver, where the cost of living is considerably higher than it is in the province of Manitoba.

That is not taken into consideration when the numbers and the statistics are developed. So I have written—and I have made that a public issue, as a matter of fact—to ensure that when those kinds of statistics are brought forward, they are looked at in the context of what the cost of living is, and ours, Mr. Speaker, is one of the lowest across the country.

#### **Department of Environment Louisiana-Pacific Advertisement**

**Ms. Norma McCormick (Osborne):** Mr. Speaker, on April 13, 1994, in the edition of the Swan Valley Star and Times, the Manitoba Environment department ran an ad with the following wording: "If you are interested in and excited about Louisiana-Pacific coming to the Swan River Valley, please let one of the people on this list know it." The people on the list are the director of environmental approvals, the municipal and industrial approvals section chief, the assistant deputy minister, and the secretary to the Economic Development Board of Cabinet.

My question to the minister is this: Given the experience of Rafferty-Alameda dam, the Assiniboine River diversion, Nopiming Provincial Park and Oak Hammock Marsh, how does the minister justify his department initiating an advertisement which appears to be taking a partisan position in favour of the proponent rather than respecting the process outlined in The Environment Act?

\* (1420)

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I would like the member to table that quote she just gave, so I can confirm whether or not that, in fact, came from the Department of Environment.

**Ms. McCormick:** Okay, I am prepared to table the ad.

#### **Louisiana-Pacific Plant Emission Levels**

**Ms. Norma McCormick (Osborne):** My second question to the same minister is this: Last Wednesday we met with representatives of Louisiana-Pacific. During that meeting, Louisiana-Pacific informed us that they would be producing emissions out of this plant which would be the subject of government regulation and scrutiny.

My question to the minister: Are there standards for these emissions which have been communicated to Louisiana-Pacific?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, we are waiting for the final documentation from Louisiana-Pacific on their application. That will give us some indication of whether or not the emissions can be —[interjection] The Liberal caucus thinks this is funny. Apparently they are against Louisiana-Pacific, too.

Mr. Speaker, the standards for emissions in this province are set site-specific according to the air quality standards that are required in the area, and that is how the standards will be set.

**Ms. McCormick:** My final supplementary, Mr. Speaker: Can the minister assure this House that these standards will be set and made public prior to the granting of the licence to Louisiana-Pacific, given that the chief of the air quality section is on record saying that while it would be his desire to add the chemicals that are coming from this plant to a list and expand its scope, regrettably the department does not have the resources to conduct the work?

**Mr. Cummings:** Mr. Speaker, the process will be followed exquisitely to the letter of the law. We will make sure every emission that is potentially to come from this plant falls well within standards.

### **Parents Forum on Education Agenda**

**Mr. John Plohman (Dauphin):** Mr. Speaker, the Minister of Education proudly announced at his meetings on education on Saturday that this was a wonderful exercise in democracy. I agree that it was an exercise in democracy that has come six years too late by this government. The problem is that the exercise did not seek information from the parents that were there on the fairness of the funding model. It did not even refer to that issue. He also did not ask the parents for their priority issues on educational reform in this province. The agenda was set by this minister.

I want to ask the minister why he did not allow parents to prioritize the issues as they saw them when coming to that forum, and was the minister afraid that the one issue that he calls a nonissue, that is fairness in funding across the province—not included as one of the main issues? Did he feel that it was going to be a high priority—

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

**Hon. Clayton Manness (Minister of Education and Training):** Mr. Speaker, I was wondering yesterday how it would be that the member for Dauphin would be able to criticize the forum, the first one held and indeed the most successful education event held probably in this province over many, many years.

**Mr. Speaker,** I find it—

**An Honourable Member:** Passing strange.

**Mr. Manness:** No, the member for Dauphin (Mr. Plohman) is strange, Mr. Speaker.

**Mr. Speaker:** Order, please. I would like to remind the honourable Minister of Education and Training that all honourable members are honourable in the Chamber.

**Mr. Manness:** I accept your admonition, Mr. Speaker.

When I indicated that the forum was coming forward, I indicated, I think, to everybody in the province that funding would not be the essence, and indeed ed finance would not be the essence of that forum.

We called the parents forward to pass judgment as to the programming within the public school, how to make the public schools work better. I dare say, having sat at many of the tables Saturday, ed finance, money in itself was not considered as the solution to some of the difficulties we have had in the public school system—totally contrary to the view held by the member for Dauphin.

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

### **NONPOLITICAL STATEMENTS**

#### **Excellence in Business-Education Partnerships Award**

**Mr. Speaker:** Does the honourable member for St. Johns have leave to make a nonpolitical statement? [agreed]

**Mr. Gord Mackintosh (St. Johns):** Mr. Speaker, on April 18, West Kildonan Collegiate was awarded, by the Conference Board of Canada, the prestigious National Awards for Excellence in Business-Education Partnerships. That was in the elementary and secondary school level category. This was a proud achievement for a high school in my constituency and a proud achievement for Seven Oaks School Division, as well as the province.

The Co-operative Vocational Educational program at West Kildonan Collegiate competed with programs at 115 other schools in Canada. The Seven Oaks School Division offers four dynamic such programs: Food Preparation, Hotel Hospitality, Introduction to Aviation Trades and Technology; and Health Care/Nursing Assistance.

At the collegiate, the 34-week course begins with a three week training period during which students learn the conventions and practices of the workplace. Over the year they spend one day a week in classes learning theory and four days a week learning by doing in the business setting.

Given that the program is only six years old, this attests to the great success of this kind of innovation in education. As a result of the award, the school has received \$5,000 and will devote that money to computer upgrading for student use.

**Mr. Speaker:** Does the honourable member for The Maples have leave to make a nonpolitical statement? [agreed]

**Mr. Gary Kowalski (The Maples):** I also want to add my congratulations to the Seven Oaks School Division and West Kildonan Collegiate and its partners Standard Aero, Radisson Suite Hotels and the Health Sciences Centre for this award.

I think the teachers, the instructors involved in it—Lawrence Danylchuk, Brian Humniski, Leslie Fleming and Lana Woods, led by their teacher team leader Bob Baird should be congratulated. I want to add my congratulations to that group and the Seven Oaks School Division. Thank you.

#### ORDERS OF THE DAY

**Hon. Jim Ernst (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Family Services (Mrs. Mitchelson), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

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

#### COMMITTEE OF SUPPLY (Concurrent Sections)

##### HEALTH

**Mr. Deputy Chairperson (Marcel Laurendeau):** Will the Committee of Supply please come to order. This section of the Committee of Supply is considering the Estimates of the Department of Health.

Does the honourable Minister of Health have an opening statement?

**Hon. James McCrae (Minister of Health):** Yes.

Mr. Deputy Chairperson, and colleagues, I am pleased to present today the working Estimates of the Manitoba Ministry of Health for the fiscal year ending March 31, 1995.

I will be asking this committee to support my request for \$1,854,500,800. It is a very, very large amount of money, and most people cannot even imagine how much that is. It is about \$1.85 billion.

Our government set a goal for itself to protect the health and quality of life enjoyed by Manitobans, by improving health services and by promoting healthy communities. Manitoba was the first to recognize this need, and now virtually every province in Canada is following our lead.

I am proud to be the first, and I am proud of the way Manitoba is working towards its goal. While some provinces have taken a top-down approach to decision making, we have made consultation the key to finding solutions that are both innovative and responsible.

As the Minister of Health for Manitoba, I have come to appreciate that Manitoba has a tremendous team of people working together to improve our health system. I am particularly fortunate because I have a dedicated staff that has been working diligently to ensure Manitoba continues to have the best health care system in Canada, if not the world.

Also, Mr. Deputy Chairperson, I would like to thank the thousands of Manitobans who have given their time, their energy and their ideas to aid in the process of improving our health system. In fact, we have drawn from the contributions of more than 13,000 Manitobans. I repeat that for those who did not hear me. We have drawn from the contributions of more than 13,000 Manitobans who have been working in a variety of working groups, consultative forums and project teams. I may come back to that, if it is necessary, to underline the point that there has been very, very significant consultation, not only in the planning for changes to our health care system but also in

implementation of changes. Many, many thousands of consumers and care providers of all different kinds who deliver services to their fellow Manitobans have been consulted and whose services have been used in the implementation of plans.

The co-operative approach has made us the envy of other provinces. The number of partnerships we are building with Manitobans continues to grow. This community consultation approach reflects our government's commitment to focusing on community-based services. I am pleased to note, Mr. Deputy Chairperson, that our government's current budget reinforces that commitment by allocating increased funding to community-based programs and services.

Over the past few years, Manitoba Health has been working progressively towards a shift away from institutional settings towards community-based services. This shift helps to ensure that Manitoba's health services are more responsive to identify needs in the community. Sometimes it is this shift that catches people's attention, too, because it means we are doing things differently. We are trying to do them better for the people who need the services.

\* (1440)

We have already made significant progress in implementing in this gradual shift in services, and I say "gradual" because we have been evaluating and re-evaluating each new step taken to enhance community services. We are keeping people as our No.1 priority, and we are giving careful consideration to each new initiative before taking action. This care and attention is paying off. Sometimes the care and attention takes a little longer, and I can acknowledge that, but I think you get a better product at the end of such a process.

As I say, it is paying off. I was very pleased to make a series of funding announcements in the last year, and we are already seeing tremendous success from these initiatives. Many of these announcements have been in the area of mental health care, and with each announcement we are coming closer to our goal for a new, more

responsive and consumer-based mental health system.

For example, I recently announced a number of new programs and services for the Winnipeg region. These initiatives include a new eight-member Child and Adolescent Treatment Clinic, ongoing funding for telephone support services, one-year funding for the Employment Dimensions Program, ongoing funding for the operation of a safe home, ongoing funding for in-home support services for consumers who are living independently in the community, and funding for self-help groups.

We have also successfully introduced mental health reforms for rural Manitoba. The seven rural Manitoba health councils have done a tremendous job of working with my department to develop mental health plans for their regions. As a result, we have seen the development of site-specific plans for each area. These site-specific plans include special programs and services in the community such as self-help groups and crisis intervention teams that cater to the unique needs of that community.

These achievements in the area of mental health care also improve the continuum of care within each community and enhance the overall system by reducing fragmentation and providing services in a way that is more responsive to identified needs at the most appropriate level of intervention. Our success in these endeavours has been made possible by the tremendous support provided by the mental health community.

The renewal model that we adopted is an excellent example of how successful we can be when we work together. We will continue to demonstrate our support for these initiatives by providing significant support to community-based mental health services in this new fiscal year. I am very proud of these achievements, but I am particularly proud that many members of the mental health community have told me that this is becoming the most progressive mental health system in Canada.

The tremendous success of these community-based initiatives will act as an excellent model for the goals we have set for improving health care services. We are building on that success with a series of new community-based initiatives backed by provincial funding in this budget.

As my colleague the Minister of Finance (Mr. Stefanson) announced in the provincial Budget Address, Manitoba Health is placing special emphasis on redirecting resources towards community-based care and illness prevention. We will be providing special funding to enhance self-managed home care in rural and northern Manitoba. This special funding will expand on current programs, which are designated for people who are living with a disability, to include seniors. This, in turn, will improve consumer empowerment by expanding the options available for Manitoba seniors who choose to live independently.

We will also be establishing a home care appeal panel and an advisory committee to ensure there is an equitable application of program standards and policies. By implementing this appeal panel and advisory committee, we will be achieving three important goals: firstly, home care recipients will be assured a fair hearing of their concerns when they have them; secondly, my office will be provided with impartial advice and recommendations respecting the application of some program decisions; and thirdly, Manitobans will have the added assurance that services are being provided equitably through the application of uniform criteria, standards and policies.

I am not satisfied, Mr. Deputy Chairperson, that we have been working with uniform criteria, standards and policies. I think that with the help and advice that we can get, we can bring something more uniform. By that, I do not mean inflexible, but I mean uniform criteria, standards and policies so the people in one part of the city or one part of the province will not be able to say that service in one area is inferior to service in another area.

The Continuing Care Programs Division in my department is placing special emphasis on support

services for seniors, as part of the goals we outlined in the Quality Health for Manitobans document, which I am sure everybody has read and reread, because it is important that they do that in order for them to engage in a debate around this table. I see the honourable member for Kildonan's (Mr. Chomiak) copy is well worn, and I am glad to see that.

We are placing special emphasis on the service requirements in rural and northern communities. We have expanded community support services to seniors by adding 24 new support service projects and enhancing 19 existing ones. These support services will be further enhanced this fiscal year.

In addition, we will be increasing the number of spaces in adult day clubs. This increase is part of our government's commitment to ensure Manitoba seniors have every opportunity to live independently as active members of our communities.

I am proud of the new developments in these services to seniors, and again, I give credit to our partners in Health and to department staff for the work they are doing to promote these initiatives. With these new programs and enhanced services in place, we will be increasing the options and improving access to these services in our rural and northern communities.

One of the things I learned while visiting 45 Manitoba communities and meeting with Manitobans was that each community and each hospital or other care facility has unique needs that require unique programs, services and staffing requirements.

We also recognize that the best and only effective way to design a strategy for meeting those needs is by asking the people who live and work in these communities. We used this consultative approach with great success in our mental health renewal process, and we will continue to follow this consultative approach as we examine new alternatives for improving health services in our rural and northern communities.

Last fall I was pleased to announce that we are developing rural health associations as part of the

restructuring process. Associations would co-ordinate a strategy for health service delivery for their region. They would develop a system where each community could maximize resources and make the best use of services currently in place. These associations would ensure there is extensive community input and that each community's unique needs were met.

Since that time, we have been working to build on this basic model, and we have set some clear guidelines for Manitoba's approach: (1) There will be a clearly established process for consultation. (2) Any new design must be based on population health needs.

We have North America's best health database right here in Manitoba. The Manitoba Centre for Health Policy and Evaluation provides up-to-date analyses on health outcomes and identifies what is really making a difference to the overall health of Manitobans. We have already made good use of this valuable resource and will continue to do so in the upcoming year.

Each association will have access to this resource so that they can meet their needs. They can examine all aspects of service delivery and adapt their programs and facilities to help improve the health of their consumers.

Number three, any new plan must include a broader definition of health. That means identifying and addressing the determinants of health status and making a concerted effort to incorporate the concept of healthy communities through prevention.

Each community must form partnerships enabling them to address other factors affecting health, including socioeconomic conditions, environment and education. We are targeting a three-year implementation process, and the implementation plan will have four phases starting with public consultation.

The second phase would allow time for obtaining approval in principle for establishing the details of each association, including the regional advisory bodies and the infrastructure necessary for connecting them to the database system at both

local and regional levels. The next steps in this phase would involve making recommendations and developing a preliminary action plan which identifies priorities.

\* (1450)

In the third phase of this process, the associations would develop demonstration projects for evaluation.

Finally, the fourth phase would be based on those evaluations in order to proceed with full implementation. Once in place, the new system would be based on a regional governance model and a revised funding system.

Ultimately, through this process, the northern and rural health associations would, first, ensure opportunities for individuals, families and communities to manage and improve their health and well-being and to participate in health planning, service delivery, decision-making and governance; second, ensure the ongoing integrity and independence of the values and missions of facilities that have religious affiliation; third, through community participation, enhance programs sensitive to the ethnocultural diversity of the population of their region; fourth, be responsible for reducing service duplication and for the development and maintenance of an efficient, effective, integrated and co-ordinated continuum of health services, including acute care, long-term care, home care, public health, mental health, diagnostic services and services of voluntary agencies and other health organizations; fifth, the associations would be in a strategic position to foster working relationships with other service sectors in the communities and have an impact on health status, including those involved in the social services, housing, education and environment, as well as voluntary interest groups; sixth, the associations would be phased in according to time frames determined by the communities themselves and their readiness to take on the management of their health care services.

This innovative and proactive approach to improving the delivery of health services in rural

and northern Manitoba is just one of several new developments underway in rural and northern areas. I hope that when we get into further discussion, I maybe will be able to point to models in other provinces and the way they have been doing it, as opposed to the way we have been doing it in Manitoba.

Maybe honourable members already know about it, but I want to underline for them that we have probably the most consultative bottom-up approach anywhere in the country to the regionalization of health services.

We are also working to improve the access to some of the more specialized services. I have had the honour of making a number of announcements in this area. Manitoba is currently involved in a pilot project to provide psychiatric care training to six family physicians.

The intent of this program is to upgrade their skills in psychiatric treatment. It does not train them as psychiatrists, but people living in rural and northern areas who do not at this time have regular access to a psychiatrist will be able to visit these physicians for immediate intervention and referrals.

We have also introduced a new obstetrics and gynecology program at the Thompson General Hospital. We do not hear about that. The honourable member for Kildonan (Mr. Chomiak) has not asked me very many questions about that to this point. The hospital will now host doctors in postgraduate residency training, specializing in obstetrics and gynecology.

The program has two key benefits. First, graduate students will have the opportunity to gain clinical experience while learning about the unique cultural and geographic factors influencing northern Manitoba communities. Second, the program will also help to ensure these specialty services are available to women living in Thompson and the surrounding area. In addition to this new obstetric service for the North, our government will be introducing regulated midwifery as an important component in a comprehensive obstetrical services plan.

Other promising developments in the upcoming year will include working in partnership with Manitoba physicians. This is an area where we are fortunate that we were able to resolve some of the issues affecting our relationship with doctors in Manitoba. As a result, we have fostered a new positive working relationship, and we are ready to tackle some of the long-standing and tough issues, such as putting the cap on doctors' billing numbers and introducing doctors into underserved areas. I do not think very many people realize it: it is not very many doctors are required but everyone that is required is extremely important. If you are in a small community and there is no doctor, it is a big, big problem, and the number of physicians actually required to balance out our physician resources in Manitoba is not that big of a number. I think some people have a sense that it is, but it is not a very large number.

I am pleased to announce, Mr. Deputy Chairperson, that as part of this budget we will be developing a new and historic agreement that is the first of its kind in Canada. Under this agreement physician resources will be managed using a partnership approach involving our government and the Manitoba Medical Association as well as consumers, other service providers and health researchers. I am looking forward to seeing the implementation of this new agreement, and addressing many outstanding issues in the days, months and years ahead. Doctors are the gatekeepers, have been the gatekeepers of our health care services, and working with them to find solutions is a tremendous step forward for Manitoba.

We are also working to implement a new electronic Pharmacare system. This new Drug Program Information Network, DPIN, as we call it, will have some very impressive benefits including instant rebates, a built-in security system that alerts the pharmacist when your current prescription should not be mixed with the drugs you are already taking, and a tracking system that will enable us to prevent fraud and abuse of our Pharmacare that costs Manitobans millions of dollars every year. Fraud and misuse of our health

care services cost each and every one of us as taxpayers, and we are working to reduce these costs by monitoring the system.

There were some suggestions around the first of the year when, regrettably, the government in order to address the sustainable future of the Pharmacare program had to make changes to the deductible and the cost-share aspect of the program. There were suggestions that we were looking towards getting rid of the Pharmacare program altogether at some point. That is just simply not so, and the Drug Program Information Network and all the work that has gone into it by government and by pharmacists in Manitoba show that we are very interested in providing an efficient and good Pharmacare service within the funds that we can make available.

I think it is just not correct to suggest that we had any other alternate objective in mind. If you look at the history of the previous administration, Mr. Deputy Chairperson, I think that when you look at adjustments like that twice in one year, would that not just make the same kind of point that some honourable members are trying to make about the changes we made in January? Well, those were necessary then and necessary in January, too, but the new DPIN, I suggest, demonstrates a real commitment on the part of the government to a workable and efficient Pharmacare program for the future.

Just picking up where I was, talking about fraud and misuse of our health care services, the Patient Utilization Review Committee monitored patient use of health services for one year and made a number of recommendations that will result in more effective use of health care services by Manitobans who are found to be overusing the system. Some people think it is all right for people to overuse and abuse the system, but I do not.

We will be acting on these recommendations and PURC, which is the Patient Utilization Review Committee, will continue to track overuse of the system in the upcoming year. Eliminating fraud and misuse of our health service is one way to ensure that we are using our health dollars wisely. Those who argue against getting rid of the fraud

and the misuse argue in favour of wasting and abusing the system. I am not going to do that.

We are also achieving this by restructuring some of our services into centres of excellence. One example of this type of restructuring is the development of the new Ophthalmology Centre of Excellence at the Misericordia Hospital. We asked ophthalmologists what they recommended to improve ophthalmology services in Manitoba, and we acted on their recommendations. We created the new centre of excellence, and as a result, we are now performing 600 more operations a year and saving a million dollars while we do it. Sometimes I wish honourable members would ask me about things like that, but they do not seem to ask those kinds of questions. Where is the member for Portage la Prairie (Mr. Pallister)? He may ask questions about that. He is a very positive person.

Another example of the benefits of restructuring is the Lung Transplant Pilot program at the Health Sciences Centre. This program builds on the renowned work being done in respiratory disease research and treatment at the Health Sciences Centre. With this new program in place, Manitobans no longer need to leave the province for lung transplants. We have already heard some very positive success stories about lung transplants taking place at the Health Sciences Centre.

This program speaks, I think, to bringing health services closer to home, which is another fundamental of health care reform. As one who has had some family experience in this area, not lung transplant, but serious medical issues that take people away from their own province, I know very well the kind of stress that it places on patient and family and anybody close to the patient. The more of this kind of thing we can do at home, the better, and the more we should remind our fellow Manitobans that these are the kinds of things that our health system is trying to do with them and for them.

As we mentioned in the budget, we will be enhancing specialized services like the two I just mentioned by increasing funding for bone marrow transplants and dialysis treatments.

I just had the pleasure of attending the official opening of the new local dialysis unit at Pine Falls. With this opening, area residents now have access to dialysis treatments to save them the cumbersome drive into Winnipeg. This unit is one of eight satellite dialysis units established in rural and northern Manitoba under the Manitoba Local Centres Dialysis Program. I cannot pronounce that acronym but it goes MLCDP. These units are an extension of the Health Sciences Centre Renal Failure Program.

Here again, Mr. Deputy Chairperson, I commend the many people who worked together to co-ordinate development of these units. The management and staff at the Health Sciences Centre and the local hospitals, consumers and their families and other concerned individuals, including area band chiefs, all contributed to the successful development of these units—more partnerships.

\* (1500)

These are all excellent examples of the partnerships and the clear benefits of their success in terms of improving and preserving our health services. The people who reap the maximum benefit of these improved health services are Manitobans, and that is the No. 1 priority we all share.

As stated in the throne speech, one of the fundamental values that unites us as Manitobans is our commitment to the health and well-being of our fellow citizens. That means improving and preserving our health services, but it also means emphasizing the importance of prevention.

I encourage all Manitobans to make a commitment to healthy communities. That means taking steps to care for our health through prevention and healthy living habits. At the same time, my department will help to promote prevention by enhancing services such as breast cancer and cervical cancer screening programs.

We have already received positive feedback on our province-wide breast screening program proposals. This new program will be providing 100,000 Manitoba women between the ages of 50

and 70 with the best screening techniques available for breast cancer detection. With its dedicated centre of excellence in Winnipeg and satellite screening centres in Brandon and Thompson, this program streamlines the process for women from the screening stage through to diagnosis. It also emphasizes women taking an active role in making choices that affect their health. Playing an active role in determining our own health is an important part of prevention. I am proud of the attention we have given to providing education and information to those who visit our centres.

Prevention, healthy communities, improved health services and preserving our valued health care system for future generations, these are the goals we have set for ourselves, and these are the goals we are achieving. It seems that almost every day brings a new achievement to our health care system. We are at a very important point in our history as a province, because we are doing something that has not been done before. We are doing it because we recognize if we do not make the improvements to our health care today, we will lose it in the future. It will be gone. It will be history. If we do not address the issues before us today, we will have no health care system to try to fix. That is not a legacy I am prepared to leave to my children. I am proud to be part of the Manitoba team working to protect and improve health care for all Manitobans.

Members will have received copies of the supplementary information. I think I distributed it to the two critics on Friday. We can now proceed with detailed examination of the Estimates for Manitoba Health for the 1994-95 fiscal year. I appreciate the opportunity to discuss these matters with my colleagues from the other parties. Hopefully we can promote some better understanding with some of the members of our Legislature with respect to health care issues—and me, too, by the way. I can learn through this process, Mr. Deputy Chairperson.

**Mr. Deputy Chairperson:** We thank the honourable Minister of Health for those comments.

Does the critic for the official opposition party, the honourable member for Kildonan, have an opening statement?

**Mr. Dave Chomiak (Kildonan):** Mr. Deputy Chairperson, I would like to begin by welcoming the minister to this process. I have had opportunities to engage in the Estimates process with the minister in a previous critic area, and I am looking forward, as I am sure he is, to the process. I also thank the minister for providing us with the copy of the Estimates book in advance, a fair enough period of time in advance to at least allow us to review it prior to the commencement of the Estimates today.

I detect in the minister's opening comments and in several responses he has made to questions we have raised in the House a sensitivity on the part of the minister and the department to criticism and I understand that. I understand that and I understand the dilemma that the minister and departmental officials feel when they feel they are being constantly scrutinized and they are being constantly criticized, and then they perceive what any questioner may comment to be one of criticism, when, in fact, often it is very useful suggestions or good reasons for raising it. But I do not apologize for that, because we in the opposition are inundated with phone calls and letters and from our individual door knockings from comments of Manitobans who are concerned about the state of health care in the province of Manitoba.

We do not make these things up. These things come from the public. It may be that we tend to raise issues that are perceived as criticisms, but frankly that is part of the role and the job, and frankly that is my perception of what the public feels about what is happening in health care today.

The process of health care reform began with the Quality Health for Manitobans, The Action Plan, announced by the former minister with great fanfare. I believe the minister said it was the most innovative and advanced in all of the continent, if not the universe. He did not say universe; he said continent. Frankly, if you look through that document, one could glean from that document

almost every positive or negative thing that has been said about health reform in this country for the past 10 or 15 years.

I remind the minister that almost every single jurisdiction, with the exception of Manitoba, has had a royal commission or a major study on health care reform in the last 10 years, and a lot of what is stated in the health action plan is basically a part of all governments' reform plans across Canada. The minister is correct when he states that health care reform is taking place in other provinces.

I had a meeting with an individual, who is very active in the health care field, about three months ago, and this is what she stated to me. She said that she was of the impression that the initial stages of health care reform were very positive, but that the government got caught in a fiscal crunch and that health reform became a cost-cutting exercise, not a reform plan.

That was her view, and I get the impression that is largely the view in the public, and frankly, that is my view. If I look at some of the initiatives and measures that were proceeded with by the department last year, that certainly reinforces the view.

I do not intend to rehash all of last year's difficulties in the health care field, but certainly they are indicative of a government that was intent on cutting rather than providing for quality health care for its citizens.

The minister has stated on many occasions that we, the public, if only we would sit down, if only I would sit down, or if only other individuals would sit down, with him and discuss the issues we could resolve them and come to some kind of consensus. I am often reminded of the phrase, but it is often individuals who have gone through that process who have come back and said it is basically a monologue disguised as a dialogue. Many people have said to me, what is the use? The government appears to be intent on a plan and a program, and I have not been convinced otherwise. I know the minister has gone to great pains to meet with a lot of individuals and a lot of groups, and I give him credit for that, but whether that constitutes

adequate consultation remains to be seen. I do not believe it adequately addresses or reflects the viewpoints of Manitobans respecting health care and health care reform.

The minister made mention in his comments about bringing health care closer to home, and he discussed the lung and heart transplant announcement at the Health Sciences Centre as an example, and I agree, that is an example. But closer to home means more than just providing services in Manitoba for residents who had to leave the province. Closer to home means providing services closer to home in terms of community, in terms of community-based services. Despite comments to the contrary, this has not taken place in the province of Manitoba, and the area where it has been most advanced and most recognized is the mental health field. We have given the minister and the government credit, but, frankly, even in the areas of mental health, it is clear there is a difficulty. The minister, as recently as last Friday, announced a review of mental health reform, I can assume, when this was an area that was somehow advanced.

\* (1510)

There is no question there are growing pains. There is no question there are difficulties, but one would have thought the process would have—the committee that was set up to establish and monitor because it is in the government's press release of March 17, 1993—detected or been utilized to pick up the difficulties in the system.

There was a documentary a month ago that revealed the difficulties, and the minister said that they were working on it, but nothing apparently happened. Maybe last Wednesday was a glitch. But the minister has now put in place, I will accept—he has now put in place a system, but he has also announced to review, and that indicates to me that there is difficulty. I will be pursuing that because mental health is clearly a strong suit of what the government has done in health care reform, and even at that, there are difficulties. I think that, if the government is truly listening and truly consulting, they will implement some kind of process or

procedures in place, that will utilize feedback from the public and actually act on it.

Now the minister and the government have gone to great pains to demonstrate that the new MMA agreement is part of the process, and I will agree the fact that the government has finally gotten an agreement with one major player in the system, notwithstanding that the nurses—MARN is upset, the MNU is upset, the LPNs are upset, health care administrators are upset. Almost everyone in the system is basically not onside with the government's initiatives. The government, finally, despite that, has gotten an agreement with the MMA, but that is only one small step in the consultation process. The question still remains, who is the government listening to?

The minister indicates in his opening comments that he has listened to over 13,000 individuals. If that is reflected in the health care system, if that is reflected in the changes, then why have we not seen community-based services? Why have we seen difficulties in the system to the extent we are seeing difficulties? Why are we having continuing difficulties with home care, et cetera? But all of this will be pursued during the course of our discussions, I am sure.

I am very concerned about the health care, the system of home care. Last year, the government unilaterally changed the rules of the game with home care, and I will try to stay away from dealing with that situation, but I am not clear if it has been clarified. The minister came in and said it was on pause, but still people are being cut off. Yes, they are being given—the difference was they were being phoned and cut off last year, and this year, they are being given re-assessments, but the criteria, as far as I understand it for which people have been eliminated from the Home Care program, continue as is, and I—

Mr. McCrae: NDP criteria.

Mr. Chomiak: The minister indicates NDP criteria. The minister continues the line that was forwarded by the previous minister that somehow nothing had changed, that somehow the government was not planning to lay off thousands

of workers, that somehow the government was not planning to cut off hundreds and thousands of home care recipients. That is just not true. The government was planning, and I have seen the criteria, and we made them public. I am anxious to see if the government actually changed them.

I will give the minister credit for putting it on pause and saying at the time that we are not going to cut off the young disabled definitely, but the rest of the criteria continue. I would be anxious to see what those criteria are.

I am concerned about the thousands and thousands of nurses in the system who do not feel the government is listening to their concerns, who are concerned that the government is not paying attention to issues they have raised, and who are fearful for their jobs.

Now, the contrary argument that is made against the opposition is, all you do is fearmonger, and you are the one who is causing the difficulty. But steadily, as we continue to so-called fearmonger, people keep losing their jobs or are being told they are going to lose their jobs. Frankly, 90 percent of what we have indicated in the House, perhaps 95 or 99 percent, has in fact come to fruition, and recently a government document stated that in the next several years up to 1,500 workers could lose their job at Health Sciences and St. Boniface. Was that my document? Was that the workers' document, Mr. Deputy Chairperson?

That was the government's working document. Those were the criteria under which the government's Labour Adjustment Committee was told to operate. Those were not my criteria. I was not the one who raised the issue. We were not the ones who raised that 1,500 figure. I had known about it for some time. I had been told it happened in meetings, but that was the first time we actually saw it in a government-related document. So it is not us, and I wish the government would give some kind of reassurance to those who work very hard and long, and the dedicated in the system, as to what is going to happen in terms of their futures. What about the role of LPNs? Has that been resolved despite many meetings? Is it that the LPNs—it seems, again, it is another case of a

monologue disguised as a dialogue. Who is listening to the nurses?

What about the case of the role of nurse practitioners and pilot projects in that regard? The government has made great claims about the fact that it has moved in terms of creating personal care home beds, and we acknowledge that. That has been part of the government's platform and programs since 1988, and it has been reannounced and reannounced. Notwithstanding that, I am pleased that the beds are up. I have concerns about the fact that we are moving towards privatization in the personal care home field, but that is a philosophical difference between us, and that can be dealt with.

But I am concerned about standards and I am concerned about the fact there is not a recognition that, as you have moved from having people in acute-care beds into personal care homes, the acuity and the demographic makeup of those patients have increased remarkably, and the services that must be provided for those individuals must accordingly go up. I am not sure there has been a recognition, and this is not philosophical or political. I am not sure that there has been a recognition within the system of that requirement, and I think that something ought to be done about that.

I think that is why we have examples of documentaries and coroners' reports indicating that something should be done. I think those are valid points. The minister again has announced that there is going to be a review of this area, and I am anxious to see what type of the review is taking place. We will be as co-operative as possible in resolving this issue. It is not a political issue. It is strictly an issue of demographics and acuity of level of care and enforcement of standards. That is straight for the public of Manitoba.

With respect to the hospitals, we see that there is a good deal of uncertainty in the hospital system. It is clear that the government has cut back funding to hospitals and is continuing to cut back funding. The announcement that a funding cut of 10 percent to the hospitals was on hold; I do not think is on hold any longer. I think the 3-4-3 cutback over the

next three years is still in place, and I would be interested to know whether in fact it is in place. I think most hospital administrators are functioning on that basis.

We are still awaiting the finalization and the dribs and drabs of the Connie Curran exercise. The minister knows that I have mentioned that once or twice in the House, and that it has come up on occasion.

**Mr. McCrae:** Yes, but we got one Michael Decter.

**Mr. Chomiak:** The minister says, anytime we talk about Michael Decter—I am happy to talk about Michael Decter or Connie Curran or APM or the \$4 million or the \$800,000 in expenses tax free and the amount that was held back at 10 percent that is probably sitting in an account, and perhaps we can get that money back. At least they get something back from Connie Curran. I am happy to talk about that anytime or about the contract and to go on and on about it. [interjection] The minister says that we should get the beds back that Michael Decter closed. I will tell the minister that if Connie Curran had any recognition of the Canadian experience, perhaps we would not be in the dilemma that we are in now.

**Mr. McCrae:** . . . could ask Michael Decter.

**Mr. Chomiak:** If her people—well, the fact is, I know it for a fact, that they recognize one of their major failings in the system was that they did not have Canadian expertise. I know that for a fact, and the minister ought to know that because they did not know what they were doing.

When she came in here and was asked about Bill 22, she said, Bill 22 does not concern me. When she was asked about French language, she knew nothing about the French language experience. She had no understanding of the Canadian culture and environment, and she miscalculated miserably. The government suffered and paid the price accordingly. [interjection] The minister indicates Michael Decter understands—the minister is so intent on Michael Decter that he ought—perhaps the minister is considering hiring him or something? I mean, this was—

\* (1520)

**Mr. Deputy Chairperson:** Order, please. Could I advise the honourable minister that he has had his opportunity to do his opening statement? This is not a time for debate, and I would appreciate hearing the honourable member for Kildonan.

**Mr. Chomiak:** Thank you, Mr. Deputy Chairperson.

I was very interested to hear the minister's comments this afternoon about the rural health experience. I am very interested to see that the minister said, this is the greatest example of consultation that has taken place in North America—I think he said. Notwithstanding that, I am very curious, and I hope we will have an opportunity to examine this during the Estimates process, because I had the impression that a lot of this process was botched by the government.

If I look at the health action plan or I look at the time lines and the guidelines in the health action plan, not only do you miss the guidelines, but there were instances where the government wrote to communities and said, form health care units of 10 to 12,000, and then they did that. The government wrote back and said, nope, we are forming larger health communities; reconstitute them.

I could argue now in a positive vein that perhaps the government is listening and reacting to the community expression, but I am very curious as to see how that process is developing and when and how it is going to be finalized. I am concerned that if health care reform in rural Manitoba follows the same course of action as health care and reform in urban Winnipeg, rural Manitoba is in for a rough ride.

I am anxious to see what is happening in community-based care, other than that of dealing with mental health. I note that whenever the minister and the government talk about community based, they deal with their strong suit, which they admit is mental health, but we see very little action in terms of community-based care outside of the mental health field.

We are very anxious to see what is happening in terms of the Emergency Services Task Force

report. It would be useful if the document was made public. The minister has said they are working on it. They have now hired the individual who created the working task force, who wrote the report, to work for the department in reform. I will be very anxious to see it because emergency reform was also an intimate part of the recommendations in the government's blue book, *Quality Health for Manitobans, The Action Plan*.

I am interested in terms of the dental care program. I think, quite wrongly and inappropriately, the government killed the dental care program last year. It was done for budgetary reasons; that was made very clear by the previous minister. We think it was a wrong decision. We think the statistics show that it is resulting in rural Manitobans having less access to quality dental care and, in fact, as a result, poor dental health which runs contrary to a commitment towards preventative health.

We note that the government has put back—and I welcome the fact the government has put back in this year's budget—some of the funding that they cut out of the Pharmacare program and some of the funding that they cut out of the Home Care program. It still does not get us back to the point that we were before the government cut the money out, but that is at least welcome. That is a recognition that, in fact, those areas require increased financial support because, by everyone's acknowledgement, including the government's, those are the preventative and the community-based kinds of programs that the government should be implementing and placing a priority on.

We would hope the government would give consideration to something like our Health Reform Accountability Act that provides for meaningful consultation, statutorily defined consultation, delegation, and a role for an ombudsman or a type of ombudsperson to deal with concerns in the health care field.

We note the government will soon be announcing something in terms of a policy on Healthy Child Development, and we have advocated and welcomed that for some time. We can only hope for the benefit of all Manitobans and

the children of Manitoba that this comes to fruition sooner rather than later. We were supportive of the government's PIN, the announcement with respect to the Pharmacare program, and we have been supportive of that from the start. We note that there have been some difficulties in the initial start-up, and we look forward with anticipation to the actual implementation of the system.

Mr. Deputy Chairperson, basically those are at least our opening comments in this regard, and we look forward to this process.

Mr. Deputy Chairperson: We thank the honourable member for Kildonan for those opening statements.

Would the critic for the second opposition party, the honourable member for Crescentwood, have an opening statement?

Ms. Avis Gray (Crescentwood): Mr. Deputy Chairperson, I too would like to welcome the new Minister of Health (Mr. McCrae) into his portfolio as we go through the spending Estimates over the next number of weeks, and I am going to keep my comments fairly short. I think that, as we go through the Estimates process, the minister will have a sense of the issues that we have in regard to health reform and where it is going in this province.

I hope that we will have an opportunity particularly today to get from the minister basically as a follow-up to the Quality Health document a sense of what the strategic plan and the actual implementation are of health reform in Manitoba, looking at some specific objectives in the next three to five years as well as if we can get a sense from the minister, as again was outlined in the Quality Health document, as to what the evaluation to date tells us in regard to how the reform is proceeding.

I also see the Estimates process as an opportunity to clarify some policies and procedures where necessary, and there are still some areas that I am not exactly sure what policies are in the Department of Health. So, for my benefit and also for some constituents who have inquired,

I hope we have an opportunity to do that as we go through the spending Estimates.

The minister commented in his opening comments that consultation was the key and that communication with the various stakeholders was extremely important. I am pleased to hear him say that. I think that in a huge bureaucracy such as the Department of Health and when you are dealing with a health system that is so complex and multidimensional, it is oftentimes difficult to provide appropriate communication—and this is not a reflection necessarily on the Department of Health—but governments never seem to do a good job of communicating. I say governments with an “s”, regardless of political stripe or regardless of any particular department. We are oftentimes lacking in that regard, and so I would hope that there is a definite communication plan that is in place as well, so that in fact for the positive things that are occurring in health reform, that the community and the various stakeholders are aware of those.

I think when we talk about communication, as well, I think the more information that is available to the public and to the stakeholders is probably a better way to go rather than withholding information. I know there is always information that is government policy or in a draft format that cannot be released, but I think, by and large, if people are aware of what is going on and have knowledge, then oftentimes they are more at ease with what the process is and what is going to occur in the future.

I was also pleased to see the minister speak about consultation with communities in rural Manitoba as well as in Winnipeg, and I look forward to discussions around philosophy, as well as implementation of the aspect of regionalization, what it could mean to Manitoba. I know a number of the rural institutions and hospitals and reeves and municipal councils are quite interested in this idea of regionalization and what it does mean.

I think it is very important, as well, when we talk about health care in Manitoba, that we identify some of the differences and some of the flexibilities that are needed in the system,

particularly because of some of the differences we have in urban Manitoba versus northern Manitoba and rural Manitoba.

I also look forward to a discussion of Bill 22 and the minister's facts and his thoughts about the impact, positive and negative, of Bill 22 on his department and on other institutions that provide health care services.

So I want to leave my remarks at the beginning very short, because I think as we go through what I am sure will be many weeks of spending Estimates, we will have an opportunity to talk about philosophy and direction of this government and of the Minister of Health.

**Mr. Deputy Chairperson:** I thank the honourable member for Crescentwood for those brief remarks.

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

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

**Mr. McCrae:** While he is taking his seat, I might just take one second to respond to each of the honourable members. If they want to respond back, that is all right with me. [interjection] Well, if anybody objects, I will slip it in later.

**Mr. Chomiak:** I will certainly give leave for the minister to respond to our comments. Certainly, in my first question, I will ask the minister if he would like to respond to our comments.

**Mr. McCrae:** Okay, thank you.

**Mr. Deputy Chairperson,** I am pleased to introduce Mr. Frank Maynard, not a stranger. He has been at this longer than I have. He is the Deputy Minister of Health. We have Tim Duprey here, Assistant Deputy Minister responsible for Finance and Management Services, and Susan Murphy, Director of Administration and Finance. These people will help me, I hope, get through the next little while.

\* (1530)

I think the honourable member for Kildonan had a question for me.

**Mr. Chomiak:** Mr. Deputy Chairperson, I wonder if the minister has any comments in response to our opening statements?

**Mr. Deputy Chairperson:** Could I ask the honourable members to just wait one moment until we get into a line, and then we will have the opportunity to discuss those at that point.

I would like to advise the members of the committee at this time that the correct procedure for considering items in the Committee of Supply is a line-by-line manner. In order to skip ahead or to revert back to any lines already passed, unanimous consent will be necessary.

At this time, we will move on to line 1.(b)(1) Salaries and Employee Benefits \$608,600.

**Mr. Chomiak:** Mr. Deputy Chairperson, insofar as this line deals with the strategic direction of policy development, does the minister have any comments in response to our opening statements?

**Mr. McCrae:** The honourable member is very kind, Mr. Deputy Chairperson, in all of the things which he said, which no doubt we will be talking further about. He made the point that I was sensitive to some of his comments. It is true that I am, because I think if we do not do things right in this particular generation and this particular time in our history and if we do not work together more closely, we do run the risk that some of the reforms that we are trying to do will not work very well because of a perception of bad policy.

You know, I am very quick to defend a lot of the policies because there is so much of Manitobans in those policies and so much input from people. I am not trying to have a monologue disguised as a dialogue. I am not trying to do that. I do get very sensitive. I should not get overly sensitive, but I really think that we owe it to the next generation to leave them a health care system, too.

If we always just responded to whomever shouted the loudest with respect to spending on this, spending on that—and we get it every day,

spend, spend, spend, and criticism when we cut. The point is we have to have a health care system for the future because I am so proud of the one we have. So if I sometimes sound a little bit sensitive, there are reasons for it.

With respect to the honourable member for Crescentwood (Ms. Gray), she said a number of things, too. The one I liked the best was evaluation, interested in evaluation of the things we are doing.

Well, we are too. That is why we have things like the Centre for Health Policy and Evaluation, an independent group that, without all of the emotion that sometimes characterizes health care debate, can tell us in factual ways whether we are on the right track or not. When we are on the wrong track, tell us that, too, and we will adjust because that is what the people of Manitoba want us to do.

So I think we need to look at real results and not always just at the ones that the best debaters can raise the greatest perception about. So sometimes I am sensitive, yes, but I am interested in evaluations, too.

Those are just a couple of observations on the comments of my colleagues here today.

**Mr. Deputy Chairperson:** Shall the line pass?

**Mr. Chomiak:** Mr. Deputy Chairperson, in this very positive vein and the frank comments of the minister, perhaps we will commence the process by asking the minister, I think, one of the appropriate questions that was raised by my colleague from Crescentwood.

That is, is there an update or is there a strategic plan in place with respect to the reform process, based on the 1992 plan? Is there an update or a priority list or some kind of process or check in place to determine where we are at and where we are going?

**Mr. McCrae:** Mr. Deputy Chairperson, we have not yet, to date, put out sort of a public report card as to how far we have come, because many of the reforms are in process.

As the member for Crescentwood pointed out, there is a very large bureaucracy here, and I might

add to what she said, that we are dealing with many bureaucracies when we are dealing with the health system because many, many facilities are very important in our health system, and each of them has their own administration and so on.

There is a lot to report on, and I think maybe you are right. I say to the honourable member that not everyone is aware in a precise form as to what we have achieved in the last couple of years in Manitoba and even a little longer in terms of changing for the better our health care system and making it sustainable for the future.

Sometimes the good gets shrouded in a heavy traffic day in an emergency room or something like that, which really stretches the resources of an emergency room, and we have to look to make sure we have other resources available so those things do not become problematic. Those are the kinds of issues that tend to detract from the solid, positive progress that has been made.

Here I have to be frank with the honourable member and say that I would like him to say as much about some of those more solid and positive things as he says about a heavy day in the emergency room. I acknowledge that they have busy, busy days. It has happened twice these last few months, once at the Health Sciences Centre in January when it was really, really busy, for whatever reason, and then more recently as spring was—actually, it was not last winter. It was earlier this spring when we had a really nice day, and there was tremendous pressure on emergency rooms, and then more recently last week with respect to psychiatric patients at St. Boniface.

I am quite happy to engage in a very open discussion about that and a discussion about the plans that have been made that prepare us for better delivery of mental health services, not only acute but the whole spectrum of services that are required in the mental health field or any other field.

Yes, the honourable member is looking for a report card, I think, of some kind. I am hearing what he is saying. We do not have one to place in

front of him today, but I would like to have such a thing before very long.

**Mr. Chomiak:** Mr. Deputy Chairperson, one of the difficulties that arises when you have those, as the minister terms it, exceptional or periodic peaks, for example, in emergency rooms, is that we know the government has a task force on emergency services that has given a report to the minister. We know the government is working on some kind of change to emergency, or evolution or reform of emergency. There is no question this has occurred in the past.

The reason the government created a task force to review it was to solve the problem. We know the government has a report, and we are faced, in the opposition, with a situation where the problem continues. The government is studying it, and no apparent action has taken place. That is our dilemma and that is the issue.

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

**Mr. McCrae:** The honourable member is right to point out that we have had the services of an Emergency Services Task Force and that we have a report from which we can take advice and develop change to the delivery of services to make it so that we do not get piled up in some places and there is low traffic other places.

\* (1540)

In a city the size of Winnipeg, we should be able to organize our emergency services well enough that if there is heavy traffic at one area that it can be properly diverted, safely diverted to another area where there is a capacity there to pick it up.

I think the honourable member is pressing for the release of an emergency services task force and the government's response thereto. He is probably right to do that. As I said a few minutes ago, and as the member for Crescentwood and the member for Kildonan agreed, health care has many, many dimensions and facets and in a reform time we are dealing with many, many of them all at once.

Staff are working extremely hard to assist the government in getting all of these changes pointed in the right direction, if you will, staff with the help

of these task forces which have utilized the services of the people who know what is going on in these businesses. We are not wasting any time to try to get the changes that we need to bring about efficient day in, day out operational emergency services working.

All that is not to say anything about those who have been in the business of providing emergency services. We have a lot of time for them. They do a good job. They are very highly trained people—right from the first responders to the acute surgical teams that are required to help people who get into emergency situations.

You see, if the honourable member would work with us on the issue of discharging people from hospitals, too—I have heard some people refer to hospitals for some patients as weekend hotels because we have not had a discharge policy that makes beds available that should be made available for people who need those beds more on an emergency basis. I need the member's support for those things. I do not need his criticism when we try to get people out of hospitals who should be out of hospitals because we happen to use a particular kind of delivery service. Discharge policy is very much linked up with emergency services. I am looking for the member's support.

**Mr. Chomiak:** Mr. Acting Deputy Chairperson, it only took three questions to get the minister to steer the conversation toward the We Care issue, which in this spirit of harmony I was not going to bring up for at least a little while, but having been raised by the minister, I mean, there is no doubt that we are supportive of as early discharge as possible from the hospital. There is no doubt that every study indicates that should be the case.

**Mr. McCrae:** Even if that means layoffs.

**Mr. Chomiak:** The minister says from his seat, even if that means layoffs. I can tell you that we do not believe the system can tolerate any more government layoffs that have been imposed.

**Mr. McCrae:** How can you support early discharge?

**Mr. Chomiak:** The minister says, how can we support early discharge. Let me just ask the

minister why—the difficulty with the process was it was not public, it was not tendered. For the first time it is an example of a private nursing company going onto the ward of the hospital. There was that process put in place. The minister says, because we are opposed to the process and because we are opposed to the way it was done, we are somehow opposed to early discharge. Is the minister of the opinion that the more people we discharge earlier, the more people he intends to let off of the system?

**Mr. McCrae:** Mr. Acting Deputy Chairperson, I am saying to the honourable member, you cannot have it all ways. If you agree with a move, a shift in policy from total reliance on high-level, acute-care institutions to a community-based service delivery system, where that is appropriate, then you cannot support that on the one side and then not support changes in the hospitals that have to result from patients leaving hospitals.

Short length of stay, early discharge, all of those things lead to empty beds in hospitals and people serving those beds. You cannot run a health system by having empty beds with nobody in them and a whole staff there ready to look after people who are not there.

Now the honourable member knows that. He is very aware of how this whole thing works, I am sure, and you just cannot have it both ways, whether you bring in a private firm or you do not use a private firm. You use the Home Care program, for example. It is the same shift going on.

That is where the word "sensitive" comes in to describe my feelings, because it is a little frustrating to look at people who really do try to have it both ways.

Another example of an issue that we should be addressing in regard to this shift in the area of delivery of services is the self-managed care aspect of our Home Care program. I mean, it is really quite a thing to see the sense of independence that people can achieve when they make their own decisions about their home care delivery.

How would you like it, I say to the honourable member, to be laid up, and when the time comes for you to go to the bathroom is set by somebody

else? I am not really in favour of that if I can avoid it, and I think we should build as much flexibility into our whole continuum-of-care system as we can.

We should be promoting self-managed care as much as we can because, ultimately, there is X amount of care that is required, and X amount of care should be delivered, whether it is by people on the public payroll or indirectly to people through hospital programs like the pilot project we have been hearing so much about, whatever method.

I do not have a philosophy on the point, except care. That is my philosophy. Let us get the care to people in the most efficient way and empower people so they say when it is time to get the care they need. To the extent we can do that, we should.

I wonder where the honourable member stands on self-managed care and on its expansion. Are we expanding it enough this year? One of the things that has been said to me is that you are expanding it and that is the right thing to do, but you are not going far enough. I want to explore that with my department. I wonder what the honourable member's viewpoint would be.

(Mr. Deputy Chairperson in the Chair)

**Mr. Chomiak:** The minister, I think, is missing the point completely. The minister somehow has missed the point that this government has cut back on resources offered to members in the community. This government has studied the self-managed care system for some time and has a report on their desk that they are not releasing, as well, in that area and is saving it for a positive announcement as we move towards the election campaign. Let us be frank.

The minister and the department have all of a sudden discovered self-managed care. The report has been received some time ago by the department—last year, the minister indicates, I believe. Why did we not see an announcement last year? Why are we making people wait for the implementation? Where is the consultation? It has only commenced recently.

I do not want to have this already deteriorate into a philosophical disagreement, but I do not think the

government has ever addressed the issue adequately of resources based in the community. I do not think the government recognizes it, and as they have cut back their acute care beds and as they have cut back resources to hospitals, they have not provided resources in the community commensurate with those cutbacks.

Indeed, they have certainly drawn back some services, and I think the government misses the point. The minister says the hospital is being innovative in terms of providing the We Care resources. The hospital had its budget cut back \$6.2 million, which is even greater than 10 percent of its budget. Of course, they are desperate and scrambling to find resources in order to replace other programs.

Having said that, my question for the minister is, can he outline for us the reorganization plans of the department?

**Mr. Deputy Chairperson:** Order please. I would like to remind the honourable members that we are dealing on a line-by-line area here, and Home Care—

**An Honourable Member:** I appreciate that.

**Mr. Deputy Chairperson:** Are we moving on to Home Care?

**Mr. Chomiak:** On to Home Care, Mr. Deputy Chairperson. That is why, as I went through my speech, I recognized the fact that I perhaps had been slipping off of the line and that I would quickly return back to the line-by-line item, which is why at the end of my monologue, I asked the minister if he could outline for us what the changes are in terms of the reorganization of the Department of Health.

**Mr. Deputy Chairperson:** I am sorry for that. I misinterpreted your question because I understood you were in the Home Care section—so long as the question was related to the Executive Support category.

\* (1550)

**Mr. McCrae:** I really have to commend the honourable member for acknowledging that yes, he did wander a little bit from the topic in front of

us, which is something most of us never, ever do, just the honourable member. He was moving from cutbacks right back to where we should be, which is the lines in the Estimates, where we are supposed to be at. We will have the time to talk later about what the honourable member calls cutbacks and which I call something else. I call it significant enhancement. I think this budget gives us a very good opportunity to prove the enhancement in community-based services.

The honourable member did ask about the reorganization of Manitoba Health, and that is an important question. We have been asking, as the honourable member pointed out, facilities and providers across this province to try to direct their dollars toward service delivery and not toward the building of larger administrations. We felt that it was not fair for us to ask hospitals and others to keep biting the bullet on issues, especially issues like administration in the most recent times, without the government itself being an example.

I think that over the last six budgets this government has indeed been looking very carefully at how best to deliver services with the least amount of funds available. Maybe the Health department, maybe the deputy could talk better about the previous years' experience than I could, but I know that I am asking the Department of Health to be thrifty as well, and not just carry on without putting-up-or-shutting-up sort of thing.

So we have looked at our own organization, and I can tell the honourable member that the objective here is—the honourable member will know that for every executive branch of government there is a layer of bureaucracy. We are reducing the number of branches in the department, and thereby the number of assistant deputy ministers, and by doing that, we can also go a little bit further down the line and see changes at levels of director—the whole concept of removing layers of management that I think in this modern technological age we can probably do without.

As much as we appreciate all the efforts that have been put in by people that are working for the Department of Health over the years, we too have to show by example that certain things can be

done. So we have announced to the department that Mr. Frank DeCock will serve as Associate Deputy Minister in the Healthy Communities Office. Mr. DeCock was formerly the Associate Deputy Minister responsible for Hospitals and Community Health Services Division. Sue Hicks is appointed Assistant Deputy Minister for Community and Mental Health Services. Ms. Hicks was formerly Assistant Deputy Minister for the Healthy Public Policy Programs Division. Mr. Tim Duprey is with us this afternoon. He is the Assistant Deputy Minister for Finance and Management Services, and formerly he was executive director of the Hospitals and Winnipeg Community Health Services. You will know that Mr. Duprey comes to us from the Addictions Foundation.

The honourable members should know too that Mr. Reg Toews, who has done such an excellent job in the area of mental health reform, as the honourable member has pointed out, and we appreciate the recognition. I am sure Reg does too because he has done a very good job with all of the people involved in mental health, and he, during this transition phase, will remain responsible for Provincial Mental Health Services as an assistant deputy minister. That is for the transition phase, and we expect to keep Mr. Toews busy in the future as well. I say to the honourable member that this transformation is going to be an ongoing sort of transformation which will include further changes.

**Mr. Chomiak:** Mr. Deputy Chairperson, so the reorganization that the minister just pointed out is not reflected in the Supplementary Estimates plan that we have in front of us dated April 1, '94?

**Mr. McCrae:** It is true, Mr. Deputy Chairperson, that the thing dated April 1, 1993 as Schedule 2 in the book is dated.

**Mr. Chomiak:** Thank you. Well, just for clarification. I want to understand the process. The minister indicated that Sue Hicks will now be—can the minister indicate how many ADMs have now been created? Formerly, from this chart, it appeared there was, I think, six ADMs.

**Mr. McCrae:** Mr. Deputy Chairperson, before the changes, there were six assistant deputy ministers in the department. After the changes there are three, plus Reg Toews who remains an assistant deputy minister for the time being. I expect that in the future that we will end up with three assistant deputy ministers from the six we had before.

**Mr. Chomiak:** Mr. Deputy Chairperson, I wonder, would it be possible for the minister to table the document that he read from so—just for our own clarification?

**Mr. McCrae:** Mr. Deputy Chairperson, indeed, if maybe the Clerk could make a copy for my honourable colleagues.

Yes, I should say, I called Frank DeCock an assistant deputy, but he is an associate deputy. So it is an associate plus two assistants, three for the time being until further notice. I think what I will do is also include an organizational chart for the honourable members.

**Mr. Chomiak:** My next question is twofold. Can the minister indicate who has been responsible for health care reform since the departure of Mr. Blais, and who is responsible for health care reform presently?

**Mr. McCrae:** They could say the whole department has been responsible, and the ministers, too. But, for the most part, I would say Mr. Maynard, Mr. DeCock; and Mr. Duprey has been very instrumental as well.

**Mr. Chomiak:** Within the context of this reorganization, will there be a line person responsible for reform directly?

**Mr. McCrae:** Mr. Deputy Chairperson, reform is something that happens everywhere in our society and must happen everywhere in our society. Mr. DeCock is associate deputy minister responsible for the Healthy Communities Office, which will really be taking over or really be helping drive some of the main reform items as the honourable member might know it.

The honourable member referred earlier on to budgetary changes last year as reform changes. They were not reform changes. They were budgetary changes. We only had so many dollars

to spend, and so changes had to get made, reductions had to be made. The honourable member calls that reform which it was not. So that is why I think we have to maybe try to clear up once in a while what we are talking about.

Maybe the member's suggestion of a report card type of thing a little earlier on is the right way to go, and we will maybe look very seriously at the member's suggestion of a report card that we could put out to the people so that they will understand what we are doing.

The thing is, Mr. DeCock heads up the Healthy Communities Office. If you look in the Estimates, you will see a line for the reform initiatives, and that drives that part of the budget, that office.

**Mr. Chomiak:** Mr. Deputy Chairperson, under whose—I would assume; well, I should not assume. I will ask the minister where the Continuing Care Program fits within this structure.

**Mr. McCrae:** That comes under the Community and Mental Health Services Division and Ms. Hicks.

**Mr. Chomiak:** The former MHSC functions that were folded into the department, do they come under Finance and Management Services Division now?

**Mr. McCrae:** The Finance and Management Services Division will look after the finance and management part. The program part will come under the Community and Mental Health Services Division. There is going to be a lot of working together by these assistant deputy ministers in their executive capacities. I think it will result in a better co-ordinated department.

\* (1600)

**Mr. Chomiak:** I wonder, for purposes of the committee, whether or not we might have a revised Manitoba Health schematic chart here pointing out where all the functions are, because I have a lot of questions about this structure now. To whom and how does the Provincial Nursing Advisor report? Where does the advisory Committee on Mental Health Reform? Do they now report to the Community and Mental Health? I mean, there are a whole series of questions that now arise from this

change, and it probably would save us a fair amount of time if we would come back to that, or just simply have a revised chart tabled.

**Mr. McCrae:** Mr. Deputy Chairperson, my deputy minister tells me that we can have something like that as early as tomorrow for the honourable member. That would probably avoid a lot of necessity for a lot of questions, but if the honourable member wants to ask some, that is fine. We can get a better schematic for him as early as tomorrow.

**Mr. Chomiak:** Yes, I appreciate that. I think it would be much more useful, and it could actually save the committee a fair amount of time rather than pursuing each of these individual items one by one in terms of understanding the issue. I am sure the committee will have no problem if we are on a different line item in returning to deal with some questions, if there are any, in that area.

My question to the minister is, and how does one pose this one? I understand that one of the five projects undertaken by Ms. Connie Curran, APM consultants, was a review of the departmental organizational structure. I am wondering if this end result that we are seeing here today is as a result of that exercise.

**Mr. McCrae:** I think you could say partly without being misleading. There were certain principles that were looked at by a lot of parties. Do not forget this whole APM business brought many, many people together, many Manitobans. This is the misinformation that sometimes my friend does not mind seeing disseminated. However, a lot of people have been involved, and our department determined that we have to do our part here, too. We just cannot just let the rest of the world change while our department does not. So to what extent the APM business had to do with the department, I do not know, but I would have to say partly because we were in a change time frame here. There was no way my department could tell everybody else to change and not change itself, so I do not know quite how to answer the honourable member except to say, for part of the whole scheme of things, yes.

**Mr. Chomiak:** I will not dispute the fact that people were working together as a result of that exercise. I am not certain if the purposes or the actual end result were at all justified by it, but I will avoid sliding down that path till we get to that specific line item, unless at some point.

The reorganization of the department was based, I would suspect, largely or partially—the minister has indicated partially—on the review undertaken by APM consultants, but I wonder if there was a report that was provided to the government or the department specifically outlining it, and if there was, whether we can have access to it.

**Mr. McCrae:** Mr. Deputy Chairperson, I would like to make a distinction for the honourable member. I have been involved in asking for many task forces and reports and things like that, and at the end of the exercise, you get a neatly bound document that has recommendation No. 1 and recommendation No. 2, and if it is the Aboriginal Justice Inquiry, right up to recommendation No. 300 or so.

That is not the way it was in this particular situation. Suggestions, recommendations might have been made, but they did not form the basis of a written report. So that is the best I can do in terms of answering the honourable member's question. I do not know of a document. Maybe there are a series of letters or something that sets out that this might be a thing to do or that might be the thing to do, but I do not have a document that I have looked at that says, 1, 2, 3, 4, 5 and then you have done the job, so it is not quite that simple.

**Mr. Chomiak:** Mr. Deputy Chairperson, can the minister indicate who the head of Continuing Care is, and who the head of Home Care is now?

**Mr. McCrae:** The Continuing Care Division reports to Sue Hicks in her capacity as assistant deputy minister, and responsibility for the Home Care program rests with Tammy Mattern.

**Mr. Chomiak:** Mr. Deputy Chairperson, the government has approximately or at least 45 committees that are functioning, and for the most part, all report, I assume, to the deputy minister. I wonder if we could have a list or have tabled a list

of all of the committees, who the representatives are, and what the goals are of those various committees. I believe the minister last year provided us with such a list, and it would be useful for the discussion. I ask if the minister could provide us with that list.

**Mr. McCrae:** The list is extremely large. As I told the honourable member, we had some 13,000 Manitobans involved in reform process in one way or another, and my deputy is getting a bunch of papers together here now, but we have asked physicians and nurses and Manitoba health and hospital personnel, research people and consumers all to be involved in the many, many task forces, working groups, committees, advisory committees, implementation committees, steering committees. I know it sounds like a lot of committees. You cannot, on the one hand, ask us to take a bottom-up approach and really and truly listen and have a dialogue that really is not disguised as a monologue—I get that wrong every time.

That is what happens when you try to plagiarize somebody else's expressions, you get it wrong sometimes. But the people involved in all of these committees have been extremely helpful to government. We continue to review their reports, their advice, their work, their implementation and everything, and, you know, we recently also were able to include the members of the medical profession on a large—they were invited to join many, many committees. I think they accepted the invitation for—

**An Honourable Member:** Twenty-seven.

**Mr. McCrae:** Are there that many? I did not think it was that many, but quite a few anyway. My deputy minister has provided me with a package of information, so we will have to get it made for both my colleagues here, and it kind of sets out the large, large number of people involved in a large, large number of committees, advisory and otherwise.

\* (1610)

**Mr. Chomiak:** Mr. Deputy Chairperson, I thank the minister for providing us with that list. It will

be quite useful to the whole process, and I wish we could find out who those people are that are criticizing the committee structure and the people out there, because I agree, I mean, we certainly need more consultation, not less.

To return to my line of questioning: Can the minister indicate whether or not provisions of Bill 22 apply to the administration aspect of this line item?

**Mr. McCrae:** Let us be clear about the question. Is the member asking about Bill 22 with respect to government people?

**Mr. Chomiak:** I am asking—the question is as it relates to the staff years in this particular line item. There are 12 staff individuals on this line item.

**Mr. McCrae:** Yes, it does, except I guess we are not on the minister's line. I do not get the pay, but I do not get the days off either. Actually, there are a number of senior staff in the Department of Health who do not take the days. They work anyway, even though they are not getting paid for it, and it is very much appreciated.

**Mr. Chomiak:** Mr. Deputy Chairperson, I certainly understand that.

I wonder if the minister can outline for us what the salary is for the deputy minister, because I note that it has increased from \$99,200 in '92-93 to \$106,700 this year, and I am obtaining those figures from the previous Estimates book. So it has gone from \$99,200 to \$104,000 to \$106,000. I just wonder if the minister can confirm what the salary is for the deputy minister.

**Mr. McCrae:** The salary that you see, Mr. Deputy Chairperson, set out in Supplementary Information for Legislative Review, I am informed is correct. I think in the course of employment, employees, whether they be senior people or otherwise, if they are in a scale you can move from one mark on the scale to the next by means of being meritorious and doing a good job. Then, of course, you still have to be subject to those rules dealing with Bill 22 and other government-wide initiatives like that.

**Mr. Chomiak:** Mr. Deputy Chairperson, what I never understood about the way this works is that last year in the Estimates we estimated the salary at

\$100,400, but then the revised Estimates showed it at \$102,400. So there is an increase of \$2,000, and I do not quite know where that came from.

**Mr. McCrae:** In addition to merit increases, there are general salary increases that everybody gets or does not get depending on what year we are talking about. [interjection] I just do not remember where I was exactly, except to say that there is a general salary increase. There are increments that people get, just like everybody else in the Civil Service, and Bill 22 would be applied at that point. That is how you come up with these numbers. If there is a arithmetic mistake or something, maybe, I do not know. I do not think so. I am told that the numbers are correct as they appear in your supplementary information.

**Mr. Chomiak:** Mr. Deputy Chairperson, then what I do not understand is the minister has indicated this year the salary of the deputy minister is \$106,700. Last year, the salary was shown as \$100,400 but the revised figure shows it as \$102,400. Does that mean, extrapolating next year when the Estimates come out, we will see a salary of \$108,700—another \$2,000. I do not understand—

**Mr. McCrae:** What the honourable member is saying is that it was at one level and then it comes out a little bit less last year. [interjection] Oh, a little more. Maybe I can get a more full response for the honourable member at a later moment, but all I know right now is that the rules applying to every other civil servant apply to the Deputy Minister of Health.

**Mr. Chomiak:** Mr. Deputy Chairperson, in fact, I am not questioning that. As I note back in my review of the—this happens consistently year over year. I do not understand, if we are saying one salary and then next year it is always a figure higher, why we do not target for the higher figure in the first instance in terms of the Estimates. There is obviously some kind of an accounting principle or aspect to this that I do not understand.

**Mr. McCrae:** The Deputy Minister of Health for Manitoba has not yet reached the top-level scale of a Deputy Minister of Health. So if his work is

meritorious, as it has been, he will continue to move up like other civil servants do. They will move up in their classification. In addition to that, if there is a general salary increase, the deputy minister would also benefit from that. If there is also a Bill 22, that also applies, which reduces it then.

That being said, I do not know quite what the honourable member is getting at. Maybe we can explore that and get some further answer for him that might clear it up in his mind. I do not know. We will try.

**Mr. Chomiak:** Okay, I appreciate that, if we will come back to that.

From the minister's comments, it appears at this point that the salary is set at one level and during the course of the year, because of merit increases, the salary is bumped up. We do not know that at the time the Supplementary Estimates are produced.

**Mr. McCrae:** Are you saying, why do you not budget for that in the first place?

**Mr. Chomiak:** Yes, that is my question.

**Mr. McCrae:** Maybe it is because we do not assume the increase. I am told that is probably the explanation. We do not assume that the performance evaluation will be positive until we have the evaluation.

**Mr. Chomiak:** Thank you, that is a fair explanation, except that I note when I look throughout, in a lot of areas the salary levels seem to go down not up, in some areas. Perhaps we can come back to that after, but that makes some logical sense.

**Mr. McCrae:** Mr. Deputy Chairperson, in some areas you will see salaries go down because it will reflect fewer people perhaps, it will reflect a person at the top of their scale, suffering the Bill 22 effects or some other reason. It will also reflect some reassignments which would be part of the reorganization that the honourable member and I discussed a little while ago, not that that results in fewer positions in the Department of Health, that delayering that we talked about a little while ago. It means that some people will move to different

levels in the department, sometimes unfortunately a little lower, but that happens in a reorganization. That might account for some of that too.

If the honourable member has specific questions, we will try to deal with them. I think we have answered the question about the deputy minister.

**Mr. Chomiak:** Mr. Deputy Chairperson, for the record I have very many questions to continue, but I think I will pass the floor at this point to the critic for the Liberal Party.

**Ms. Gray:** Mr. Deputy Chairperson, I wanted to get back to the first question that my colleague the member for Kildonan (Mr. Chomiak) asked about the government document, quality health care, and where that was at in regard to evaluation.

I guess my first question would be: Other than this document, there must be something within the Department of Health that has actually outlined specific objectives and a strategic plan as to how you want to implement this document over the next three to five years. Is there a policy document that exists that you can share with us?

\* (1620)

**Mr. McCrae:** Mr. Deputy Chairperson, I think that individual officials who are in the planning functions for government might have working documents, but they are not really in a form that you could share. I have not seen them anyway, so it is not in a form that you could share. It does not take a neat report format like the honourable member has in her hands there.

I think the honourable member for Kildonan referred to the regionalization process and sort of was saying, you know, you should impose deadlines. I realize there were some time frames talked about and maybe written up somewhere, too, in letters sent out to various people in rural Manitoba, but I do not favour that approach and maybe it will take a little longer than set out in those things. I think that when you deadline people, you end up with the same kind of result we got in the constitutional discussions. I am a veteran of those wars and I do not want to be re-engaging in deadline wars.

If there are written materials that talk in the regionalization aspect of it that say it is going to happen by this time—I know we have extended the deadline for appeals, as a matter of fact, for rural association building, and I do not make any apologies for that, because there were a lot of people out there thinking the government had some kind of agenda that it was going to get its way and use the people. That was the sense. It was not the reality, but that is what some people thought.

There were some people who actually thought like the honourable member for Kildonan that there was a monologue disguised as a dialogue and the fact is we have made our intentions very clear. Some people, who want to move ahead more quickly than the government, have said, hurry up, hurry up. Once it is explained to them that there are some people in Manitoba who want us to slow down a little and we can do that, that is what we are doing.

To make a shorter answer out of a long one—I am sorry, I apologize to the member—I do not know of a document like that to which the honourable member refers.

**Ms. Gray:** Mr. Deputy Chairperson, perhaps then I will speak to the first foundation as outlined in this document, that being the focus on Healthy Public Policy. In this document it talks about a deputy minister's steering committee of Healthy Public Policy and it talks about the Human Services Committee of Cabinet being responsible for this area.

Can the minister outline for us the key areas that his department or he sees under the Healthy Public Policy, just identifying the key areas and perhaps giving us a bit of a synopsis as to where those are at? I know they give an example in here in regard to looking at substance abuse, which obviously would be one initiative under Healthy Public Policy. Can he really outline the major areas and talk about where they are at?

**Mr. McCrae:** Mr. Deputy Chairperson, we have some specific items of Healthy Public Policy, preventive health, Healthy Child Development

issues that we can refer to, and I will, but I also want the honourable member to know that we see regionalized health services working to the advantage of those who are interested in the promotion of Healthy Public Policy policies.

By asking a region, rather than a single hospital district, to look at all of the needs in a region, asking people to do that together and within a funding envelope in the future, we can see that we think that people will respond to the call for more attention to be paid to preventive health and Healthy Public Policy issues. I did refer to a Healthy Child Development committee. I refer the honourable member to the province-wide breast screening program, which we see as a preventive health measure.

Those are specific kinds of things, but I am talking about setting out a framework for policy making in the future that will indeed point more to healthy communities models. It is very important, but we cannot get away from the fact that many of the dollars that we spend in health care are spent on the last illness, and the honourable member will understand about all of that.

Maybe there are people who can benefit from preventive programs. I am thinking of the dialysis education program that goes along with the dialysis that is set up in various places in Manitoba. So I expect the process to bring us closer to a preventive health thrust than we have seen in the past.

**Ms. Gray:** Mr. Deputy Chairperson, in the Healthy Public Policy focus, my question would be then, is one of the key elements of that Healthy Public Policy to focus on prevention and promotion activities?

I am specifically interested in primary prevention. I would ask, what work has been done in that area regarding primary prevention focus in regards to Healthy Public Policy?

I think, as well, that the minister had one of the committees in the Health Advisory Network really look at those areas of Healthy Public Policy. I am wondering if that report has been acted on or where that is at.

**Mr. McCrae:** While my deputy minister helps me with more detail, there was a primary care committee, and its work will be and is useful to us in the development of policy.

There is the primary care shift at the Health Sciences Centre program. There is also support by our government for community health centres and their programming which is expanding. The movement of Street LINKS from the City of Winnipeg to Mount Carmel Clinic has been completed. It is now known as Street Station. The change was made in November of '92 as an effort to consolidate the service with similar services that were being offered by the Mount Carmel Clinic. They now provide the services called Street Station.

The antenatal home care program provides an alternative to hospital care. This is for women with pregnancy complications. It was piloted at the St. Boniface General Hospital to care for women with pregnancy-induced hypertension and expanded to include other high-risk conditions in November of 1991.

The program then expanded to include the Health Sciences Centre women's hospital in April of '93. The Health Sciences Centre women's hospital antenatal home care program steering committee was established to explore the feasibility of implementing the program at the Health Sciences Centre with representatives from the hospitals. Winnipeg Public Health, Manitoba Health and federal Medical Services—should I go on with that? That is more detail about that program.

\* (1630)

With the postpartum referral guidelines now being used in five Winnipeg hospitals, and if this year's births match last year's, 11,831 families will have the transition from hospital to the community according to the guidelines. The postpartum referral guidelines provide a framework for postpartum discharge and community follow-up. It is based on assessed need for health care services and is a result of collaboration among the woman, her family and health care providers.

These guidelines were used in the development of a co-ordinated discharge program proposal by Brandon General Hospital and Westman region. A co-ordinated post-partum discharge program in Brandon has been in effect since October of '93 with a total of 132 families involved as of December 31 of '93.

In 1992-93 there were 1,086 births in Brandon, so an additional 1,000 families will make the transition from hospital to the community based on assessed need using the guidelines.

I mention the diabetes education program. Just to give you an idea of what was happening, in '91-92 all clients involved, there were 7,289 of them. In '92-93 there were 8,468, and that represents new clients at 1,179.

With respect to aboriginal clients, included in the previous total I gave the honourable member, in '91-92 there were 538 aboriginal clients of this program, and in '92-93 there were 646. That makes 108 new clients, and I guess we will have to update this for '93-94 when we can.

Those are a few things that are going on.

**Ms. Gray:** The minister spoke of support for community health centres. I am wondering if he can elaborate on that?

**Mr. McCrae:** Mr. Deputy Chairperson, we have an ongoing relationship, a working dialogue, with community health centres, and we have asked them for proposals from them as to how they see their role being enhanced. They have some ideas—and the honourable member will know what they are—but we provide a lot of services directly from government, too. Maybe community health centres can do a better job at that. We are inviting them to look at all of those kinds of things and make proposals to us.

**Ms. Gray:** Mr. Deputy Chairperson, can the minister tell us what are some of the kinds of services and programs that he feels that possibly community health centres could look at providing as opposed to a government directly?

**Mr. McCrae:** The trouble with answering a question like that is that rather than it being the idea of the community health centres from whom

we are asking for proposals, it all of a sudden becomes my idea and I am not the health care expert around here. The people who deliver these services directly and look at services being delivered in another way that could be improved on are really in the best position.

So, as I have said, we have asked them for their advice, and I do not think that it is right for me to speculate on how they should be running their operations and which services they would do best. They know best. They know better than I do.

**Ms. Gray:** Can the minister tell us where he sees nurse-managed centres fitting into this whole area of community-based health programs?

**Mr. McCrae:** We have been having discussions with nursing organizations about this. As I say, we have begun the discussion of this. I think the Manitoba Nurses' Union might have been a little surprised last fall when they put out a report on certain incidents that they had reported in hospitals, came to the conclusion that somehow that is directly linked to having nurse-managed care, but I do not really see the link yet. I think they were kind of surprised that we responded by saying that is something that we are prepared to explore with you.

But, you see, the trouble with nurse managed or nurse practitioners is that to some people this is the taking away of certain things from one group and giving it to another, and if you happen to be on the side of one, then it is really a big win. If you happen to be on the side of the other, it is a really big loss. That is the traditional way of doing things with some people. It is not with me, and it is not with my government. We like to work and bring people together. An example of that is last week we asked the various nursing professional groups to get together and talk together instead of always when the other group was not around. That was what was always happening. I would have a meeting with a nursing group in my office, and they would say, well, the doctors get to do this and LPNs get to do that. Then another group would come in and say registered nurses can do this and cannot do that and so on.

The point I am getting at is we are having a dialogue of the deaf or something when it comes to health professionals. It is really bothersome.

There was a news story about it recently, about me being the referee or some such thing or in a tangle of all of this. I do not see myself very well qualified to sort out all these things because that is the old way. That way you choose whose side you are going to be on and you ride with them. If it is not a very rough road, then do not be surprised—this is the '90s.

My approach is to try and maybe bring people together. That is what I did last week. I was very glad because we were able to bring together the Manitoba Association of Registered Nurses, the Manitoba Association of Licensed Practical Nurses, the Registered Psychiatric Nurses Association of Manitoba and representatives of nurses' aides together with people from the department and a moderator—I do not know if that is the right word but an independent person to chair the meeting.

The first reports I got were relatively positive that there might be some meeting of the minds here. The next thing you know, if we can get enough meeting of the minds there, we will bring the medical profession into the room too. That is the way we are going to discuss nurse-managed care or nurse practitioners. We are not going to do it in an effort to make one group the winner and the other group the loser.

I am very sad to have to report that at the last minute the Manitoba Nurses' Union decided not to come because they had other priorities. I appreciate that we all have priorities, but it would have been helpful if anybody representing the organization had at least come so that they could report back to the leadership. They did not come. I am sorry to say that it was awfully reminiscent of all those times I have asked the member for Kildonan to join me and have coffee or talk. It has not happened.

Is it a coincidence that it is the member for Kildonan and the MNU that want to absent themselves from these meetings? I think we need

the MNU's input. Sometimes we even need the member's input, and we appreciate it when it is helpful. We do want people to work together. I appreciate the member's question. I am interested in exploring the possibilities.

We know that nursing stations in remote Manitoba—you do not find too many medical practitioners around there at two in the morning or even in a hospital at two in the morning. Who is running the show? It is nurses basically.

I think there is room for us to explore possibilities. I am heartened by some of the things that I am hearing representatives of the medical profession saying with respect to these things. I think there is a chance that we can pull people together, bring people together. I really hope people will come when they are invited.

**Ms. Gray:** Mr. Deputy Chairperson, the nurse-managed centres, I know that the MARN organization had a pilot project and a proposal they had put forth to the Minister of Health. I am just wondering if you can tell me where that is at, what status that proposal is at in terms of the MARN nurse-managed centres? They want to do some pilot projects.

**Mr. McCrae:** We have a preliminary report. There is such an example operating at the Youville Clinic in St. Boniface. We like to learn things from projects like that.

**Ms. Gray:** Can the minister tell us, though, is he prepared to support MARN's proposal to look at an expansion of the nurse-managed centres, perhaps one in rural Manitoba as an example, one in northern Manitoba?

\* (1640)

**Mr. McCrae:** The honourable member asks for what my position will be or something like that. I think there was something about, am I prepared to consider. I am certainly prepared to review it, but to review it with other people, too, besides just the one group. There is always, I have found, another group of people whose role might be impacted by the change in one group's role. Some people advocate for one group and one group only and to heck with everybody else. I do not do it like that,

and I do not think the member for Crescentwood does either.

The role of nursing is one of the things that I am asking all of the nursing groups to get together and to discuss. That was one of the main features of the—I do not know what I would call that—meeting or forum or something that we had last week, was to examine the role and the whole education issue for nursing professionals. We are discussing this with MARN right now, so what the honourable member says is something that could end up being an upshot of all of these discussions. We will continue working with them.

**Ms. Gray:** Is the minister suggesting that—is there some type of formal vetting process of a number of disciplines other than nursing professions including the physicians? The minister mentioned the physicians. Is there some formal group that is in place that is going to look at projects such as nurse-managed centres to determine whether in fact the department should look at funding that kind of a service?

**Mr. McCrae:** While I am interested in looking at all these things, I am not interested in stampeding it toward that objective until I can get the nursing professionals to iron out some overlaps that already exist. I mean, let us not forget all three of the nursing groups, the LPN, the RPN and the R.N., all have legislative sanction, and there is some overlap here and there that I am afraid is sometimes troublesome for the various groups. I want them, rather than have me impose solutions, to see if there is not some common ground that we can find to iron out those problems, and then it makes getting into the kinds of programs the member refers to so much easier because you do it with the agreement of the parties instead of beating up on one group as opposed to another.

**Ms. Gray:** Mr. Deputy Chairperson, is the minister saying that before any pilot projects or any expansions in community-based services go ahead that involve the nursing profession, there has to be a decision made as to very clearly what is the role and mandate of each of the various types of nursing professionals? Is he saying that (a), and

(b), if that is the case, what is the formal mechanism that is in place to actually look at that?

**Mr. McCrae:** If there is any evidence of lack of good will or something, then that will be exposed through the kinds of processes we are in now. If some group is not dealing in good faith with us, then it is going to make it hard for them as we do move toward the kind of models of service delivery the honourable member speaks of. The group I referred to a little while ago, over the various nursing groups, have been meeting, and they are going to meet more. I understand they are going to make a report to me by June 15. Maybe by then, I am hoping some reason will prevail and we will get a proper definition. I do not think we can go forward without that definition. Certainly, we need to make some peace. There are some people out there fomenting, and it would be better if they did not foment because then it would be easier for us to make peace and get on with better service delivery for our fellow citizens.

**Ms. Gray:** Mr. Deputy Chairperson, although I think it is very valuable that the various nursing professions talk amongst each other and look at their role and mandates and the overlap or possible fragmentation of any kind of service between LPNs, R.N.s, registered psychiatric nurses, et cetera, I guess I am not quite sure why you would use that as a potential reason not to move ahead with some community-based services.

The reason I say that is I do not think we have a standstill with any type of service expansions in regard to physicians, and we have signed an agreement with the Manitoba Medical Association. We have gone ahead with that. I would imagine, as well, that most people who are nurses and/or physicians and people in the Department of Health would recognize that the role and mandate of physicians versus nurses is not even clear. So I am not quite sure why this clarifying the role and mandate, albeit important, is being used as perhaps the reason to not move forward with some community-based services.

**Mr. McCrae:** Mr. Deputy Chairperson, I did not mean to imply that everything is going to be ground to a standstill unless and until we get some

meeting of the minds. I do not use that as a reason not to move ahead. That is why I mentioned the June 15 date, because I am hopeful that something will happen.

I had talked earlier about the diabetes education program. I talked earlier about breast screening and perhaps some other things as well. Those things are going forward, and we have nursing professionals helping us with them. There is all kinds of expansion of these kinds of programs. There is expansion of the personal care program in Manitoba, expansion of the Home Care program, and it is going to require different kinds of people.

So I do not think we are not moving ahead, but I do not think it is unreasonable to say that if they can achieve something positive by June 15, that is not that far off, so I do not really feel like I am holding that much up.

**Ms. Gray:** Mr. Deputy Chairperson, can the minister tell us where within the government structure, in the department structure, are decisions being made as to what type of community-based expansion the services occur, and who would provide that kind of service? The minister spoke of Home Care which is currently through the government as an example of an expansion of community-based services, but under which part of the Department of Health? Where is that decision made in terms of what expansions are gone ahead with?

**Mr. McCrae:** It would be under our Community and Healthy Public Policy, whatever the name of that, Ms. Hicks' branch. Community and Mental Health Services Division is where those kinds of policy issues are dealt with.

**Ms. Gray:** Can the minister tell us, does that particular section then have a specific amount of new dollars to look at some projects, pilot or other kinds of projects for community-based services?

**Mr. McCrae:** I do not think you will see that if you look at the line. I should also have mentioned the health reform line of the Estimates if the honourable member is looking at it because—is that what it was called, health reform? That is where you see the money movement away from

reliance on acute care. Savings at hospitals is used directly for community options that are made available. I think that there is more. Yes, there is money in that particular line as well.

**Ms. Gray:** Exactly how much money then has supposedly been saved from institutions and is being directed to community-based care? Does the minister have a document or something that can sort of break down where exactly that money is going into the community that has come from the institutions?

**Mr. McCrae:** We might be able to put together a savings here and spending here because, ultimately, if you look at the budget, we are only down by 2 of 1 percent, I think, about \$4 million. It is a lot of money, but I say "only" because I look at where the money is going to. I am quite heartened I see it in Mental Health. I see it in Home Care. I see it in dialysis and things that are quite important and pressing and needed if we are going to have a meaningful reform strategy.

We will try to pull it all together, and I think we can, but if you look at the whole package for Health, you will see that there are reductions in some places and increases in some other places and only a relatively small net reduction, so you can do that too, but we will put a paper together for you, for the honourable member.

\* (1650)

**Ms. Gray:** Mr. Deputy Chairperson, I thank the minister for that information.

Getting back to again this first foundation and looking at Healthy Public Policy and this blueprint, this document talked about making sure that there was evaluation that was done in regard to every major action and policy of government.

I would wonder then, given that I am sure that that was done, as it has been outlined on page 10, if the minister can tell us: In regard to the changes that were made to the Home Care program last summer, was there an evaluation of the impact of that, and what was the result of that evaluation?

**Mr. McCrae:** I do not think the Manitoba Centre did an evaluation on the reductions to cleaning and laundry services. The centre did, however, do an

analysis of the hospital bed reductions and the results of that, and the honourable member for Crescentwood, I am sure, would be interested in that. I do not know about the member for Kildonan, but the member for Crescentwood might be very interested in seeing those results.

**Ms. Gray:** Mr. Deputy Chairperson, is that particular report already out by the health policy group?

**Mr. McCrae:** It was not put out by way of a public report, but it has been the subject of discussion amongst all the health care facilities who have been involved in any bed reductions, to demonstrate what the result is, what happens when you close beds, you know, in certain—it talks about hospital re-admissions as a result or, I think, people's passing away, how long after a hospital stay, pre-bed-reductions, how long after a hospital stay after bed reductions, those kinds of indicators which are known in the analysis and research and evaluation industry as the proper indicators to use to measure how these things are working.

Mr. Maynard reminds me, what it showed is that the bed reductions are doing the job they were designed to do. That means the people who need them the most are the ones who are now in them as opposed to previous to that. Hospitals are looking very carefully at their admissions policies and making decisions that have more regard for making sure bed space is available for people when they really need it. In the past there has been a tendency to admit too many people when there were other options available, contrary to what some people say.

**Ms. Gray:** Mr. Deputy Chairperson, I go back to the statement that every major action and policy of government will be evaluated in terms of its implication for the health of Manitobans, and it may not be the Centre for Health Policy and Evaluation at the university that evaluated, but surely someone in government must have done an evaluation as to what the impact would be or was as a result of the changes to the Home Care program, changes such as the home care equipment program changes, changes to laundry services and home support work, those kinds of

changes. Was there some evaluation done or an impact study done either before the changes were made or at least after the changes were made?

**Mr. McCrae:** Mr. Deputy Chairperson, I understand the point the honourable member is making, and it goes back, too, to a comment I made a while ago about reform and budgets. Some people like to confuse the two and bring the two together. Last year was a difficult budget year. There is no denying that. Difficult, difficult choices were made, no denying that either.

Because I was concerned about the kind of thing the honourable member is talking about with respect to evaluations and is this the right thing to do, I put in some measures that I thought might cushion the potential impact on some people. We also think that appeal panels and advisory committees will help us as well, but it was based as much on some principles that those who could afford some of those services ought to be able to contribute to paying for them or pay for them themselves or seek options.

Do not forget, within the global budget last year—we keep coming back to Home Care, and I think we will probably continue to do that—there was a net increase in the allocated amount for Home Care last year. This was within the Home Care budget. This year, of course, the amount is going up again. I mean we can go back over the years and talk about that. What did they do for cleaning and laundry services prior to 1976, I believe it is, when the Home Care program began in Manitoba? We can go back and talk about that and look at how the budget has increased in the last seven years by 93 percent and talk about cuts if you want.

It is an interesting game to play for some people, but I also recognize that for some people cleaning and laundry services or equipment issues can have an impact on whether they are getting the best care. I recognize that, but I think it is important that we do not look at that issue to the exclusion of all the other ones, because if you know as I do that service provision level and quality was higher in some regions than in other regions—and you say to yourself, is that fair? So do we bring it up or

stabilize it, make it equal for everybody? Which is the best way to do it? That was the effort last year in the context of a very difficult budget year.

With respect to an evaluation program specifically on that issue, that apparently has not happened. That is another good reason why you need to put in some of the measures that I did bring in immediately after being appointed, to make sure that we were not hurting anybody.

**Ms. Gray:** Mr. Deputy Chairperson, what exact measures actually did you bring in once you were appointed? I am not clear about that either. I have more questions on Home Care, which I will save until we get to that section, but if you could just maybe briefly outline what they were.

**Mr. McCrae:** I could try very quickly, if that is okay with everybody.

When I was appointed, what was happening was people were being reassessed on paper, I guess, which means their cases were looked at to see if they really had to have that cleaning and laundry service. The case co-ordinator function in the department was making these decisions, and I guess just telling the workers or putting it on the file or whatever that for this particular recipient they do not get cleaning and laundry services anymore.

Well, that was not good enough to suit me and a lot of other people too. My thought was, well, I do not disagree with the idea of people having to pay if they can possibly do it or having to look after themselves if they can possibly do it or with the help of their family or other community supports that might be in existence, which indeed there were in many areas throughout Manitoba, maybe a better developed Support Services to Seniors program for example.

My concern was some people were saying to me that somebody is going to end up in the hospital, readmitted. Somebody is going to end up in personal care prematurely, or somebody is going to have to go on welfare to try to afford these cleaning and laundry services. I said, well, hold it right there then, let us do a better job of this reassessment. Let us do it face to face and let these

co-ordinators make these decisions after they have had a personal interview with the recipients of these services that were proposed to be terminated. That was one thing.

Another thing had to do with supplies. I can recall, very shortly after being appointed, meeting with the ostomates' association of Manitoba. They came to me. They said, Mr. Minister, we agree with your approach that people who can afford their own supplies should pay for their own supplies.

That was not me talking. That was the ostomates' association. They said, but we can tell you, Mr. Minister, of a very small number, perhaps only a handful, but a small number of ostomates people who just maybe cannot afford this, and besides, Mr. Minister, there is a sign in the home care depot that says ostomates, cash up-front or some such thing like that.

\* (1700)

I was appalled. I did not like that very much at all. So that same afternoon, I believe, Frank—or the next morning anyway, that sign was down, and we discontinued the policy of cash up-front. Because of the nature of ostomate supplies, you do not wait for those.

We will pick this up, I guess, later on.

**Mr. Deputy Chairperson:** The hour is now 5 p.m. and time for private members' hour.

I am interrupting the proceedings of the committee. The Committee of Supply will resume consideration at 8 p.m. this evening. Thank you very much.

#### EXECUTIVE COUNCIL

**Madam Chairperson (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order.

This section of the Committee of Supply will be dealing with the Estimates for Executive Council, page 13 of the Estimates manual.

Does the honourable First Minister wish to make an opening statement?

\* (1430)

**Hon. Gary Filmon (Premier):** Madam Chairperson, indeed I do have a brief opening statement that I would like to share with the committee. I certainly invite fullest participation by my colleague Leaders and any others who wish to participate in the discussions of the Estimates of Executive Council.

Before I discuss the Executive Council Estimates, I thought it might be helpful for the committee, as we embark on another 240 hours of Estimates debate, to go over some of the modifications in this year's main Estimates of Expenditure.

The 1994-95 Estimates are in the same basic format as last year; however, there have been a few changes which are worth noting. Over the past several years the government has been pursuing a policy of better identifying the total costs of program operation throughout government by allocating overhead costs directly to the department as opposed to leaving them within the Department of Government Services in many cases.

Last year for example, we implemented an accommodation cost-recovery system under which departments and programs are charged for the office space they utilize. I understand the results have been positive as program managers have become far more conscious of controlling these important costs in their department.

For 1994-95, in addition to expanding the scope of the accommodation cost-recovery system to other facilities, we are also implementing a cost-recovery process to allocate the costs of certain employee benefits to departments and programs. Salary appropriations in this year's Estimates book have been renamed Salaries and Employee Benefits to reflect this change. To ensure comparability between years, the 1993-94 Estimates, included alongside this year's Estimates, have been adjusted in the same way. These changes should help ensure a better understanding of the total costs involved in operating government services.

As noted in the budget, this year's Estimates also reflect the establishment of two new special operating agencies, the Vital Statistics Agency under the Department of Consumer and Corporate Affairs and the Organization and Staff Development Agency under the Civil Service Commission. Because these agencies are self-financing through their various rates and fees, funding is not required in the annual Estimates of Expenditure. We now have four special operating agencies, including the Fleet Vehicle Agency and the Materials Distribution Agency which were established previously.

A final change in this year's Estimates relates to the establishment of a new service heading, Other Appropriations, near the end of the Estimates book. In previous years, several separate service headings were included in the Estimates to provide expenditure authority for programs that are delivered by a number of departments or where the allocation to departments was not determined at the time the Estimates were printed. For 1994-95, several of these programs have been combined under the Other Appropriations heading to provide a more orderly presentation and to facilitate review in committee.

This year's Executive Council Estimates total \$3,158,700, a decrease of \$22,000 or 0.7 percent from the adjusted total for last year. We continue to have 44 staff years in Executive Council, the same number as last year. For those members who may not be fully familiar with the department, I might just say that it operates as a very much scaled-down version of Ottawa's Privy Council office and Prime Minister's office rolled into one.

The Clerk of the Executive Council is the administrative head of the department and of the Civil Service. He supervises a group of people who handle cabinet administration and operations, central policy co-ordination and a variety of other functions including protocol and inter-governmental relations. The office also includes the Premier's Secretariat and other staff who handle scheduling, correspondence, research and communications. I have had a number of opportunities to tell the staff in Executive Council

how much their work is appreciated, but I do not mind putting it on the record once again.

In the next few weeks, many of the staff will be involved in working on this year's Western Premiers' Conference which Manitoba will be hosting in Gimli starting Wednesday, May 18 and running through Friday, May 20. This will be Manitoba's sixth opportunity to host the western Premiers and territorial leaders, and we are working diligently to make it a productive conference and an enjoyable one for our guests.

The agenda for this year's conference is not final, but on the basis of discussions to date, it appears the economy and jobs will be the main focus. There is a lot of ground to cover—the national infrastructure program; training; the social security review and other social programs; international and interprovincial trade including the reduction of barriers between provinces and artificial competition for investment; agriculture, including U.S. trade harassment; transportation, both east-west and north-south and overlap and duplication. We will also want to talk about western regional co-operation and opportunities for improving services and reducing costs by working more closely together, and I believe we will want to discuss fiscal issues as well, including cigarette smuggling, an issue on which the western provinces have been able to put forward a strong, united position.

I believe all western provinces and territories are committed to working as co-operatively as we can with the new federal government. In some areas, progress has been encouraging, to say the least. Here in Manitoba we have been in the lead in implementing our infrastructure agreement and are considerably further ahead than most other provinces. The discussions concerning the new Winnipeg Development Agreement are also proceeding well, and we are looking for similar progress in other areas.

\* (1440)

The future of Churchill remains a top priority for our government, and a strong ongoing federal commitment is obviously essential. At the same

time we have been disappointed and concerned about a series of federal decisions which we believe have been ill advised. Our position on the tobacco taxation issue is well known and certainly has not changed. Similarly, we felt that the decision to award the headquarters of the North American Commission on Environmental Co-operation to Montreal was highly questionable.

We also remain concerned about federal offloading as well as a lack of adequate consultation in some key areas. There is a growing uneasiness among provincial governments, I believe, about the extent of the federal government's commitment to real partnership with the provinces and territories. I suspect the western Premiers will want to talk about that subject too when we meet later this month.

Here in Manitoba we are also anxious to work out a satisfactory agreement on federal support for Francophone Schools Governance. Agreements were signed with Alberta and Saskatchewan last fall, but to date the federal government has not offered Manitoba a fair and comparable level of support. We have raised the issue with the Prime Minister and the federal minister responsible and look forward to an early resolution of this issue. Having said that, I would be remiss if I did not compliment the federal government for the support it has offered us in our effort to secure the 1999 Pan American Games for Winnipeg and Manitoba. Their help has been welcome.

Before concluding, I think it is important to take note of the events in South Africa and the progress that nation is making in transforming its government and its place in the world. Several months ago, in line with the request from our Department of Foreign Affairs and in line with the stated wish of the leadership of the ANC and others, Manitoba lifted the economic sanctions our province had applied since the 1980s. Other provinces have done so as well. I know everyone in this House wishes the people of South Africa and their new government well as they embark on their new course. I believe we will all support efforts to build stronger trade and economic links

with South Africa in recognition of the new respect they are earning in the eyes of the rest of the world.

Thank you very much.

**Mr. Gary Doer (Leader of the Opposition):** It does not feel like a long time ago when we did these Estimates last. I guess time moves quickly along, as they say, as we proceed with these Estimates. I believe these are the fifth set of Estimates since the majority government was obtained in September of 1990.

We will have a number of questions to put to the Premier (Mr. Filmon), areas of interprovincial issues, federal-provincial issues, international trade, and other issues where the Premier has had the file or seized the initiative in terms of his role as Chair of the Economic Committee of Cabinet and initiatives that he is involved in.

I would like to start off by saying that we too are very, very pleased with the South African election and the votes are coming in, but the fact that everyone in South Africa is participating in a democratic process—I know that some members of our caucus have participated for years in the struggle to support South African people in terms of obtaining the vote and obtaining freedom for many of the political prisoners.

I know that the former attorney-general, Roland Penner, the former member for Fort Rouge, participated with the anti-apartheid organization here in Manitoba. It was only a small sanction, I suppose, in terms of South African wine. It was criticized in terms of the choices that people could make, but it was a way in which the government of Manitoba could participate with the people of South Africa.

I would say that on this score, I think the former Prime Minister Mulroney did a very good job on the South African file. I was not always pleased with his position in terms of trade at the same time we had sanctions, but I thought he took a very strong stand against Margaret Thatcher, the former Prime Minister of England, and gave Canada a very unique role in the Commonwealth in standing firm on this issue. I have been critical of some aspects of the former Prime Minister's

performance here in the country, and I think it is important to give credit where credit is due. I think Canada took a more aggressive role on South Africa actually in the late '80s and early '90s than we did perhaps in some of the earlier years.

I am hoping that we can use trade and human rights for other countries as well because clearly, if the history of South Africa is to be looked at, sanctions did work and trade sanctions did work, even though for a short period of time it did hurt some people in South Africa, and it did hurt some people trading from Canada. But I note that the Prime Minister of Canada is going to visit China shortly, and the Premier (Mr. Filmon) has been to Indonesia where there are terrific numbers of human rights issues there, even though there are tremendous trade potentials.

I would ask the Premier, in his role as a trade ambassador for this province, to keep mindful the human rights records of countries. I do not believe this is an easy issue, not for one moment, but I do believe it is an important balance to be maintained. I do not think ever—as Manitoba is a fair-loving province and likes fairness worldwide, I believe it is important to keep that ethics of Manitoba in play and in place in the values we take to other countries and the discussions we have with other countries.

I wish the Premier well on the Pan Am Games, and we will obviously be asking questions on that shortly. As a person who worked with his father, and as a volunteer in the Pan Am Games in '67, I was involved in driving around with my dad with the old diving teams and old swimming teams back in the Pan Am Pool and remember those events very well. As a person growing up in this province, I think it would be tremendous for us to get the games again in the year scheduled.

The issue of the Premier's Estimates, we will deal, as I say, with a number of ranging issues. The Premier (Mr. Filmon) is head of the government, and he is Chair of the Economic Committee of Cabinet. In September of 1991, the Premier said that he would put his, quote, government's reputation on the line in terms of what would

happen in the economic performance of this province.

And sadly, Madam Chair, the report card has come out again today for 1993, and when we look at the record of this government, particularly after they received a majority government in 1990, you will see that in 1991 we were second to last in terms of economic performance, in 1992 we were fifth, and in 1993 we were tied again for last place. If you look at the whole three years of that actual growth rate, Canada grew by 4.5 percent, and Manitoba is under 1 percent for all three years added together.

Madam Chairperson, if you are not growing, you are not developing as a province; you are not increasing your population; you are not keeping your young people here; you are not creating jobs; you are not creating economic opportunity. The growth figure is the most important statistic we get, and, unfortunately, that growth number is not very positive for a government who said that they would put their so-called reputation on the line in 18 months after 1991.

We remain convinced that the government has drifted along in terms of education for six years. This is also a very important issue: to have after six years a "parents forum" on education when leadership has been begging for year after year after year in terms of education, and the government has flip-flopped on their initiatives.

One year they cut back dramatically in the community colleges; the next year they are trying to get political credit and public credit for investing in our community colleges. It is a government at sea in terms of post-secondary education and our public education system. It is more important, unfortunately, for this government to be allocating resources to private training grants than to the public education system. When you just look at the raw numbers, Madam Chairperson, then you look at a government at sea in terms of education.

We think the Premier over three Education ministers has really not performed to the level at which Manitobans would expect—[interjection]

\* (1450)

Well, the member for Lakeside (Mr. Enns), of course, was a person who helped build the community colleges, and his Premier helped, I would say, decrease our investment in those radically if you look at the numbers.

Finally, on a couple of other points, Madam Chairperson, the Health situation, again six years later, continues to drift along from crisis to crisis and from review committee to review committee, to reform committee, to review committee, to reform committee and back again. We do not even know sometimes where to start asking questions.

You know, the government has a 1992 reform action plan with no action in it. Then it has a plan where it is going to close all the mental health beds at St. Boniface Hospital and spent \$45 million on a new health care facility at the Health Sciences Centre. It builds the new mental health facility at \$45 million, and then we get the Bell-Wade Report six years later saying, close the psychiatric beds at Health Sciences Centre and reopen the ones at St. Boniface. The minister says that this is just one example, mental health is one of the better areas of government health care. Some of the other areas are in even more jeopardy and more chaos and more confusion for the public, six years later.

The government says that every government in Canada is transforming the health care system. They are right, but nobody, six years later, is still sitting there with crisis after crisis, and five years after this government allegedly had a plan to deal with health care, it brings in Connie Curran. The Premier (Mr. Filmon) approves the contract, because it has to be approved in cabinet across three departments. That is their plan, five years later, to have an American consultant.

We will be raising questions about the staffing of the Premier's Office. We know that the staffing levels are constant, but we are concerned about the role of some of the staff in the Premier's area. We will be asking questions on that area. Finally, we want to end off by saying we wish the government well on the Winnipeg Development Agreement negotiations, on maintaining Churchill and our rail

lines and our transportation sector, on dealing with the federal government on tax fairness. In terms of tax reform, we will be asking questions on that. We also wish the government well in the role of hosting the western Premiers' meeting in Gimli.

I know it was only a few months ago that the governments met in November in Alberta, and so it is only about five months since the last meeting. I think Gimli is a beautiful location. I am glad to see they are taking advantage of a facility that was built under the former Canada-Manitoba Tourism Agreement, notwithstanding some of the questions we asked on that facility. We hope that the government has the agenda prepared for the western Premiers and will deal with the economy.

Again, Manitoba was in last place of the four western provinces last year. It looks like it could use a lot of help in terms of economic performance and economic growth and jobs, infrastructure, social review, agriculture, transportation, duplication and co-operation. We will be raising specific questions, but we wish the government well at that very important forum. We wish the meeting to go well.

It is a very proud moment when Manitoba hosts any important meeting of ministers, but particularly the Premiers. It will be a very good meeting. I know the people in Gimli, the community of Gimli is really looking forward to hosting this meeting and really looks forward to finding out from the government the agenda and the timing and how they will be involved in some of the events that may be planned. Thank you.

**Mr. Paul Edwards (Leader of the Second Opposition):** Madam Chairperson, I want to start by indicating that—and perhaps this is one time in the Estimates when we can be friendlier than in the rest—I hope it goes in an extremely friendly level. Although, I suspect that it may not from time to time in these particular Estimates, but I do want to say that while we are speaking about the Executive Council and the Premier (Mr. Filmon), in particular, I think it is important to acknowledge that it is a very difficult job. I was very pleased to see that Mr. Fox-Decent and his committee acknowledged that and the enormous

responsibility, regardless of how that job is actually done and the differences which we have. I think, on a personal basis, we all acknowledge in this Chamber that this is not an easy life and that the Premier, in particular, has substantial burdens on his time and on his talents in this particular job.

I would venture to say that there are very few, if any, CEOs that put up with the type of accountability, and, as well, the type of financial challenges, budget constraints and social challenges that a Premier does.

It is a difficult time to govern any province anywhere in the world. I think we have to acknowledge that, and I think this is the appropriate time to do that.

With respect to the particular operations of the Executive Council, in addition, I join comments with the Leader of the Opposition (Mr. Doer) that we will be asking questions on specific line issues about the duties and responsibilities and what changes have occurred, what changes are anticipated in the staffing under the Premier and president of council—or I am sorry, under the Intergovernmental Relations Secretariat, as well as the Premier's personal staff and the staff which serves cabinet.

Madam Chairperson, one of the issues that we will want to be asking about is the continuing practice of not attaching details of contracts to Orders-in-Council appointing members positions under Executive Council. That has been a practice which has been developed over the years, and I would like to question the Premier again in these Estimates on that practice and get further details.

I do think that all of the specifics of salaries and benefits, whatever they may be, with respect to any civil servant, should be available to the public. Having not participated directly in these Estimates in the past, I am not aware of whether or not the Premier (Mr. Filmon) is in the habit of tabling that when specific questions are asked, but we will want to explore that area.

With respect to the areas that the Premier mentions, obviously we share concerns about the economy in general. We share concerns about

some of the specifics he mentions, Churchill, as well as, in particular, he mentioned them today in Question Period, the agricultural economy and how Rural Development and Agriculture need to dovetail in the coming years to ensure that we have viable communities in rural Manitoba, that remain viable and as well that the family farm remains a viable, realistic goal for our young people to stay in those rural communities.

Specific to Churchill, I note that last week, I believe it was, the actuate proposal apparently got the go-ahead in some form or other. I saw that mentioned publicly. Perhaps the Premier will be familiar with the specifics of that. I am not familiar at this point with the specifics of the proposal timetable. Of course, we are all familiar with the proposal, but not the timetable and how it is going to come about and whether or not there are still hurdles to overcome. With respect to the specific mention of the Pan Am Games, again, we will want to ask questions about that and, quite frankly, whether or not the Premier sees that there is a role for any assistance from either, I am sure, of the opposition parties.

I noted the comments of support from the Leader of the Opposition (Mr. Doer). I think we all understand the economic benefit of the Pan Am Games in direct dollars but as well in terms of being a showcase for the world. The City of Winnipeg, the Province of Manitoba have hosted, obviously, events of this magnitude in the past and done extremely well. I think we all understand the benefits which flow from that, so I know that the Premier will be travelling to, I believe it is, Venezuela—I may be wrong about that—in later July—[interjection] Ecuador. I am sorry. Ecuador it is that they are going to. Madam Chairperson, I think we all want that to be successful and to ensure that we do everything possible in a united fashion, if need be, to ensure that we get those games.

Madam Chairperson, with respect to the upcoming Western Premiers' Conference, the First Minister mentions a number of areas which are going to be on the agenda. I recognize that it is a short meeting. In fact, taking out all of the public

events, the actual meetings between the Premiers over those two days I am sure will be tightly scheduled. There is obviously a long list of concerns that all of the western Premiers share.

Of course, foremost in terms of the suggestions that we have put forward to the Premier (Mr. Filmon) continues to be one that he mentions again, and I am very pleased to hear that, that of really putting some muscle and some detail into the idea of western economic co-operation on all kinds of expenditure fronts. I think that is an area that we need to explore, and we need to nail down.

My sense is that once agreements can be reached in certain areas, it will take on a life of its own. I recognize that there are difficulties. I am sure that the partisan differences between the various governments do not get in the way. I certainly hope that they do not.

I happened to have the opportunity to be speaking to some of the Premiers in the Maritimes. In fact, it was where the Liberal Premiers were that this has taken off. But, leaving that aside, speaking to those individuals in the Maritimes, their indication was that there were a lot of problems within the civil service, within the bureaucracy, in dealing with this, because of course there is a natural fear and there is a certain amount of wanting to protect one's turf.

\* (1500)

But the reality is that over time people come to understand that it is not something to become defensive about. Rather, it is an opportunity to share ideas and share ways of doing government business, ways of purchasing, ways of serving the public in a much more cost-effective way. Everyone is aware, certainly, no matter what party someone represents in the Premier's chair, everyone is aware that dollars are tight and scarce, and we just simply cannot overlook any opportunity to save those dollars while maintaining the level of service. So that is an area that we will want to explore further with the Premier in questioning.

As well, the Premier (Mr. Filmon) mentions trade barriers, and we are still awaiting Mr.

Mauro's report, which I understand he has been working very hard on. I have heard from others who have been speaking to him, and I do not know the timing on that. We are all looking forward to that.

As well, Madam Chairperson, I would like during these Estimates to explore with the Premier some of the questions surrounding the arena and the Winnipeg Jets. That is an agreement which he personally signed back in 1992. He has in this House and certainly publicly taken on that debate, that issue, as one on which he speaks. So I trust it will be appropriate here to question him about his view of that.

I recognize we do not have the Burns committee report. It is now one month late, but I would like I think to hear from him on what his discussions have been and when we can anticipate that report and, if possible, what options he foresees as possible to solve that very difficult situation.

Madam Chairperson, it was interesting to me that following the federal election, following the provincial by-elections, the government has embarked on some very substantial public consultation. Budget hearings around the province—I think that was good. There was a forum on youth violence, again I think a positive thing. There was this last weekend a parents forum. We perhaps would have organized those differently, perhaps would have done different things, but in reality, in principle, certainly the reaching out to the community is a positive thing.

Funny, it comes very, very late in the tenure of this government, but nevertheless, it has come. I think what is critical, and unfortunately we have not been encouraged about, given the record of the Minister of Justice (Mrs. Vodrey) with respect to the youth violence forum, is that the government not only does this but in fact listens and remains flexible and takes the guidance from those and incorporates them in government policy.

What is the worst possible situation is, if someone goes through, a government goes through this exercise, brings in people of good faith wanting to participate, putting forward their ideas,

and then does not listen, the result of that is not only are the people's ideas wasted and not incorporated as valuable into the government's policies, but worse, the public increasingly becomes upset, mad and cynical when they see that they are brought into a process and they take part in it, and then they are ultimately not listened to. It is very important, if someone is going to go to the public, that they be prepared to listen and to in fact accommodate and be flexible in terms of their policies.

Having said that, the public forums that have been held, I think, are a good thing to do if in fact the government listens to them, if in fact the ideas that come forward are ones that are incorporated ultimately. All of them cannot be, but certainly the gist and the thrust has to be listened to by government. You cannot go into these things with a preset group of ideas and expect these simply to be public relations exercises. We have been concerned about that. However, the proof will be with the Minister of Education (Mr. Manness) in his coming review of The Public Schools Act. I suggest to him and to the Premier (Mr. Filmon) that the start of the Minister of Justice (Mrs. Vodrey) has not been an auspicious one in terms of listening to what comes out of these forums.

With respect to the hearings, I think our hope is, now that the government is into this habit, that it be carried through to some other very pressing, very important areas of public concern. One in particular is, I believe, the Manitoba Lotteries corporation, and I think that a similar type of public opening, debate, is not something to be feared on lotteries in this province, but it is in fact something that is long overdue. The people of this province that I speak to, that I hear from, regardless really of whether or not they are in favour of what has happened, want it to go further, want it to stop, to pull back, whatever their position on gambling and on lotteries, do support a public debate.

Madam Chairperson, essential to that public debate would be an opening of the lotteries corporation so that the information can flow out very candidly. I think my colleague critic of the

other party would join with me in the concern that it is very, very difficult to get information out of the Manitoba Lotteries corporation, current financial information, plans for expansion and growth, generally information about the operation of that corporation. That I suggest to the Premier (Mr. Filmon), and we will ask questions further on his personal dealings with the Lotteries Corporation out of the Premier's Office, the nature of his relationship with Mr. Funk, the operations of that and the extent of his involvement in the operations of that corporation. That I think should be, and I suggest to the Premier, the next area in which we hold those public hearings.

Now that the Premier has started, now that we have started down this road of public consultation, I believe that is a pressing concern which would be of benefit to the province, to the government, to the people in this province who earn their living through gambling and those who participate in gambling, but most importantly to the overall population of this province that owns the Manitoba Lotteries Corporation.

With respect to the comments, very briefly, the minister and the Leader of the Opposition (Mr. Doer) made some comments about South Africa. I do not want to end, Madam Chair, without specifically acknowledging, as they have, the enormous, enormous satisfaction and joy that I think we all share in celebrating the first exercise of democracy in South Africa where the franchise was extended universally and in which we were very pleased to see, even at the last moment, a deal was reached whereby all people participated.

While certainly there was a lot of bloodshed, where for us in Canada we are blessed with not having a system where we often see violence or bloodshed erupt because of elections, I think the commentators there were fairly universal in their statements that they were very pleased that it was minimized, that it was not extensive. There were not large-scale massacres as many had feared. I think we all celebrate on a worldwide basis that that nation has been able to achieve this. We hope that in the coming months and years, as they go forward with a new government, that level of

co-operation and tolerance is maintained, and I think we all wish them well.

Madam Chair, I can just indicate that as I was watching the news reports, it brought back to me very searing memories of my being in India in 1980, when that country went through an election. They have more experience with the democratic system, but, nevertheless, to be in a country where 680 million people are called upon to participate in a democratic act, voting, is an incredible thing. You understand how blessed we are in this country with our system which we so often take for granted.

Despite our partisan differences, this system of ours has clearly stood us in good stead, has clearly been one which Canadians have adopted, welcomed and shared in. We are indeed blessed as we look around the world and the violence which has erupted as people struggle to have the same system we have. I think we all recognize how fortunate we are, despite the partisan differences, that the political system we have is one which is generally not prone to violence, one which generally does, over time, serve the best interests of the people of our community.

Madam Chair, I look forward to the detailed questions and answers from the Premier and trust that we can proceed fairly quickly. I know that we have many other big departments to get on to. We will certainly attempt to keep our questions concise and to the point. Thank you.

Mr. Filmon: Yes, if I may, Madam Chair, I will invite my staff to come down. While they are coming down, I will just say that the Leaders opposite raised the issue of my presence in Ecuador that is expected to be, I believe, around the 20th or the 22nd of July, and I anticipate that we will be in session well beyond that date. So may I take it from that that either of the Leaders is offering a pair for my presence at that important decision-making event?

Mr. Doer: Yes, we have always contributed to the promotion of Manitoba to get the Pan Am Games and as in the past, we will, but any other pair is subject to the merit of the request.

**Madam Chairperson:** Would the honourable First Minister's staff please enter the Chamber?

**Mr. Filmon:** Madam Chairperson, just as they are getting themselves settled, I would take the opportunity and the pleasure to introduce the various staff members who are at the table with me. They include the Clerk of the Executive Council, Mr. Don Leitch; the Deputy Minister of Intergovernmental Relations, Mr. Jim Eldridge; my Chief of Staff, Mr. Taras Sokolyk; and the Administration and Finance Officer for our department, Karen Popp.

\* (1510)

**Mr. Doer:** I will personally be asking questions about staffing in a moment, but I want to start off with the Premier's (Mr. Filmon) Estimates, the \$3.1 million in the Estimates. First of all, Madam Chairperson, I assume we are going to be able to range in the department on the total responsibilities of the Premier and pass all the lines at the end of the Estimates.

**Mr. Filmon:** I would be happy to do it that way. It has worked well in the past, and I have no objections to that. I do not think we need to restrict ourselves on such a small set of Estimates to a line-by-line coverage.

**Mr. Doer:** My first question to the Premier is—

**Madam Chairperson:** Order, please. Can I just get clarification from the honourable Leader of the Liberal Party (Mr. Edwards) that the committee is in agreement? Thank you.

**Mr. Doer:** In the Estimates of the Premier, do any of the lines include any expenditures for money to deal with the Jets operating losses?

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

**Mr. Doer:** Madam Chairperson, the Premier, of course, negotiated the arrangement on November 19, announced the arrangement with the former mayor of the city of Winnipeg, dealing with the preservation of the NHL hockey in Manitoba. What set of Estimates would the operating losses, where would we find those?

Where would we find the expenditure to deal with the operating losses of the Jets hockey team?

**Mr. Filmon:** My understanding is that in '93-94, which was the first year in which there were losses under that agreement, they showed up in I, T and T's Estimates.

**Mr. Doer:** Madam Chair, where would we find those Estimates in 1994-95?

**Mr. Filmon:** They will show up under Other Appropriations, which is what I have referred to in my opening statement.

**Mr. Doer:** Can the Premier (Mr. Filmon) indicate in the I, T and T line what the loss was, and was that consistent with the original projections that the Premier made to cabinet in his recommendation to cabinet to support the deal that he negotiated with the former mayor of the City of Winnipeg?

**Mr. Filmon:** Madam Chair, my understanding is that the payments have been going out at a rate of approximately \$750,000 per quarter for this past fiscal year, and that amounts to an annualized loss of approximately \$3 million, which is the best estimate we have.

We do not have an estimate on next year, so that covers to a fiscal year end for the team of June 30 of this year, and that is as far as we have a projection. Until we see the new salary projections and other matters, we do not have an estimate for next year.

Sorry, the other part of the member's question was, was this consistent with any projections we had? The projections we did have were, as I recall, for the first I do not know if it was two or three years of the agreement, but as long as there were payments coming in on expansion, that the team would not sustain losses, but that once those expansion payments ceased, the team would likely be in a loss situation. The magnitude, I do not think we ever had any absolute assurance on, but certainly we recognized that there would be losses after a certain period of time.

**Mr. Doer:** I guess the question was: What were the expected losses, you know, cost to the taxpayer in the provincial government budget, and are they projected over to the end of the contract? Did this document, did this deal that the Premier said he would be recommending to cabinet, did it go to

Treasury Board and was it costed? The Premier had stepped down, I believe, in September of '91 as chair of Treasury Board. Did the agreement that the Premier had negotiated go to Treasury Board and was it costed in terms of its full-term implications before it went to cabinet?

**Mr. Filmon:** There is no question that it did go to Treasury Board and perhaps even one other committee of cabinet. As well as cabinet approval, the projections were all based on best available information with respect to the projections of increases in salaries. I would think that we are not too far off the projections, because it was certainly understood and known at the time that the NHL salaries were increasing at a dramatic rate. That was of great concern to us, as I am sure it is to all Manitobans and indeed to the operators of the league themselves.

What was more difficult to project were the expectations of the television agreement and other things that have been slow to materialize. Certainly, my recent meetings with Mr. Bettman leave room for optimism about pay-per-view and also the ABC network and other things that they do have, but one has to recognize that this was a short-term agreement that was designed to just simply buy some time to allow for the two levels of government, basically, or all three levels of government to decide on the economic feasibility of an arena.

The best estimates we have are on current years' numbers. The three levels of government received about \$14 million in direct tax revenues from the operations of that hockey club this year in Manitoba.

Given that probably \$8 million of that goes to the federal level, there is still something in the range of \$6 million that goes to the two junior levels of government in Manitoba as a result of their operations. That leaves aside all the other benefits of over a thousand jobs that are dependent on the operation of the club and many other things.

**Mr. Doer:** The Premier (Mr. Filmon) indicated the \$750,000 per quarter in the '93-94 fiscal year was consistent with close to their own projections.

What are the projections contained within this year's budget, the '94-95 year, and what are the projections for the '95-96 year and the '96-97 year, to the end of the agreement? There are a lot of numbers out there, and I think it is important that we know what the numbers are that the government is utilizing.

**Mr. Filmon:** Because we only have a budget approved for the operation of the team till the end of June of this year, we do not have the numbers beyond that, and they will be totally dependent on some very serious negotiations that are currently going on for some of their key marquee players, I could not give that information to the Leader of the Opposition (Mr. Doer).

\* (1520)

**Mr. Doer:** Madam Chair, we have been in the public arena, if you will, and the public speculation is that the losses could be up to \$10 million next year, that we would be partially responsible for. Is this number that is being discussed in the media accurate? I have seen 10. I have seen 12. It is a concern. We get asked this question by our own constituents. I am sure every member of the Conservative side gets asked this question. It is a question that all of us as MLAs are getting asked daily. It sometimes moves from that to, are you for it or against it, which we try to stay away from, because we are against losses and for the team, as I think everybody in the province is, but that harkens back to Abe Kovnats' old statement in this Chamber.

But, I mean, we have not asked the Premier (Mr. Filmon) about Serge Sorokin's one-way ticket to Moncton and back to Moscow. You know, we have not stood up in this House and asked him about specific player contracts and how much it has cost the taxpayer. Some days we are tempted. But the government must have an idea. They have got a budget; they have got the numbers tabled. They say they are on track on deficit reduction. That obviously contains a number in there. Is it 10? Is it 12? What is the range we are talking about in terms of this issue?

**Mr. Filmon:** I would point out that I am happy to share information that I have with the member, but I do not have that, and if we were to fuel speculation by throwing out a number, then the Leader of the Opposition (Mr. Doer) would be the first one to jump all over me if that number proves to be inaccurate. I do point out to him, though, that if we are talking about the overall of a provincial government's budget, that number that he talked about at 10 or 12 would result in a difference of one million in terms of our share of five or six because it is split 50-50.

There is, you know, a great deal of flexibility within our budgeting that as we have had to try and adjust for changes of \$160 million in transfers from Ottawa, and we have been able in some cases to adjust our operations within government or the timing of our expenditures to try and reduce the amount that that impacted on the bottom line deficit ultimately, and we have made adjustments in year that have oftentimes amounted to \$50 million within the way.

So, I mean, if he is going to imply that we would not meet our deficit target because of a difference of \$1 million, I know that he knows better than that. So we do not have an accurate figure. If we did have it, I would be glad to share it.

**Mr. Doer:** I believe that when the government says it had numbers and projections and they are fairly consistent to date that surely the government would have had numbers that they had presented from Treasury Board. I would not think Treasury Board would not have a five-year projection, because the contract goes to 1997. What I am trying to determine, is this thing gone way out of—have the operating losses been much higher than you anticipated when you first signed it?

There was some good fortune while there was the expansion money that did save the operating losses for the one year. The second year, the Premier (Mr. Filmon) has indicated \$750,000 per quarter and, I guess, are you going to be increasing that amount in the next year or is the June deadline it as far as the Premier is concerned?

**Mr. Filmon:** I am seeking clarification because it was my impression, and I believe it is true that there have been two years without any loss sharing by the provincial government and this is the third year of the agreement in which there is for the first time losses to be shared, which to our best estimates will be somewhere, I guess, between \$5 million and \$6 million, of which our share is half, closer to the \$3 million, our share. So the next year we will have undoubtedly some losses to share, and until we get a budget approved for the operations of the team, I could not take the actual numbers any further.

I said that the numbers and terms that were fairly consistent were those in terms of the growth of their costs, particularly salary costs. What was much more difficult to predict was whether or not their expectations of increasing revenues due to things like pay-per-view television or other network coverage would materialize. They did not materialize in time for this year. As I indicated, Mr. Bettman seems to be more optimistic that they are going to materialize in the next year or so.

**Mr. Doer:** Is the date of June 1994 firm, and does the government as an option have the ability to have a mutual consent agreement to extend that date, or is the June date firm in dealing with the contract that the government signed with the City of Winnipeg and the Jets hockey team?

**Mr. Filmon:** Without getting into negotiating an agreement here on the floor of the Legislature, which I will not do, I will say that in the agreement that date is firm, but as the member well knows that with the mutual consent of the affected parties any agreement can be renegotiated and changed along the way.

**Mr. Doer:** Madam Chair, the government signed an agreement that had a decision date of June of 1994. It is now May of 1994. We do not have yet publicly or privately—I will ask the government, (a) does it have the Burns report yet in its own hands, that is question No. 1; and question No. 2, is it going to use June '94 to reach a decision one way or the other on the team, or does it have, as one party of the agreement, the option to agree to extend the agreement and again delay the

decision-making point which has been delayed a couple of times through various committees that the government has been involved in?

\* (1530)

**Mr. Filmon:** The government does not have the Burns report in hand. I have said openly to the media that I have had some verbal discussions with Mr. Burns on the issue, and members of his committee, but I have not got a report from them because one has not been prepared.

The other side to the issue that the member raises is that the reason that we put that date in, to try and force a decision on the part of government, was to take us out of the situation of continuing to share in the losses. The only thing that will stop us sharing in the losses is if there is agreement to the development of a new facility for the Jets to allow them to operate under different economic circumstances, circumstances of improved revenue, that will increase the viability of the team.

If that does not happen, then the losses will continue and they will continue to mount, so it is in everybody's interest, including the government's, to put an end to that circumstance. So I do not think it is in anybody's interest to just simply extend the date of decision making if there is not a good and valid reason why that ought to be done because it will have a significant cost to the taxpayer and we do not want that to happen unnecessarily.

**Mr. Doer:** So the date then is firm that the government is operating with this Jets agreement that the Premier (Mr. Filmon) signed, similar to how they operated with Abitibi-Price. This is the date the feds have to do certain things, the employees have to do certain things, management has to do certain things, Abitibi Price has to do certain things, this is the date and we are firm on it. That is the position of the provincial government.

**Mr. Filmon:** And the Abitibi-Price is a good example, because when we came to the date and did not have all things in place, but we were making good progress and were almost there, we did go a little beyond that date on mutual consent of all the parties to finally achieve that agreement.

**Mr. Doer:** So we are not talking about the government extending the date another year or another possible period of time. I mean there is speculation in the community that if the government cannot resolve this issue they are going to extend it for another year. They do not want to deal with it before an election. I am just putting this out on the table because I hear this from people in the business community, I hear it from people in the sports community, I hear it from people in the nonsports community, and I just raised this. If we are talking an extension, we are talking a couple of weeks, but we are not talking just another set of drifting decisions on this very important issue, are we?

**Mr. Filmon:** No, we are not, and I am glad that the Leader of the Opposition puts it on the table because that speculation certainly has been there. I think that the speculation is more political than it is in terms of realistic speculation. When you look at it from a business point of view, there is not a good reason why you would want to extend that any extended length of time because you want to be able to get underway with a development decision or—and we have to face reality—that if the Burns committee does not come to us with a viable plan that we believe is supportable by the public in terms of public sector involvement in any development decision, then, if it is too rich for what this community and levels of government that are involved with it, we will have to just simply say, Winnipeg and Manitoba cannot afford the Jets or we cannot justify them.

Now, I think that to a great extent there has not been a balanced view taken by people of the benefits that the hockey club does bring and looking at it objectively. You know, questions are asked daily in the House about what we would do to add 1,000 jobs to this province. Well, what will we do to protect 1,000 jobs? The member opposite knows full well that in the Pawley administration a very significant component of the Jobs Fund was to retain jobs in the province in existing companies, and the Ontario jobs program, Jobs Ontario, has exactly that component.

I read off last week dozens and dozens of major corporations from Toyota through to Chrysler Corporation who are getting commitments, getting significant funding, grants, from the Ontario government on the guise that they are preserving jobs. In fact, there is an analogy to Abitibi-Price. Some of them are pulp and paper companies that would otherwise have closed, and the Ontario government has put money into keeping them open. So there is that component of it that does involve jobs that are in sectors such as advertising, media, transportation, hotels, restaurants and so many other areas whose jobs depend directly on having a National Hockey League franchise in the city of Winnipeg.

So all of those things ought to be on the table when all of us are debating the final resolution to the problem. It is not as simplistic as saying, well, the government is doing a bad thing because they are investing \$3 billion this year in keeping the Winnipeg Jets afloat in Manitoba.

I might just point out for the sake of recollection that the agreement that preceded this agreement, which was one between Winnipeg Enterprises and the hockey club, also called for them to pay half of the losses of the club as well.

**Mr. Doer:** I have some more questions. I know my colleague will want to ask some questions on this issue as well.

Will the government have as an option, and this is a policy issue, the ownership option by the city and the province as one of the options to look at or do they believe that this should be owned by a private sector operation and will not entertain the option to buy the team as one of the options for dealing with this hockey team?

**Mr. Filmon:** Although we would prefer to have the club owned by a private sector operator in which government is not involved, we would certainly not reject that option if it is the most effective way of keeping the team here. I would think ultimately we would probably be looking at some hybrid.

Because of this agreement, we have a fixed price for the purchase of the franchise that has, I think,

some considerable value to having established that price and the option to buy. That option, as you know, can also be one in which the two levels of government actually name the optionee so it does not have to be government, but recognizing that government, if it has any role to play and any money to invest, is going to want to have some value for that as part of the package.

So whether it is a golden share, whether it is shares, whether it is some means of exercising the kind of control that appropriately should be there as a result of any government funding in the process, we will certainly be very pragmatic about it and not simply reject out-of-hand a role for government in the ownership of either the franchise or the facility if the government role is a positive one and will create a better set of circumstances for making a deal.

**Mr. Doer:** Quite a socialistic answer, I might say, Madam Chair. So the government is not philosophically opposed to owning the hockey team, and it is definitely looking at that. I read some very positive statements into the Premier's answer, and it sounds to me that this is a definite option or alternative the government is looking at.

There is another issue that is out there dealing with the whole issue of the new arena and the downtown site. Now the Premier (Mr. Filmon) has been pretty adamant about the downtown site in his comments that we have certainly ascertained.

Is the government looking at the possibility of building an arena in conjunction with a casino? Would the government see that as—again, it is something out on the street, so I just pick up what I hear out there in the community. Would the government consider a casino with an arena consistent with, or contrary to, their moratorium on gambling?

**Mr. Filmon:** No, Madam Chair, we are not pursuing an option that involves an arena-casino complex, such as is being proposed or being developed in British Columbia, I believe, and we are not doing it. In fact, the matter has been raised with us, and I have been very open about it and said, no, it is not an option we are pursuing.

\* (1540)

The second thing, I just go back to saying that our preference would be that the government not be involved in the ownership of a hockey team because just for the very reasons of the kinds of questions that come up about whether or not it was appropriate to buy new equipment bags for gifts for Christmas for every member of the hockey team, or whether or not Serge Sorokin's contract was appropriate, in sending him to Moncton and then back to Moscow, or whether or not the buy-out package for Mr. Smith to send him to Washington was appropriate. All those kinds of things, you know, are not the kinds of things that we want to be involved with, so for those reasons, I would prefer not.

I am satisfied from looking at Mr. Mauro's analysis, and I hang my hat on Mr. Mauro's analysis as being one that is a very incisive sort of look at all of the options available to us, that there may be a role for the government, either in the short term or as a facilitator in putting together the proper package of combined ownership of team and arena, because now that the government has the option agreement, that may be the best way to go.

There was one final thing that the member mentioned that I was going to address, but I cannot recall it right now.

**An Honourable Member:** The moratorium and the casino.

**Mr. Filmon:** No, to the casino as a part of the arena. That is not in our plans. We are not looking at violating the moratorium in any way, shape or form.

**Mr. Doer:** The Premier mentioned British Columbia. In British Columbia, first of all, they have a private investor who also received an NBA franchise, the Griffin family, I believe. Further, their new arena, I believe, is called—I do not like the name—GM Place, but I understand there was a considerable amount of private money in that. I believe that is different than the casino which is proceeding in a different location in Vancouver. I am not sure of that, so I would have to check.

**Mr. Filmon:** The casino is part of the convention centre, which is adjoined to or adjacent to or part of the arena complex, I think. I do not know.

Here we have the convention centre. If the Mauro commissions' report in findings go through, a downtown arena site would be likely adjacent to the convention centre. We are not looking at anything that involves, at either of those locations, a casino. That is what I am saying.

**Mr. Doer:** Thank you.

The Mauro report basically makes a statement in it. It did not receive a lot of coverage when the media first reported on this issue. Either you were for the Jets or against the Jets; that is the way the debate took place basically in the media. The Mauro report did have a very strong statement, that small-market teams could not survive, no matter whether they had a new arena or not, unless there was a change in the revenue stream for small markets, and either they had obtained a salary cap or a revenue-sharing agreement or some greater way of getting increased revenue. The Premier (Mr. Filmon) indicated that there would be potentially a pay-per-view operation in the future from Mr. Bettman.

Are any of these three conditions that Mr. Mauro set up going to be dealt with prior to a decision being made on the arena? Are those issues going to be dealt with ahead of time, or are they going to be dealt with after, because it seems to me, we are not going to have a salary cap before the end of June? I do not see a revenue-sharing agreement from the NHL owners before the end of June. I do not see an agreement on pay-per-view, and I did not see that even in the announcement the government made on the expansion or the change in cablevision a couple of weeks ago. I thought that may be one of the parts of the package the government would have included. It certainly has the technology to do it, but it certainly does not seem to be part of any of that arrangement.

Are any of those three issues going to be dealt with, because Mr. Mauro said—and the Premier (Mr. Filmon) said he is going to hang his hat on Mr. Mauro. When I talked to Mr. Mauro myself,

he has some pretty strong feelings on those conditions that were in the report, very explicitly in the report. Does it make sense for Manitoba to proceed at all if any one of those conditions, say, are not dealt with before the end of June?

**Mr. Filmon:** I would have thought that the Leader of the Opposition (Mr. Doer) would have had somebody monitoring my media appearances on this subject a lot more because that certainly was not—how did he term it?—a sort of obscure part of the report. To me, it was a central part of the report. I have raised it in every discussion I have had in terms of being on open-line talk shows on this issue, that it is critical to a final decision.

In fact, I would argue that it is probably very, very difficult, if not imprudent, to make a final decision without tying those two issues down, that is, the existence of a salary cap and/or a salary cap plus a revenue-sharing agreement for small markets. You know, Mr. Bettman is pretty open too about this when he talks about the fact that this small market matter is not an insignificant matter that only pertains to the Winnipeg Jets. There are probably eight teams that could not survive even in the medium term in the NHL without these things being tied down.

It is the other factor that I think legitimately prevents us from necessarily meeting the June 30 deadline. The member opposite said, you know, we might stretch this out for political purposes, but this is not politics. This is good business. If we cannot tie these things down by the 30th of June, then we may well want to extend it a sufficient length of time to be able to tie these things down.

**Mr. Doer:** Just following this train, if you cannot get a salary cap by June 30, unless the Premier (Mr. Filmon) can tell me that there is one, if you cannot get the revenue-sharing agreement, and there is nothing I see from the NHL owners to give that, and if you cannot get a new source of revenue, Mr. Mauro says, do not build the new arena because a new arena will not make any difference. So the only option then left to the government is to let Mr. Shenkarow exercise his option to leave or to exercise his option, period—hopefully he would

still stay in the community—or the public would then exercise its option to buy the team.

It seems to me, in the next six weeks or eight weeks, if you are not going to have any one of those three conditions, and you say it is good business not to proceed with a new arena unless you have one of those three conditions met, the only option you have left is to purchase the team or not, which the Premier indicated he would be looking at. It is just an exercise in elimination. You are not going to have the salary cap; you are not going to have the revenue sharing; you are not going to have an increased revenue agreement; you say it is only good business that you would not proceed without those things, ergo you have one option to buy the team or let Mr. Shenkarow exercise his option, it seems to me, in terms of following the circle.

**Mr. Filmon:** Or extend the agreement.

**Mr. Doer:** Why do I feel I am back to square one here?

A couple of final questions here. If the government does not resolve this issue by the end of June and the contract goes to '97, and if Mr. Shenkarow is able to exercise his option to exercise his options on the team, would the province still be responsible for covering the operating losses between the end of the '94 season and to 1997 at a time where Mr. Shenkarow or other principals of the team could search for other communities to have this team in an ownership situation? We would still be, for example in the '94-95 season, having Mr. Shenkarow or the principals of the team looking for another location, we would still be responsible for the losses of the team. Is there any termination section in the agreement?

**Mr. Filmon:** I wish the member had laid this out as a topic so I could have the agreement with me. I will verify it before tonight. My recollection is that we remain on the hook for those losses, but of course the offset to that is that when and if Mr. Shenkarow were to sell his shares, we would get a considerable amount of money for our shares, that considerable amount of money likely being in the

range of \$20 million or something of that nature. That is the other side of the coin.

\* (1550)

The sanctions remain in place that limit how much money they can spend. They have to be in the lower third of all of the franchises in the NHL in terms of their spending. So there are currently 24 franchises. They can spend no more than the eighth lowest spending team in the NHL under their agreement.

**Mr. Doer:** Just so I understand it, the Premier (Mr. Filmon) indicated that we are on the hook for the losses if we are not able to resolve this issue or extend it past this year, even though the date of decision is purported to be or is in writing now to be June of 1994. If Mr. Shenkarow does not sell his shares and decides to relocate the team and takes a year or two to do it, we will not have the higher price to offset the issue of a new buyer buying the team. He could be out there negotiating agreements with San Diego, with Phoenix, with Minneapolis.

Could the Premier confirm, would we still be responsible for the operating losses of the team during a period of time he goes to various cities to find a new location?

**Mr. Filmon:** If the Jets are still playing here, my recollection is that we are still responsible for the losses subject to the conditions that are placed upon how much they can spend.

**Mr. Doer:** But if we recall when Mr. Green indicated that he was going to leave Minneapolis and go to Dallas, the attendance just went down and down and down, and the operating losses of the team went up and up and up. The Premier is now confirming that the only protection we have—there is no clause in there and there has been speculation about whether there is a clause or not to terminate the agreement. We are still on the hook then for the operating losses.

Would the government look at the option? They have cancelled contracts before through legislation. Has the government looked at the option, the worst-case scenario? All of us want to keep the Jets here, and all of us want as much

private, 100 percent private money to do it, both in the arena and in the ownership of the team. That is pretty easy to say.

Having said that, has the government looked at the option of cancelling a deal if the team then is now being shopped around to other communities and we the taxpayers are still responsible for the operating losses of the team?

**Mr. Filmon:** Madam Chairperson, I think it is fair to say that I have looked at a lot of options.

**Mr. Doer:** Last couple of questions. One of the options being looked at for both the team and the —[interjection] I know, I have said that a couple of times. One question leads to another, as you know.

The other issue is the whole bond issue for purchase of either the team or the arena or both. The options that are being looked at by the federal minister, and the government has had discussions with Mr. Axworthy, I believe, on this issue—is the bond issue a tax-free bond issue that they are looking at, similar to say the registered retired savings plan, where there would be a special issue and it would be a tax benefit? I am just trying to get a handle because the tax-free bond and the nontax-free bond terms are used interchangeably. I would just like to know is it a tax-free bond they are talking about as one of the options for investment in the new capital investment?

**Mr. Filmon:** I have not been privy to Mr. Axworthy's proposal.

**Mr. Doer:** Madam Chairperson, if the federal government is going to proceed with a tax deductible bond issue, say of \$100 million, will the government be opposed to that because our share of that tax-free deduction—say you have \$35 million to \$40 million being lost to the federal Treasury while close to one-half of that would be lost to the provincial Treasury, is the government opposed to a tax deductible benefit because it, in essence, is an indirect way of having a public subsidy to the capital investment?

I hear this term, no public money going to a hockey team, and I think all of us start from that position. We all want the team here, and we all want to pay nothing to do it. I mean that seems to

me to be where we are at. Having said that, what is the Finance minister's position on this issue dealing with revenue and the government's position on this issue of a tax deductible bond? It will have revenue implications for the Province of Manitoba as it will for the federal Treasury, and it has implications for this whole issue of tax fairness that all of us are trying to deal with.

**Mr. Filmon:** Madam Chairperson, we are always wary of people bearing gifts that do not carry a cost. I have been in situations in government in which people have turned over properties to the government that end up having with them significant operating costs attached.

Of course, the easy part is that it is free. Government does not pay. We have people out there promoting \$300-million and \$400-million solutions to this downtown arena problem. They say they do not want a nickel of government money—oh, by the way, they want us to guarantee the entire \$300 million or \$400 million.

Any scheme such as the member talks about, if it costs on an income tax side—and several have been proposed. I have not seen Mr. Axworthy's scheme, if there is one, but I have seen others, and I know that they are being reviewed by the Burns committee, because we wanted all of those things to be considered when they come up with their best final proposal.

They all implied that whatever there was a cost in terms of income tax saving or credit or tax write-off to the individual or the bondholders or whatever—if the member said half would accrue to the province, he is right. If it is a \$35-million tax cost to the federal Treasury, it is then a \$17.5-million, approximately, cost to the provincial Treasury. So these things do not come free, and he is right about that.

**Mr. Doer:** Thank you for that. I just do not want to see something so cute that we are saying on the one hand it is not going to cost the taxpayers any money, but on the other hand it is \$17 million to the province and \$35 million to the feds. I think it is better to be straight up on this stuff with the public. It is controversial enough.

I have a last question. I was responsible for negotiations on behalf of the province which was carried out later by the former Minister of Urban Affairs on The Forks site. I know from Day One, every time we talked about The Forks site having a very low density kind of development with waterway walkways and other meeting place attractions, that every time we talked about it somebody would show up with a proposal to have an arena on the site, and then eventually it would be an arena just adjacent to the site but on land that is publicly owned.

I have said to everybody, the \$300-million proposal holders, the \$200-million proposal holders and every other proposal holder that that is not on. It is not on to have that site, which I would argue the public has more or just as much emotional attachment to The Forks site as the hockey team. It is already controversial enough to have a hockey team dealing in the public arena now with operating losses, but to have the combination of a site which there is quite a deal of historical attraction to, there is quite a deal of cultural attraction, there is quite a deal of tourist attraction to it, it has been named, ultimately, as one of the sites—I think the planning of that site was through all levels of government, and Mr. Epp was involved in getting that 50 acres, I thought, which was very positive.

We certainly worked with him very hard to make sure that the site—the member for Wolseley (Ms. Friesen) was the historian on the committee. Mr. Artibise I believe was one of the urban planners who had studied all these waterfront proposals across North America with the failures of high density, like Toronto, and the successes of lower density. We used a low density model for planning that all three levels of government utilized.

\* (1600)

The arena would totally destroy, to my way of thinking, that vision of that site, that vision of accommodation of meeting places and green spaces, of access to the river, et cetera, and I am personally absolutely 100 percent opposed to an

arena going on The Forks site. I have said that to any proponent.

From an urban planning perspective, with all the other potential sites in Manitoba, and with the value of that 50 acres and the 10 acres on the waterway and now the 20 acres owned by the city, I was wondering whether the Premier has a bottom line position on that, as well, in terms of saying no, absolutely no way?

**Mr. Filmon:** I have said, even in the throne speech, that we were committed to making an international showcase.

While the member for Wolseley (Ms. Friesen) is here, I will just mention that certainly we acknowledged I think her contributions to The Forks Corporation and retained her on the corporation at times when we could have removed her, because we recognized her expertise in the contributions that she made, and she might expect that there were some discussions at the cabinet table. I for one was very happy to keep her there doing the good job that she did. So we recognize that there has been a tremendous nonpartisan commitment to the renewal of The Forks, and I would hope that our party's efforts will go down in history as being supportive of the nature in which that Forks development has proceeded.

That topic keeps coming up, though. The reason it keeps coming up is not necessarily because the public ownership of their land might be allocated to it, but in fact private land that is in the area has been proposed. I do not know if Great-West Life still has their land there, but at one time in the '70s they were proposing it on Great-West Life land. There are other pieces of lands that are under private ownership adjacent to The Forks site that people have talked about.

We would have no control over that should a decision be made, necessarily, unless there were some public costs of access and other things to it, but it is not an area that—certainly on The Forks site itself, on that site that is publicly owned, I do not believe it is an appropriate location for an arena.

**Mr. Edwards:** Madam Chair, just on this same subject, the Premier has indicated that he does not have a copy of the Burns committee report. Can he indicate when he expects it to be released? Has he been advised as to a new, revised proposed release date? Will he be making it public as soon as he gets it, or will there be a period of time in which he has it and cabinet has it before it is released publicly?

**Mr. Filmon:** I wish that I could give an indication, and I am being very open. I met as recently as last week with several members of the Burns committee, really to share their observations and perhaps their apologies and frustrations at not being able to give us a final report in accordance with our originally set target date. During that discussion they could only give us the indications of what outstanding matters were there.

I think a number of them have been raised, if not all of them, today, those matters of having to deal with the exercising of the option at a time when we do not have the adequate knowledge of a revenue sharing agreement and/or a salary cap, and also of course the difficulties of putting together types of financing that would attract private sector investment at the moment in this type of combined enterprise of a facility and a National Hockey League team.

So those matters remain unresolved and remain in a situation in which they have asked for the time to do some more evaluation and some greater development of information. I have always said that I would rather have the information we need with which to make the right decision than just simply, you know, cut off the process because of an arbitrary deadline. We are running up against a deadline that may be quite arbitrary, and that is the deadline of the 30th of June, so some work has to be done on that matter as well.

**Mr. Edwards:** Just before I leave this specific topic of the Burns committee report, in that discussion that the Premier had with members last week, what are we looking at, Madam Chair? Are we looking at an extension of two weeks or a month or six weeks? Was there any indication from them as to the timing of this? We also recognize that you want to have a good report

rather than a premature one that does not cover off all that we need to hear from the Burns committee. However, I think I would certainly appreciate knowing what even time frame they were talking about in terms of that report coming down, given the June 30 deadline which is in the agreement with the majority owners.

**Mr. Filmon:** All I can say is that they asked for more time, and they said they would try and keep it as minimal as possible, but they did not give me a firm date that they could adhere to.

**Mr. Edwards:** Madam Chair, the premier mentioned \$14 million in tax revenues from the team to the various levels of government and also mentioned his belief in the Mauro report's conclusions and I take it from that as well the conclusions that the Mauro report comes to about the economic impact of the Winnipeg Jets hockey franchise in Winnipeg and in Manitoba.

One of the sources of information in that is not some of the studies that have come out of the United States in particular, but have covered a number of cities including Canadian cities, in particular studies done by Dr. Robert Baade in which, in particular, he studied 57 cities over 30 years in at least three professional sports, basketball, football—in fact four—hockey and baseball and concluded some very different conclusions on the impact of professional sports on local economies. Has the Premier's staff, economic advisors, compared Dr. Baade's conclusions to those in the Mauro report, which appear to be seriously at odds in terms of the overall economic impact in Winnipeg and Manitoba from this hockey team?

**Mr. Filmon:** We do have a copy and it is being reviewed by staff in the area of finance. There are some simplistic assumptions within Dr. Baade's analysis, one of which is that if there were not a professional team here that all of the money that Manitobans spend on that form of entertainment would remain in Manitoba.

We have seen in things as simple as people going out of province to gamble, people going out of province to rock concerts, people going out of

province to watch the Blue Jays play baseball, that people do not necessarily just simply take those entertainment dollars and plug them into something else in the local economy. So that was one right off the top that hit people as being a seriously questionable assumption in the report.

**Mr. Edwards:** Madam Chairperson, with respect to that specific indication, as I recall Dr. Baade's report, he was studying, of those 57 cities, a number of professional sport cities, in which, like Pittsburgh and Philadelphia, in fact, they were a lot closer than, say, for instance, Winnipeg, to the next nearest professional hockey team or next nearest professional any sports team. In fact, he found even with respect to those cities which were located fairly close together, the overall economic impact of losing a team was not that great.

\* (1610)

I also note, just for the Premier's (Mr. Filmon) interest, Mr. Mauro's conclusion that it is only 3 percent of viewers, people who pay to attend games, like the Winnipeg Jets, who are from out of the province of Manitoba. We are talking about 97 percent on average of the people going to Winnipeg Jets hockey games are Manitobans. So, in fact, there is a very high level of existing revenue, existing wealth in the province being used to pay for that team.

But, Madam Chairperson, given those comments, obviously this is going before some economic advisors, is the Premier prepared to table that analysis of Dr. Baade's report when it is completed, when it becomes available, so that all members can see that economic analysis done by internal sources in the government?

**Mr. Filmon:** I do not want to put anything too sophisticated on it. There is no specific economic analysis being done. The report is being evaluated. We will utilize the information for our conclusions, just as the member will. I am not saying we are any smarter than he is in the analysis of it.

If he chooses to utilize that as the basis on which he will make his judgments about whatever actions flow out of the Burns committee report, that is fine.

Obviously, we will have a point of view that will be based on as much rational data as we can put together. It will be the subject of our ongoing debates.

If the Leader of the Liberal Party (Mr. Edwards) believes that the Jets do not contribute to the economy to the extent that has been said and that the public would be better served by not having the Jets as a part of our fabric if it means any government involvement in the process, he will be free to make those arguments. Depending upon what the Burns committee comes out with, I may be in a position to agree or disagree with him at that time.

**Mr. Edwards:** Just so we are clear on this, the Premier did indicate there was an analysis being done. He has now said there is not going to be some formal report. I appreciate that, but it is clearly a study that is being looked at. The Premier, as we have learned in the last weeks, continues to have a majority and will be the person who represents the government on these issues. We have a critical time coming up. Critical to determining whether or not and to what extent the public should be involved in this are those issues of direct economic benefit.

There are other benefits everybody acknowledges, externally in terms of the reputation of the community, internally in terms of the way we feel about ourselves in Winnipeg. There are those psychological impacts. We understand those are immeasurable perhaps in dollars, but in terms of the hard economic impact, that is an important analysis to have as much information as possible, because as the Premier (Mr. Filmon) has consistently used those numbers here today in publicly justifying public expenditure based on what the economic impact of the Jets is, it is very important to have as much information as possible. That is a report which is out there which has been done over a lengthy period of time. There are others, three which are specifically recounted in Art Mauro's report. He in turn in his committee drew from those three—two Coopers & Lybrand and the one Lavalin report—and made his own conclusions.

So we have a number of reports out there. Will the Premier not agree, and I just want to clarify, to make public to those of us also wanting to participate in this debate the conclusions that his department, that is people paid for by the taxpayer, come to when they review the Baade report? Is that not an analysis which in whatever form it comes to him, he is prepared to share with the public?

**Mr. Filmon:** Madam Chairperson, these matters will be looked at by people who will be—they may well be political staff within government who do policy analysis for us, just as the member opposite has policy advisers that are within the Liberal caucus and they advise him of what position to take and what analysis they put on an issue. This is not going to be any formal review, any formal report. We are not going to spend a lot of money on it. It may well be just a review of what the report says, a summary, and some arguments of pro and con what the report says, but we will have our analysis that we are prepared to be comfortable with and I invite him to do the same thing.

**Mr. Edwards:** I think that that approach is understandable, I suppose, but I think it is regrettable. I think that the less there is sharing of information about reports, about economic impacts, the more partisan this is going to become and the less good it is going to do for the team and the community. Having said that, I want to move on.

The Premier (Mr. Filmon) indicated that in the first two years of the operations of this agreement, there were not losses. He did not indicate whether or not there were profits. I would ask that. What was the balance sheet for those two years in terms of the profit of the team? Secondly, are those profits now going to be applied against the losses which we have paid in the last year and which we may pay in future years?

**Mr. Filmon:** The short answer is yes. The previously accumulated profits were applied, were pushed forward into the current year which we currently have in which there are losses, and the number that will be generated for '93-94 will be after the profits of the previous two years have been subtracted from it.

I just say to the member opposite that all of the information that we have has been openly shared. The Coopers & Lybrand report, the other report of Lavalin and the Mauro committee report, anything that has relevant information is going to be shared publicly. We do not want this to be a partisan issue. If he wants to make it a partisan issue then that is his choice. How we analyze things like a report that Dr. Baade has put forward is our interpretation of it.

He will have the opportunity to interpret it in his way. If he chooses to accept that as being more relevant than what is contained in the Coopers & Lybrand report and the Lavalin report and the Mauro report, it is his position to take. I cannot help him with that, and I do not want to hinder him from taking his own position on the issue.

Any information I have is put out publicly, and I try and quote relevant sources when I put that information out publicly. I do not want this to be anything but a debate on an issue that I think has long-term serious ramifications to the city of Winnipeg and the province of Manitoba. We want to make the best decision possible in regard to what information we have available to us.

**Mr. Edwards:** Can the First Minister indicate what in fact the profits were for those two years, cumulatively for those two years, that are being applied against the losses for the '93-94 year?

**Mr. Filmon:** That is very detailed information, and I do not have that information. If the member wants to take and not hold me to it, I can give him an approximate estimate, as long as it is not being said as my definitive answer to it. It is, I believe, something a little over a million dollars.

**An Honourable Member:** Total?

**Mr. Filmon:** Yes.

**Mr. Edwards:** Madam Chair, the First Minister indicated that the interpretation of the agreement was that the majority owners—or sorry, that the two levels of government, the city and the province, under their option had the ability to name an optionee, if you will, who would be the beneficiary of the taking advantage of the buy-out agreement set at, I believe, \$32 million of the team.

I am mindful of the comments which came back as the Leader of the Opposition (Mr. Doer) asked about Mr. Shenkarow and others out shopping around for other owners as we continue to cover the losses. Has the government looked at, as an option, essentially selling the team itself, naming an optionee as the beneficiary of that and in fact selling the team for more than \$32 million, thereby profiting from exercising the option? Is that something the government has looked at, had any economic analysis done of that as a possibility in exercising the option, essentially naming someone else as buying the team for a greater amount than \$32 million and trying to recover the money that we have already spent? Is that something the government has looked at?

**Mr. Filmon:** Well, the government has not started to look at the various options until it gets a report from Burns. It would be foolish for us to appoint a committee to come up with the best recommendations on how to proceed and then go on our own and make all sorts of other arrangements.

\* (1620)

We know that option exists, at least we assumed that option existed until Mr. Bettman said very flatly that that could be vetoed by the National Hockey League's board of governors. They would in all likelihood allow the governments to be involved with respect to keeping the team and utilizing their abilities under this agreement to maintain NHL hockey here but they would not allow governments to get involved as speculators with a franchise that they ultimately have some say in. That would not be allowed under the NHL's rights to their franchises.

**Mr. Edwards:** If the NHL says we cannot be speculators, do they also say that government cannot be owners? Have they made a statement on that question because Mr. Mauro clearly concludes that government, public ownership, should extend not just to the arena but to the team? Does the NHL say that in fact the government, public ownership, cannot occur in a majority sense of the Winnipeg Jets franchise?

**Mr. Filmon:** I do not have Mr. Mauro's report in front of me, but Mr. Mauro has clearly said, when approached on that, that he does not recommend that the team be operated by a government. He sees that as being a very, very undesirable kind of option. He sees utilizing the government and its rights under this agreement to facilitate some kind of public-private ownership vehicle. He sees utilizing it to bring the franchise into the hands of a corporation, but that does not necessarily mean that the government is going to go out and operate an NHL hockey team.

**Mr. Edwards:** Madam Chairperson, I do not want to get into a debate about what Mr. Mauro says or does not say. My interpretation is that, true he looks for an operating agency, but it is majority public ownership of the team under whatever structure is set up.

Anyway, leaving aside that issue, there was discussion earlier on about options open to the government, and the First Minister clearly indicated that public ownership was an option. It remained an option of the team, and clearly that is what is behind the option that is in the contract. What is the NHL's view on that? Is that not an option in fact open to us? I would be interested to hear if the NHL is saying that we cannot speculate, that that is something that is ruled out, have they given an opinion as to whether or not in fact, according to NHL owners, that they would even allow public ownership of the Winnipeg Jets hockey team? Is that something which he has canvassed with Mr. Bettman that the NHL has had an opinion sought from or not?

**Mr. Filmon:** We have to recognize that Mr. Bettman cannot speak for the board of governors. He happens to be the—I do not know what his title is—is he the executive vice-president or something like that? But he does not run the board of governors. But if asked for an opinion, his opinion is that if it was long term, the government being the owner-operator of the franchise would probably be unacceptable.

If the government were involved in a short-term role of facilitating a transference of the franchise to some other type of—they do allow the current 36

percent involvement of public ownership, and they gave it their blessing. So it is a question of how do they ultimately set up an operational entity in which it is not just the government operating a hockey team which he says quite openly is probably not acceptable to the board of governors. On the other hand, he does acknowledge that they accept the current situation, some form of or hybrid of public-private ownership under an operating entity. That kind of thing obviously would be considered by the NHL.

**Mr. Edwards:** Madam Chairperson, just to clarify, and I appreciate the comments of the First Minister, Mr. Mauro in his conclusions specifically states—I just want to read this sentence—that under the preferred option the balance of the franchise would be acquired, a new corporation would be owned 51 percent by the city and province and 49 percent by the private sector, and that new operation, majority-owned by the taxpayers, would operate and own the arena and the Jets franchise under his model.

Has that specific option that Mr. Mauro recommended many months ago now been vetted through the NHL? Have we sought their opinion as to this as an option, given that it was the specific recommendation of Mr. Mauro at least after a lengthy look at this issue?

**Mr. Filmon:** That is one of the tasks of the Burns committee, and they have had extensive meetings, as I understand it, with Mr. Bettman on all the issues that pertain.

**Mr. Edwards:** Given the First Minister's earlier comments about his agreement with Mr. Mauro, and I also agree, page 33, his conclusions about the problem of player costs needing to be solved through salary caps, revenue sharing or some combination, and he goes on to say, without such resolution new facilities alone may not sustain teams in smaller markets.

The Premier (Mr. Filmon) has indicated that he agrees with that caution. Can I ask, in the event that either the revenue sharing or the salary cap or some combination are not in place, is the government, is the Premier going to approve of

any further public dollars being committed to the Winnipeg Jets or new dollars being committed to an arena? Are public dollars going to be spent if either one of those or a combination of them is not in place.

\* (1630)

**Mr. Filmon:** Given that we are in a highly speculative situation and given that there is the option of exercising the option on purchase of the team and maintaining it for a period of time until we can ascertain the likelihood of getting salary caps or revenue sharing agreements, there are a whole number of different potential things that could be done to ensure that we do have that information before we make the decision. That might involve an investment on the part of governments to protect their interests under the assumption that you could then sell the franchise to recoup some of your losses, if not all of your losses in the future in that interim period.

We really are in very speculative times. I can only assure the Leader of the Liberal Party (Mr. Edwards) that whatever decision we as a government make, he will have ample opportunity to kick us as hard as he wants when we have made the decision. I do not want to try to put on the record a highly speculative answer to a highly speculative question and that be the basis of being kicked around publicly either by the media or by the Liberal Party. So I think we are on pretty shaky ground trying to answer that question.

**Mr. Edwards:** Madam Chair, I am satisfied with at least the Premier's (Mr. Filmon) comment earlier in response to my friend's question, that he does recognize that that is a very serious first issue that must be dealt with and that really the increased expenditure of public dollars for any of this, unless it can clearly be shown that we are going to recoup it, without either of those two things in place, is a dubious investment. I think that he has acknowledged in his earlier comments that is clearly the case, and Mr. Mauro's advice is pretty clear.

With respect to the bond issue, which my friend mentioned that Mr. Axworthy has earlier made

statements about. My friend indicates that in fact, and I just want to clarify this issue, say \$100 million, say less than that, whatever it is, there is the federal tax portion of that that they lose as a result of making such an issue tax deductible, in the event that it were to be made tax deductible, and that has a further impact on provincial revenue.

However, one of the things, and I just want to ask the Premier about it, that has been recognized in things like the Crocus Fund and other investment vehicles which can be provided is that in fact we have retained very few of the RRSP dollars in this province currently. A very small portion actually stays in the province, and there is a direct economic benefit from retaining investment dollars that would otherwise leave the province. Has that economic analysis been done in terms of—in the event that you leverage 50, 60, 70, whatever amount of millions of dollars that you leverage and keep in the province that would otherwise have been put into savings, the largest portion of which is leaving the province, that there is an economic benefit from that which can offset a tax deductibility loss. Has that economic analysis been done?

I ask this in the context, perhaps, of the Crocus Fund. What is the economic analysis? Does this government have one when bonds are structured and keep investment dollars here, what do we save and to what extent can that specific dollar amount be put to that for every \$1,000 that we retain in the province, which then gives us some information to determine whether or not tax deductibility is a profitable option?

**Mr. Filmon:** It seems to me that the economic benefits are specifically those that have been identified from the operation of the hockey team here. Over a thousand jobs, tax dollars annually to three levels of government of \$14 million, all those things are the benefits. That is what the analysis shows. The question is, how much cost is there from the various options? Now, there is the cost of direct investment in the team and the facility, and there is the option of issuing bonds which also has a cost to the Treasury. So in all cases, you have to

try and weigh the economic benefits with the cost of the Treasury.

I will just point out another thing and that is we are engaged in a debate here about public participation in either the ownership of a team or the ownership of an arena. There has not been any discussion of the fact that I am a little older than my colleagues opposite and so I can say that—

**An Honourable Member:** Not all of us.

**Mr. Filmon:** You look much younger than I, by far, Rebecca, by far. Rebecca, you have had too easy a life. Sorry, I withdraw that remark, but she does look exceedingly young, and she cannot possibly be saying that she is older than I am, Madam Chairperson,

But in any case I am older than many of the members opposite, and I remember when the existing Winnipeg Arena opened in about 1953-54—it was somewhere in that range—and I remember going to watch the Winnipeg Warriors play and all those things. I would say that none of us who were there at the time would ever have expected that that arena was there forever, that it had a certain economic life. That arena, of course, has been a central part of all of our lives in terms of entertainment and maybe even participation. Some of us have played in Schmockey Night. Others of us have played in maybe amateur sports there or other events. So there is a need for, I think, a very high-calibre type of arena entertainment facility in this city of Winnipeg, our capital city. Many people would argue that the existing arena does not necessarily meet the kind of needs that are there today or certainly that will be there a decade from now.

In other words, it is either becoming a little bit functionally obsolete or a little bit deteriorated in terms of its attractiveness as a facility. So that somewhere, I think most people would acknowledge within the next decade or so, you would be looking at replacing it or certainly spending a great deal of money in a total, complete upgrade.

Now, that is going to happen whether or not we have an anchor tenant, such as an NHL hockey

team. That is going to be an investment that is going to be made by some future government if not by this government, a decision, an investment decision that is going to be made, if not by this existing City Council and provincial government, by a future one. It may not be much more than a decade from now that in order to attract the kinds of things that we want to have in the entertainment side, we will be doing that.

The question is whether or not it is better to do it now while you have an anchor tenant that is going to utilize it 45 event days a year automatically and pay a fair bit of rent on it, or whether you want to do it at a time when you have no anchor tenant and no prospect of getting an anchor tenant. That, too, has to be I think discussed as you make the decision.

Therefore, you put it off, the decision. You take the attention away from just making the decision on behalf of the Winnipeg Jets professional hockey club and make the decision instead on what is going to be the future needs of this city of Winnipeg and the province of Manitoba vis-à-vis an arena entertainment centre.

I would say to all members opposite that that is also part of the equation that all of us have to look at. I am really very open when I tell you this is not going to be a partisan decision. If there is not a sense of consensus in the community at large and in this Legislature of a reasonable plan with which to proceed, this government does not have a partisan interest in going forward just to have a facility created for either the Winnipeg Jets or the future use of the public if there is not support out there for it.

**Mr. Doer:** We wish the government well. I think all of us, as I say, want to have the team remain in the city and believe it is an important part of our community—we have long cold winters.

We wish the government well in the next period of time with the decisions they have to make, and we are certainly willing to be part of the solution on this issue. We have raised a lot of our concerns. I think the government knows where we are at in terms of our comments and questions and

statements in the past. We hope that the Burns report and its findings will allow us to find the key to unlock our ability to keep the team here and minimize the exposure for the public.

It is a really tough time. There is never a good time, I suppose, to have public investment in private teams, but at the time when there is other pressure on the public purse dealing with hospitals, schools, and other issues dealing with the public that is most vulnerable, it becomes even more difficult, I am sure for both the Premier (Mr. Filmon) and his cabinet and the city people.

I want to move to another issue: staffing. Let us start off with some questions on that. The Premier indicated the same amount of staff as last year, can the Premier indicate who is on the communications staff of the Premier's Office?

**Mr. Filmon:** There are four people, as there were last year. Some of the names may have changed, but it includes Barbara Biggar, Ron Arust, Glenn Hildebrand, and Debbie Young.

**Mr. Doer:** I believe Ms. Biggar has the Director of Cabinet Communications, as a title. Is she presently working for the Premier, and is she in the same capacity?

\* (1640)

**Mr. Filmon:** Ms. Biggar retains the title of Director of the Cabinet Communications Secretariat. She has been on sick leave for some period of time now.

**Mr. Doer:** I wish her the best of health in terms of the sick leave the Premier has indicated.

Has the Premier's communication office been involved in the ads that are presently being run by Manitoba Lotteries?

**Mr. Filmon:** Certainly, the primary and major responsibility for the ads, for the allocation of resources, for the choice of agency, for any number of all the key decisions with respect to any advertising that is done by the Crown corporations, is done by the Crown corporations themselves. Because we always anticipate that we will get questions and accusations from my colleague and the members opposite, there is a co-ordination

function played by the Communications Secretariat of Cabinet. It is a heads-up kind of move whereby they take a look at the ads after production or during production to anticipate any questions or criticisms that may arise. But, certainly, those key decisions that are made with respect to whether or not an advertising campaign, how much to be spent, who to produce them, and who to contract with for them, are made by the Crowns themselves. That was the case with this advertising campaign.

**Mr. Doer:** What is the agency? Which agency was chosen to do the ads?

**Mr. Filmon:** I do not know—I am told Palmer Jarvis.

**Mr. Doer:** The Premier (Mr. Filmon) is indicating the co-ordinator of Cabinet Communications was not involved in any way, shape or form in the selection of Palmer Jarvis to do those ads.

**Mr. Filmon:** The answer is no.

**Mr. Doer:** Was the Director of Communications involved in which ads would be placed in what newspaper and what message they would have in terms of the political message they contained?

**Mr. Filmon:** The cabinet was, to my knowledge, not privy to the media buy. I would say that despite the member's assertion that this was a political decision, that the corporation is responding to the questions that have been generated through all of the public debate as to where does the Lotteries money go.

Whether it is the Liberal Party and their critics, or the New Democratic Party and their critics, those are the constant kinds of questions that are out there in people's minds: Where does the money go? This ad campaign, which was developed, was, as I understand it, directed to answer the question: Where does the money go?

**Mr. Doer:** Will we then see ads from the provincial government breaking down where the money will go? Because, at this point, there are a few selective ads dealing with a few selective issues in a number of various communities. But then will we have an ad that says X dollars goes to Health, X dollars goes to Rural Development, Y

dollars goes to Culture, including libraries, and the rest of the money goes here?

Will there be real accurate advertising in terms of a breakdown of where the money goes, or is this really just image advertising that we see on the television and in other media, paid for by the taxpayers, ultimately, because all the revenue that does not go to the government is therefore money that is not available to the government through these ads?

So when I see ads dealing with health, and I know that certainly not a high percentage of money is going to Health, then I ask myself, is there going to be another ad telling us where all the money does go? Will there be an ad that does break down and give us basic information, or is this just image advertising by the Lotteries, approved by the Premier's Office?

**Mr. Filmon:** Madam Chairperson, the member is, I think, misrepresenting the monies. For instance, Health: \$10 million goes directly to the Health Services development fund. In addition to that, of the \$90 million that was put this year towards deficit reduction, that would get broken down to the same proportion of spending as it is in the budget. So since 33.9 percent of the budget went to health care, 33.9 percent of that \$90 million would go to health care. That is the way that money would be allocated, because it enables us to spend the money on our priority issues.

We could go into more detail on that, but I think that is the kind of question that should be asked of the Minister responsible for Lotteries (Mr. Ernst), and if the member opposite wants more advertising, more publicity giving more detail like that, I suppose he would consider it.

**Mr. Doer:** The Premier (Mr. Filmon) is chair of the Economic Committee of Cabinet. We have had a situation now where, and I raised this question Friday in the House, we have had a 78 percent decrease in the amount of money spent on tourism, the amount of tourism money spent in the United States. At the same time, we have had an increase from \$340,000 to some \$2 million in advertising in the Lotteries corporation.

I believe we have a beautiful province with lots to offer, and I cannot understand the priorities of a government and a Premier that allows a government to have a massive increase on advertising things that they think will be politically advantageous or dealing with political problems and, at the same time, they are decreasing the amount of money going to advertising to promote our wonderful province.

I would like to ask the Premier, how do these priorities get established? How does this Premier allow his own government, through his own ministers, to have close to a sixfold increase in advertising in the Lotteries corporation during his tenure and have a 75 percent decrease in advertising in the United States for tourists that come to our province? How does this Premier justify, and I ask the question, what appears to be a priority of self-promotion over a priority of Manitoba promotion in terms of where we are going in our province and the public?

**Mr. Filmon:** Madam Chair, I really do think we are getting into a level of discussion that is going to involve a lot of complex statistics that should more properly be debated with the Minister of Industry, Trade and Tourism (Mr. Downey) and the Minister responsible for Lotteries (Mr. Ernst).

\* (1650)

I can tell the member opposite that our largest market for tourist dollars is Manitobans; 85 percent of the money that is spent on tourism comes from Manitobans. The remaining 15 percent is non-Manitoba expenditures that come into our tourism coffers. I would venture a guess that of that amount the U.S. dollars would be even yet again a very small amount. If it is 5 percent of the total pie, and I am guessing—and that is why we ought not to be even debating this—but if it is 5 percent I would be surprised. So why would you spend 50 percent of your advertising on 5 percent of your market? I guess that is the question that ought to be asked. That is the kind of analysis that I know the minister responsible has been dealing with.

**Mr. Doer:** Well, looking at the media buy and the substance of the ads, we have been told by people in the industry that money was no object. That was the word out there according to—the so-called government was saying to the production people, money is no object for these ads, and of course the quality of the ads in the lottery commercials are quite substantive from what we were told. We were told that experts were being flown in to do these ads with a local company. We were told even ahead of time, before we even saw them, that it was coming right from the Premier's Office, right from Communications staff of the Premier, the co-ordinator for the Premier.

Then we saw the ads later on, and of course, we saw the quality of the ads, and the message of the ads, and the massive amount of money that must have been paid in terms of the production of those ads. Which agency has the cabinet chosen to do the advertising for their tourism file this year?

**Mr. Filmon:** Cabinet did not make the selection. It was made by the Department of Tourism, so you would have to ask them. I do not have that information. We could get on to that if you want me to try and dig, but I do not know what the member opposite is going to leave for his debates and discussion with the Minister of Industry, Trade and Tourism. I do not have that; it does not come under my portfolio, and it really is not appropriate for me to answer that question.

I would just say this to him, that last year was one of the better and perhaps larger tourism advertising campaigns that we have done in a long time. I got all sorts of positive response from people throughout our province as well as beyond for the quality of those ads. They were produced, as I recall, under the direction of the Foster/Marks Advertising company. They did bring in a particular director, even though I think 85 percent of all the dollars that were spent were spent on Manitoba talent in Manitoba, filming and so on. They did bring in an outside director because of his expertise.

That individual, I might tell you, who had experience in both Toronto and New York, said that the visuals that were done around Gimli and

various other places in the province were as fine as any he had ever seen on tourism promotion. You see that we are still using them this year. In this week's Maclean's magazine there is a tourism ad from the Province of Manitoba. It goes right across Canada, and it still uses those visuals that came out of the production last year.

The campaigns and their production costs do not necessarily get allocated to one year's campaign. If it is good material, then it should be used for more than a year and that was the theory behind last year's, as I recall.

So I think that the member opposite is dealing with rumours and hearsay and all kinds of things that he hears in the industry. I would think that anybody associated with this government would know that nobody gets carte blanche, that nobody gets told that money is not an object or cost is not an object, not by this government, in any case. So where that kind of instruction is coming from, it is certainly not coming from my office or a communications director in my office because they know very, very well that we guard every penny that we spend.

**Mr. Doer:** Was the Director of Cabinet Communications involved in the final selection of the advertising agency for Manitoba Telephone System?

**Mr. Filmon:** The answer again is no.

**Mr. Doer:** Was the Director of Cabinet Communications involved in the selection of the advertising agency this year for the Tourism account?

**Mr. Filmon:** Given that that is a direct government department, that is possible. I would have to verify that, Madam Chair.

The member would know, of course, that we are not talking about any individual from my office making the final decision. The final decisions would be made in consultation with many people in government. They might even be asking other people for their opinions on the effectiveness of various firms, and they would consult widely before they made that final decision.

**Mr. Doer:** I have asked the Premier (Mr. Filmon) the agency of record. I believe last year, or maybe the year before, there was Foster/Marks and Palmer Jarvis, a split, I think, of the Tourism account. It was a fairly big one, and I am not sure whether there was a split in 1993-94 and whether there is a split in 1994-95, I am not sure, I just want to know. Again, we hear lots of things and we like to verify them one way or the other. That is why we asked the questions.

I just want to say—and I am pleased the government is advertising in Maclean's. I am really quite concerned about what we are doing in the United States. The Premier indicates that 85 percent of our people are one day or within Manitoba. He will also know that those constitute less days away; they do not constitute any increase in terms of our deficit trade with other jurisdictions. I know our European travel has gone up, although I think there is even greater potential in terms of travel in Manitoba.

We believe that the numbers, I would certainly agree with the Premier in terms of you cannot go from one year to another in terms of advertising. But when one looks from 1987 to 1992-93 in documents his own Deputy Premier tabled at a Tourism Outlook seminar, there were charts that dealt with how much money we were spending in the United States. In the documents the minister also tabled, it indicated how much more we get from one visit from an American tourist in terms of our revenue than in terms of our own people travelling within the province. So I do not believe it is an either/or situation. I believe that it is good to have Manitobans spending money in Manitoba travelling around and visiting our own province.

It is good for us to get visitors from out of province in Canada. I hope that the meetings last week with the Yellowhead Highway Association were positive, because I think we should be dealing more in that area for tourism in Manitoba.

I hope that we have looked at the whole issue of European travel. Many other provinces are dealing with it. One of the attractions for Europeans actually are the aboriginal communities that are available. Saskatchewan and B.C. have separate

initiatives. I think Ontario does. I would like to see us do more with the First Nations here in Manitoba, because I know this represents a tremendous potential.

German and Belgian tourists, for example, and other tourists in Europe want to come and visit the history of Canada, which they believe are the rivers and the First Nations. We have rivers, and we have a lot of First Nations communities, and we have a tremendous potential there.

I also know that the American visits are very important, and they do stimulate a lot in our economy. Whether it is the other advantage of American tourists and people travelling by car, there is a tremendous amount of dollars available in terms of people who have snowmobiles in the United States. Sometimes they have snow in the United States; and various states abutting Canada, in some winters, they do not have snow. Now, this last winter, there was a lot of snow from Chicago north, but in a lot of other winters—

**Madam Chairperson:** Order, please. The hour being 5 p.m., and time for private members' hour, I am interrupting the proceedings and will reconsider this matter at 8 p.m. this evening.

Call in the Speaker.

\* (1700)

#### PRIVATE MEMBERS' BUSINESS

**Mr. Speaker:** The hour being 5 p.m., time for private members' hour.

#### PROPOSED RESOLUTIONS

##### Res. 1—Telecommunications Jobs

**Mr. Jack Reimer (Niakwa):** Mr. Speaker, I move, seconded by the honourable member for Gimli (Mr. Helwer),

WHEREAS the government of Manitoba is committed to making Manitoba Canada's centre for telecommunication-based operations; and

WHEREAS this commitment has been shown in the government of Manitoba's ability to attract major telemarketing and customer services centres to the province generating over 800 new jobs; and

WHEREAS GWE Inc., Canada's largest integrated direct marketing company, has set up a call centre in Brandon creating 115 jobs, and Central Canada Telemarketing has set up a call centre in Russell, Manitoba, creating 36 jobs dedicated exclusively to small town and rural customers; and

WHEREAS Manitoba has competitive advantages for companies like GWE and Central Canada Telemarketing including low business costs, mid-continent location and a highly skilled workforce.

THEREFORE BE IT RESOLVED that the Legislative Assembly urge the government of Manitoba to be encouraged to continuing furthering its efforts in the telecommunication industry and in continuing to foster a climate that attracts companies like GWE and Central Canada Telemarketing to our province.

**Motion presented.**

**Mr. Reimer:** Mr. Speaker, I urge members of the Legislature to support the resolution that the Legislative Assembly urge the government of Manitoba to be encouraged in continuing furthering its efforts in the telecommunication industry and in continuing to foster a climate that attracts companies like GWE and Central Canada Telemarketing to our province.

Telecommunications service centres, such as the GWE facility, provide safe and clean jobs for Manitobans. All-party support for this resolution by this Assembly would help show prospective companies that we will be able to co-operate to create jobs in Manitoba, and this does not run across party lines.

Manitoba has the people, the central location, the low cost of living and the telecommunication facilities which are attracted in these businesses. As competition gets more severe and more intense, we must increase our efforts to make companies feel that they are welcome to do business here in this great province of Manitoba.

A couple of years ago there were only maybe two other provinces actively pursuing companies which were establishing call centres. Today,

almost all the provinces are pursuing these jobs, and a number of states are also very, very active in their pursuit. Manitobans have to work together to make this a preferred location and a location of choice.

To Manitoba Telephone System these call centres represent important clients. They generate an enormous volume of long distance calls. As a result, MTS has assigned a small team of experts to attract these centres to Manitoba. The MTS team works with officials from the Economic Development Board, the Department of Industry, Trade and Tourism, and regional development boards to attract these centres to the province.

The MTS team helps find new candidate companies. They provide information, business contacts and competitive pricing for the telecommunication services. The team has also helped MTS develop some unique tariffs designed to serve the needs of these call centres.

For instance, MTS offers a tariff which significantly reduces the cost of standby facilities which call centres need to handle their occasional peak loads. These innovative customer-orientated tariffs help convey the message that call centres are welcome here in Manitoba.

The MTS team plays an important role in attracting call centres to the province, but they too work in a competitive environment. Other telephone companies throughout North America have begun to recognize the value of bringing and attracting new call centres into their market areas. More and more telecommunication companies are making pitches to company officials for considering new telecommunication facilities.

In order to stand out in this competitive environment, Manitoba must develop features which distinguish us from the rest of the pack and which can readily not be interpreted and imitated.

One important distinctive feature which companies have noticed is our friendly and our co-operative spirit within our business community. Our business leaders have been very generous with their time in contacting colleagues who may be considering establishing call centres and providing

data which demonstrated the benefits of locating here.

For instance, information which Manitoba Business provide about their own telecommunications and data processing centres clearly shows an exceptionally low turnover rate in their telecommunications force. Turnover rate within the community of telecommunications is a very important factor as the continuity and the quality must be maintained.

From time to time we have heard, in particular when the NAFTA agreement was signed, about the transference of jobs down into the low-paying areas of Mexico and that. An interesting statistic that is brought forth with that same type of argument is the fact that here in Canada the turnover rate in the telecommunications industry is approximately 1 percent per year. However, in Mexico, their turnover in telecommunications and high-tech industry is 14 percent per month.

To institute a quality control and a consistency of product and management when we have a high turnover of employees like that certainly increases the productivity cost and the end result of quality which everybody associates with telecommunications.

\* (1710)

Telecommunications is a quality product. It has to work on a quality environment. It has to work within a quality framework of reliability and consistency. As mentioned, information which Manitoba Business provide about their own telecommunication and data processing centre shows that we here have an extremely low turnover rate in our workforce. It translates into important savings in the hiring and in the training costs and is one of the most important features which make Manitoba a very attractive place to locate.

All the prospects we approached are very impressed with the team spirit exhibited here in Manitoba and with the open welcome offered to all of the people that they meet here in our province. This, too, makes an important difference. Businesses prefer to come to a friendly location

where they are welcome rather than experiencing the indifference to the businesses which are possibly involved in other provinces.

Some of the new telecommunications businesses which have moved into the province have been quick to join the Manitoba recruiting initiatives. They are impressed with the quality of the work that they have hired here. They have found that their new staff have the right attitude towards work, are well educated and are genuinely friendly in their dealing with their clients.

These new recruits to Manitoba are now willing to spread the word about their experience to companies which are still undecided about where and when they should locate and hopefully move to Manitoba. In this competitive environment, word of mouth is crucial. Companies want to feel important, they want to feel welcome. Why establish their call centres in a province which is less hospitable or where their contribution gets unrecognized?

Many other major companies that have come also to Manitoba which deserve recognition are Angus Reid, AT&T, Transtec Canada, Canada Post, CP Rail. Others who have used their vast telecommunication network are the Great-West Life Assurance, GWE as was mentioned earlier, Centra Gas telemanagement, IMI and even Investors Syndicate.

Manitoba has truly a rich and unique location here in Canada. It is also one of the most culturally diverse populations in Canada. Over 60 languages are spoken in Winnipeg alone. The availability of various languages in this globalization of our economy puts Manitoba at a tremendous advantage as to other locations in Canada.

Other initiatives—our 1-800 calls are provincially sales tax exempt. Our Central time zone is a superior access to North American businesses affecting east and west of Manitoba. As mentioned previously, we have a very low turnover rate here in Manitoba. We have a truly unique advantage of having a 24-hour international airport which is a tremendous asset

for the movement among provinces here in Canada.

We also have, which is a very positive attitude, Canada's lowest published hydroelectric rates, a tremendous advantage for companies that rely heavily on electricity and the advantages of use. Also of advantage here in Manitoba and in Winnipeg, we have one of Canada's most attractive office occupancy costs. The availability of office space and prime office space, the quality and the quantity of it, is the envy of a lot of other larger major cities here in Canada.

Also mentioned was our training and our educational infrastructure to support the long distance call in the call centre initiatives. We have also state-of-the-art research expertise in various avenues and venues of consultation. One of the things that is unique about Manitoba is, because of our ideal location, we are the centre of a lot of test markets. We have test marketed everything from hamburgers from McDonald's to other various aspects of consumer consumption. Manitoba, because of its diversity and its milieu of cultural-ethnic background, gives a test market availability of no other place possibly in North America. So we do have the availability of a strong area for test marketing of various other products.

Our workforce in general is a very highly educated workforce, well-trained people with an excellent voice clarity and a strong work ethic. Manitoba is also developing additional training programs at both the university and the college level. The Manitoba Telecommunications Education Committee provides a base for information technology education in Manitoba by co-ordinating the resources of education, government and private business partners. The committee members on this are drawn from the community colleges, the three universities, the technical schools and the private sector companies.

Also, Manitoba has been recognized in many of the trade magazines and financial papers, where Winnipeg is rated one of the top cities in Canada to do business in. Telecommunication and Professional magazine will feature Manitoba next month as one of the top sites in North America to

relocate a call centre. Another magazine, Call Centre magazine, August '93, prominently featured Manitoba as one of the best North American sites. Telemarketing magazine, Manitoba Business, Global Telephone, the Winnipeg Free Press, the Winnipeg Sun, Commuting Canada, the Financial Post, and The Globe and Mail have all written good stories on Winnipeg and Manitoba because of its continued commitment to excellence in its business environment.

So, Mr. Speaker, I urge all my fellow members in this caucus and in this government to recognize the value of the job these businesses bring to the province and endorse the efforts of this government, MTS, and the many individuals in Manitoba to attract telecommunication service to the province of Manitoba.

Thank you, Mr. Speaker.

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I welcome the opportunity to join in this debate on this proposed resolution by the honourable member, which generally urges the government to continue its efforts to bring telecommunication jobs to Manitoba. There is no question that we need more jobs in Manitoba. The information we have from Stats Canada is that we have fewer people working today than we had when this government took office. As a matter of fact, in 1988, according to Stats Canada, our average employment level was 494,000 people in the workforce, the employed workforce, and by 1993, the average had dropped to 490,000, which means we had 4,000 fewer people working in 1993 than we had in 1988.

Unfortunately, the figures we have most recently from Stats Canada continue to point to a problem in terms of jobs for our people and continuing high unemployment.

Regrettably, Mr. Speaker, we continue to have very high unemployment in this province, more than we are used to historically, and what bothers me especially is the unemployment among the youth of our province, those under twenty-five years of age. Traditionally we usually have higher

rates for youth than we have for the general working population, but having said that, our unemployment rate for the youth tends to be below the Canadian average.

Now we have switched places. In the first three months of this year, compared to the first three months of last year, Manitoba's youth unemployment exceeded that of Canada as a whole. I think that is a disturbing feature. I do not know what is at work here. There is no question that there are insufficient job opportunities for our young people.

Mr. Speaker, I listened carefully to the member who introduced the resolution and his arguments for it, and I can agree with a lot of what he said. I think these are jobs that we need, and let us hope that we can get more jobs in telemarketing. It seems that Manitoba is well located geographically, listening to the member. From what I have heard, geographically we seem to be well located, and of course, we do have an excellent workforce. We have very well-trained people. In fact, they are very frustrated. They are very well trained, and they cannot find an outlet for their talents, but we have a very motivated workforce as well and people desperately looking for jobs and willing to work hard and to do as good a job as they possibly can.

\* (1720)

Of course, Manitoba has other amenities that make it attractive for business—all kinds of support services that we provide, whether it be educational or cultural or social. Those are important to businesses as well when they make decisions to locate.

So I am very pleased that we have some expansion here, but having said all that, there are some concerns that we in the opposition must raise.

We are concerned especially that while the private telemarketing system seems to be expanding, we seem to be curtailing and shrinking our own public utility, the Manitoba Telephone System.

The telemarketing branch of MTS was recently closed down, I understand, the telemarketing group. That was the group that promoted MTS, the services that MTS offered.

My understanding, the advice I get, is that that was closed down. We know there are other areas of shrinkage in the operation.

I get all kinds of calls and visits from telephone workers in my riding, and they are concerned about the scaling back of the 411 service out in the Brandon area. They gave me all kinds of numbers and details here about jobs being lost. In fact, at one point, they gave me a list of 43 full-time jobs that were threatened and another 66 part-time jobs, for a total of 109. That did not include other areas in western Manitoba, like Dauphin, Boissevain, Minnedosa, which would add quite a few more.

There is a great concern among the employees about losing the Yellow Pages, that that is to be privatized as well. They are very upset with the government, with the rumours. All I can say is, it is rumours at this point—[interjection] Well, the rumours come to me from the employees. It is not one employee, as some member opposite tried to imply once; it is many employees that have expressed concerns and fears.

As the minister himself knows, he, going against the decentralization policy of the government, has allowed the closure of the long distance toll switching service in Brandon as of September. That is being closed down and is being centralized in Winnipeg.

I understand MTS could have spent \$750,000 and brought in new equipment in Brandon and another \$750,000 in Winnipeg to maintain the balance. Instead of that, the entire \$1.5 million is being spent in upgrading in Winnipeg. As a result, Brandon could lose as many as 15 technical jobs. These are well-paid jobs, and I am told it could amount to a payroll as much as \$575,000 a year to be lost to the Brandon area beginning in September.

There are other concerns that employees have about other job losses at MTS in that area, and they have given me information. This is their typing. It

is not mine. You know, you get these brown envelopes and slips of information passed into your constituency office. They talk about an estimated job loss for the Brandon area in the current year to be as much as \$1.4 million.

Some of it is due to technological changes, but it is also due to the decision to centralize long distance operations in Winnipeg. There are also concerns about what is going to happen to FRED, the emergency dispatch, if that is closed. Then there are all-night operators; there are some positions that could be lost there, and even losses right in their Human Resources division and so on.

Well, I will not go into all that detail, but on the one hand, while we welcome these telemarketing jobs, we are confronted with job losses with fairly good wages in the telephone utility in the same areas that these businesses are establishing the telemarketing operations. That is one concern we have.

The other concern we have, Mr. Speaker, is the need to give industrial grants to companies, and I am generalizing now, who say that Manitoba is a good location, and they are coming here because this is where they can make money, this is the profitable position, for all kinds of reasons. Well, that is great. Those are the kinds of industries you want, the industries that make sense, the industries that naturally fit.

You do not want an industry to come just because you offered a one-time industrial grant, a subsidy, and then when the subsidy runs out, they end up running into trouble financially. You want to attract business that makes sense and is going to carry on here.

My impression of the GWE company is that it found Brandon and Manitoba attractive and made sense. So therefore, I ask the question, in this day and age of high deficits, growing debt, cutbacks to the health care system, cutbacks in education, cutbacks in social services, why we should be spending \$600,000 by way of an industrial grant to a company.

I want to hasten to add that I was part of the government, in fact two governments, that over the

years gave generous grants to industries, including the City of Brandon. We gave, I recall, a \$330,000 grant to Burns Foods. This is when they operated. I know they have since, unfortunately, closed, but that is the way that industry has gone. So I am not saying in principle we have not done this, we have always been against it.

I remember representing the government in providing a very substantial grant, I think much bigger than this one, to Canadian Occidental, Canadian Oxy in Brandon, which expanded and brought in new equipment at that time. This is back in the mid- to late '80s, '86 or '87, thereabouts—I will have to check the files. I was there and I know we made that grant, and that is fine. So I am not arguing on principle. What I am arguing is, how can we carry on that policy when we are in a day and age when money is shorter than ever and we are making these cutbacks?

In my riding I have one lady who I found out in visiting her apartment in one of the seniors blocks that she had recently been cut out of home care. I did not go into much detail. She had a cane, and I thought, well, she looked fairly elderly. I thought, you know, how is the home care, are you getting adequate service? She said, well, I have been cut off of home care not long ago. Then I find out in the next sentence that she had just turned one hundred years of age. I say to myself, here is a lady who obviously needs some assistance, in my judgment, she has turned a hundred years of age, and yet she was cut off of home care.

I have another constituent who has been getting progressively weaker. I know this gentleman for many years who has been waiting for heart surgery. He has been on the list for a long, long time. His would-be surgeon tells him, the reason we cannot get you now is, there are not enough funds for this type of surgery. So here is a gentleman who is getting weaker and weaker because he cannot—then we have the case of people in nursing homes having their rates increased to the point that those who are on the basic government pension and who pay the minimum amount of \$26.50 have so little left that they can actually qualify for provincial welfare.

Some of them have gone forward and actually applied and have received provincial welfare to supplement their income because the government has taken so much from them to keep them in the nursing homes. Talk about turning the clock back.

I remember when we put the nursing homes under medicare in 1973, and now we have turned the clock back so that people are in there who have virtually no money left. These people that pay the \$26.50 and are on the basic old age pension have something between \$1 and \$2 a day left for them. If you talk to a nursing home administrator, he would show you a long list of what these people have to pay for. They have to pay for their own clothing. If they need hearing aids, they have to pay for those. They have to pay for the batteries for the hearing aids and so forth and so on. They are supposed to do all this out of a dollar or two a day, and it is just not good enough. As I said, they can qualify for welfare, so now some of these people are getting supplementary welfare because the government has not left them with enough money.

So I say that when we are into this situation, when we are cutting back on Pharmacare, when we are cutting back on university grants, when we are cutting back on grants to social service agencies, I question, can we really afford to give large sums of money, in this case \$600,000 to a company that says that Brandon in Manitoba is a good location, it makes sense if we are going to be here for the long run? I say great. We welcome the jobs, we need the jobs. God knows we need the jobs, so that is great. So we are not complaining about that. We are saying, though, can we really justify a large grant at this time when we do not have enough money to maintain these basic services that Manitobans want?

What particularly annoys me as well, Mr. Speaker, is the fact that the government chooses in this industry—and there are other examples—to abuse taxpayers' money to virtually engage in political advertising. Here is the ad: The Filmon government rings up 115 new jobs. It is not a matter of giving people information. This is from the Brandon Sun of October 22. Just a few days before, October 19, there was a big front-page

headline, a picture of the Premier and so forth, telling everybody—so you cannot say you had to put this ad in so people would know what is going on. That is for sure. It is blatant political advertising. What a great Premier we have got, that is what it says in so many words. [interjection] The meeting lasted less than an hour, but the impact will be felt for years. This is political advertising; it is unethical.

\* (1730)

There are other examples. Here is the recent one, we are spending up to \$2 million of lottery funds telling everybody what a great government we have and how things will be spent. Here is a picture of the Honourable Jim McCrae. Well, I am sure there is an election in the offing. There has got to be an election in the offing, Mr. Speaker. My God, I mean that is a half-page ad. Even in the Brandon Sun that costs a lot of money—a lot of money. They are spending up to \$2 million in advertising for Lotteries and you are spending less than \$100,000 in tourism to try to bring people into Manitoba. I say those monies are misplaced.

There is no question that the taxpayer should not be paying for these ads. The Conservative Party of Manitoba should be paying for these ads. Mind you, we have asked the Auditor to look into it. Ultimately, however, the people will decide, and I think the people are going to decide, because you talk to the average person and they really get turned off. You did not win any votes by this anyway. You just lost votes, really. The sad part of it is you wasted money. I mean, you have not got enough money to keep hospital beds. You have not got enough money to keep home care at the level it should be. You are cutting back at Brandon University and the other universities, and you are spending money on these ads plus giving away grants to companies that say they are going to come here anyway. I say industrial grants are fine. I repeat, we need these jobs, we want these jobs, we welcome these jobs, but surely, Mr. Speaker, we do not have to pay out these sums of money.

Thank you.

**Ms. Norma McCormick (Osborne):** I want to offer some comment on the proposed resolution. Much of worth is contained in the resolution, but when you get down to the THEREFORE BE IT RESOLVED, there are some things which require address.

First of all, it says that we should continue "to foster a climate that attracts companies like GWE and Central Canada Telemarketing to our province." What, in fact, is involved in fostering a climate? [interjection] Okay, I think what we need to begin to examine here is, what is the difference between bribing companies to come and encouraging them to come?

First of all, we need to examine the value of these jobs, the value of the jobs to the Manitoba taxpayer. Is it important to recognize that we could be dismantling the Manitoba Telephone System by selling off components which have the potential to be profitable, and selling them off to outside interests?

Are we attracting a company which will continue to serve the outlying areas, and to invest in telecommunications infrastructure, even when it is not profitable? What is the value of these jobs to the people who will be hired into them? It appears that these are, like many other of the jobs that are being created, nonstandard jobs, jobs that do not require a lot of skill, jobs that will not have an adequate—[interjection] They appear to be jobs which are low paying and transitory.

The question then is: What is the value of the jobs to the people who will be hired into them? How many people will be displaced from other companies, including our own public utility? What loyalty do companies like GWE have to Manitoba?

How many instances do we have, Mr. Speaker, where government has lured business with great promises, to last only as long as the money lasts and then move on? What happens when the money is spent? What guarantees do you have that this company will put down roots and become a permanent feature in the Manitoba landscape?

What kind of initiatives foster companies to want to come here to Manitoba and to stay here?

First of all, we need a level playing field. What would make us attract migratory capital to Manitoba, these people who roam the globe looking for the best place to land? So in identifying what makes for a good business environment, the first thing is a level playing field. What makes this company think that the Manitoba government is not going to fund another activity to go into direct competition with them?

It is apparent that there are companies who fear the presence of government intervention. In fact, when you go in and set up in competition with government assistance, with an established endeavour in the marketplace, in this instance, it is particularly tragic because the established endeavour is our own public utility. So business has the right to a level playing field where business can compete with one another without the intervention of government.

Another thing we have a right to is a stable economy, a skilled workforce and to a predictable regulatory environment. None of these is relevant to this initiative. We really have to question if this is the best way to spend public money. Is this the best for business? Is this the best for those who will be employed and for those who will be displaced by these jobs when they come here?

Finally, is this investment of \$600,000 the best for the taxpayers of Manitoba?

**Mr. Gerry McAlpine (Sturgeon Creek):** Mr. Speaker, it gives me great pleasure to stand in the House and speak on the—

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

#### Point of Order

**Mr. Leonard Evans:** Mr. Speaker, I thought the member who introduced the motion was going to close the debate, but I got the wrong member.

**Mr. Speaker:** No problem. That is okay.

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**Mr. McAlpine:** Mr. Speaker, it gives me pleasure to rise in the House today and to speak on the bill

moved by the honourable member for Niakwa (Mr. Reimer). I think that this is something that our government certainly endorses, and I think it is good for Manitoba. I am surprised to hear what the member for Brandon East—the comments that he has put on the record, and the member for Osborne. It really frightens me that we have opposition members that will stand in their place and put such rhetoric on the record and defeat the purpose of what this government is trying to do.

One of the things that I feel and I am proud of is what this government is doing in creating an environment to ensure that we are going to have an opportunity for jobs here in Manitoba. Certainly, I see that happening. The member for Osborne raises the issue of the matter of what these jobs are going to mean for Manitoba, the value of those jobs.

I think that a lot of people, a lot of residents in Manitoba would really take exception to what she has said and put on the record with regard to these low-skilled jobs. I think that if she were to go into the workplace to see the high-tech jobs that are being provided by these telecommunication operators in these businesses that have been employing people, people that are really looking for jobs, and they are not low-paying jobs—there is an opportunity there for Manitoba to excel, and this is an industry of the future. If the member for Osborne (Ms. McCormick) and the member for Brandon East (Mr. Leonard Evans) choose to stand in their place and say otherwise, I think that they really have to give their heads a shake and really get up with the times.

I wonder what the honourable member for River Heights, the Honourable Lloyd Axworthy, would say in terms of creating jobs for Manitobans. You talk about low-skill jobs. The Jobs Fund is an example, and they are talking about pick-and-shovel jobs. I suggest to the members across the way that the skill of the jobs in these high-tech telecommunication positions are of just as much value and greater value than what is happening in terms of what you are suggesting across the way.

\* (1740)

The pick-and-shovel jobs, as far as we are concerned, rest with the opposition, not with this government. We want to bring the people of Manitoba into the '90s and on beyond that. That is the direction that society is going; that is the direction that the economy is leading to. If people do not realize that, like the opposition across the way there, I think we are in real serious difficulty.

#### Point of Order

**Ms. McCormick:** Mr. Speaker, on a point of order, I think I am being misrepresented here. Every job has skills, but these are not high-skilled, high-tech jobs as these are being—these are telemarketing—

**Mr. Speaker:** Order, please. The honourable member does not have a point of order. That is a dispute over the facts.

\* \* \*

**Mr. McAlpine:** She stood again now and reaffirmed what she has already said, because her words were that there were no skilled jobs, and there was no question in terms of what she was talking about. They can try to twist their words around and do whatever they like, but we know where they stand on this position.

I question really what the member for Osborne is actually saying. She is consulting with the member for Inkster (Mr. Lamoureux) who is offering some—and that might be her first mistake, you know, to consult with the member for Inkster.

She talks about the investments in terms of what is being invested in this economy. I am pleased to say that I have some companies within the constituency of Sturgeon Creek that are working very much in this particular, and she talks about the investment of this company.

I have a company that has invested \$1.3 million into the Manitoba economy in telecommunications. They talk about taking away the jobs of the members from the MTS. This is an extension of what MTS is incapable of doing on their own. In terms of creating employment, this is a company that started with three employees and now, within a year, has 28 employees. They are looking to hire,

Mr. Speaker, 100 university students this summer if the will is there as far as the opportunities that are available to them.

Mr. Speaker, the member for Inkster criticizes this. He has argument with what I say. Hopefully, he will have an opportunity to stand and raise in support of this bill and really put some things on the record rather than speaking through the member for Osborne.

Another mention that the member for Osborne talks about is the level playing field. As far as the monopolies that we have, we talk about the monopolies with the Manitoba Telephone System as an example in dealing with telecommunications, we have to create a level playing field for the companies that are coming into the industry, the businesses that are coming in here. There is no level playing field as far as a monopoly is concerned, and that is one of the issues that I take exception with.

I do not know about the member for Osborne, what she means, if she is agreeing with me or disagreeing with me, but I think what is important here is that there is a level playing field for those fledgling businesses that are coming into Manitoba and can provide real jobs. Because it is not the government that creates the jobs in this industry, it is the small business and it is the businesses that will grow on, well beyond the 19th Century, and I think that we have to recognize that.

Certainly there is an opportunity there as a government to encourage and to create an environment that will enable these businesses to prosper and to go forward. Manitoba is in a unique situation in terms of our location, the workforce that we have to offer, the number of people that are prepared to go out there and work. As a matter of fact, I understand that there is some information to suggest that in comparison—most of the time, these jobs go to Montreal and Toronto.

This is something that, I think, we being in the centre of universe here or in North America have that opportunity to provide something in the telecommunication. Manitoba, with the time zone that we are in, enables us to be able to

communicate from the East Coast to the West Coast and still get a couple of extra hours that they would be able to get down in Toronto or Montreal. I think that is important, and the companies that are coming in here recognize that.

The workforce that we have in terms of absenteeism, compared to Toronto as an example—Toronto absenteeism is about 17 percent compared to Manitoba's or Winnipeg's, as an example, 2 or 3 percent absenteeism. I think that is significant, Mr. Speaker, when we talk about attracting businesses to a location such as Winnipeg or Manitoba, Brandon as the GWE, and other corporations or businesses that we can bring into the fold here in terms of Manitoba.

There is another business in my constituency other than Netlinks who are proceeding with this type of telecommunications operations, and this is a little different than the telecommunications, but it is a computer company that is offering, that started a few years ago with three employees and is now up to something in the area of 30 employees. What they are doing—and this is a Manitoba-based company, the people live here. I mean, we are not trying to bring people in. These are people who want to live in Manitoba. They have made a considerable investment in the province and are continuing to do that.

Mr. Speaker, I wonder if we may have one of the Pages bring me some water, please.

The Infocorp was started a few years ago, as I said, by three employees, and now they are up to I think it is 28 employees. They are doing business all around the world right from their base here in Manitoba. What they do is they provide communications by computer with companies. What they do is they set up a computer system to enable businesses all around the world, companies like Estée Lauder—one of their newer contracts they have been able to get is Walt Disney Productions. They, in fact, can key into a customer's communication, their computer, and work that computer and do all their business for that company.

Mr. Speaker, I think that is something we are getting into, and I think it is very innovative, what this company is doing. They are doing business in Singapore; they are doing business in the southern U.S.; they are doing business in Alaska, all over the continent. I think it is really important that we create an environment that will enable these businesses to stay in Manitoba and to create that environment.

They are not looking for government handouts. All they are looking for is an environment that will enable them to continue in their business and to grow. I think that both these companies are an example of what can happen in a business where the economic environment is healthy and the economic opportunities are there on a level playing field.

I think that the opportunities are there, and this resolution, or this bill, I would like to ask all the members in the House here to fully endorse it. I think that we have many competitive advantages for companies like GWE, Netlinks and Inforcorp, the two companies that are within my constituency and very good supporters of my support in this House, and also would support this bill very strongly.

I think we have to, as members in this House, support that. We have to listen to them, because who are we working for when we come in here? I mean, if we are working for our own political benefits and our own political rhetoric that the member for Brandon East (Mr. Leonard Evans) sometimes does—and he brings in newspapers that suggest that this government is doing advertising on behalf of publicizing good news.

I do not think there is anything wrong with giving good news. The member for Brandon East seems to have some difficulty, and the people in Brandon seem to be taking exception with what he has to say in this House, because I think that in the last couple of weeks, that has come forward. They are asking the member for Brandon East to account for what he is saying. I really support that. I think that the member for Brandon East should account for what he is saying in this House.

Mr. Speaker, it is really important to—

Mr. Speaker: Order, please.

\* (1750)

#### Point of Order

Mr. Leonard Evans: Mr. Speaker, again, we are getting misrepresentation, and I just wonder, is there no rule in this House that prevents members from misrepresenting what was said by another member? I just said we welcome these jobs to Brandon. I just said that. Now, did you not hear me?

Mr. Speaker: I think the honourable member for Brandon East has just clarified the record on that one, but, anyway, there is no point of order. The honourable member does have a dispute over the facts.

\* \* \*

Mr. Speaker: The honourable member for Sturgeon Creek, to carry on with your remarks.

Mr. McAlpine: You know, I can understand why the member for Brandon East is feeling a little touchy on this subject, because he has been faced with the matter of having some question in terms of what the jobs are coming into Manitoba and the jobs that are particularly affecting him in Brandon. I think we have to be held accountable for what we say in the House.

I am certainly prepared to do that. I am one to stand up for private business, and I am one to stand up for the small companies, but I think it is important that we all come together and try to serve all Manitobans with the best interest of Manitobans, rather than our own political positions and our own political agendas.

Mr. Speaker, you know, I would endorse the private member's bill, the matter with regard to the government committed to making Manitoba Canada's centre for telecommunications, and I think we should all work to that end to ensure that that opportunity is available to us and create an environment that will enable Manitoba to move ahead and proceed and be the envy of the country in terms of telecommunications.

I certainly believe there is an opportunity for other small businesses to get into this field, and I think that if we as a government can promote the best image we can as a government with respect to the environment in this area of creating jobs, I think that we have the opportunity of doing that and leading the country, Mr. Speaker, and I thank you for the opportunity to put these few words on the record.

Thank you.

**Mr. Gregory Dewar (Selkirk):** Mr. Speaker, I, too, welcome the opportunity to put a few words on the record concerning the resolution brought forward by the member for Niakwa (Mr. Reimer), the first resolution we have had the opportunity to debate in this session of the Legislature, one that deals with—well, it is labelled Telecommunications Jobs, but, clearly, when you read through the resolution, and the intent is to relate to Manitobans the government's efforts so far in attracting telemarketing jobs to Manitoba, which we on this side—the member for Brandon East (Mr. Leonard Evans) has already stated, and I would again agree that we are in favour of bringing jobs to Manitoba, especially when you consider the poor economic situation we are in in the province where, as the member for Brandon East mentioned, there are 4,000 less Manitobans working today than there were when the Filmon government took power in 1988 in this province.

So of course we welcome jobs. We welcome any effort to bring employment to Manitobans. Again, as the member mentioned, I believe the growth rate last year was less than 1 percent, which was one of the lowest rates of all the different provinces across the country.

Mr. Speaker, as the members were stating, we agree with the intent. We need more jobs of all natures, and we do need jobs within the telemarketing industry as well.

Many have mentioned Manitoba. We are in a very good position to accept these jobs. We have a good location. We are in a central time zone which would facilitate the needs of the telemarketing companies. We have a well-trained, highly

motivated—when you have such a high unemployment rate, the employees are obviously well motivated.

But we have a number of concerns obviously with the government's directions as it relates to the issue of telecommunications and policy within the province. Again, we know that there have been concerns brought forward by employees about the potential of the privatization of the Telephone System, and we know that the 411 service has been scaled back. As the member for Brandon East mentioned, 109 jobs could be lost within Brandon alone. There is fear and concern about this by employees and Manitobans generally.

We are also seeing again the concerns about the Yellow Pages, for example, that the printing of the Yellow Pages may be privatized, again, at the expense, I would suggest, of the employees of the Manitoba Telephone System. We know that it is the goal of the Telephone System to reduce employment here by 1,000 employees over the next—I believe, starting in 1990, over those five years up to 1995 and '96.

We know now in 1990, in the annual report of the Telephone System, where in 1990 there were 4,805 employees, in 1993 there were 4,408, which is a loss of close to just under 400 employees who were fired by the Minister responsible for the Manitoba Telephone System, a huge reduction. These are 1,000 well-paid jobs, 1,000 well-trained professional employees fired by this government.

Again, these are deep concerns. We realize and we appreciate the efforts of the government bringing in the jobs mentioned in the resolution. It adds up to around 150, but again the government itself is laying off 1,000 employees within the Telephone System.

I know there are concerns in my constituency and all of us here on this side of the House raised concerns regarding the layoffs at the Manitoba Telephone System, a public utility, and we are concerned that the government, if re-elected by some slim outside chance, may even go one step further and privatize MTS, again, simply to feed the right-wing ideology in this particular case. We

do appreciate the resolution, but I suggest the government should have brought forward a resolution outlining its intent in terms of the Manitoba Telephone System. This would help alleviate some of the fears and concerns that are expressed by the employees.

So, Mr. Speaker, these are some of the concerns that we like to raise here. We are concerned about the 1,000 jobs that are being laid off at the Telephone System, even though we are receiving a few jobs that were mentioned in the resolution brought forward by the member for Niakwa (Mr. Reimer).

Some of the other concerns that we have is the government's promotion. In this particular plant in Brandon, part of the grant that the company received was from lottery revenues. I believe a portion of it was from the REDI program, and, now, what we are finding government doing, in obviously a pre-election move, is to advertise throughout Manitoba, spending \$600,000 of taxpayers' money promoting itself, promoting the back bench and other members of the Tory caucus.

In my paper in Selkirk, we have again the Right Honourable Len Derkach, Mr. Ed Helwer—they even spelled your name wrong, Ed—our member for Gimli. Here we are promoting the Conservative Party, and I would suggest this should be paid for not by the taxpayers of the province but by the

Conservative Party opposite, Mr. Speaker. I would suggest that that is what they do.

It is not only in the Selkirk paper. I believe the member for Interlake (Mr. Clif Evans), I believe it is in his paper there, Swan River and Brandon East, throughout the province. The government is spending \$600,000 when they claim they have no money for home care, they have no money for education, they have no money for health care, but they have \$600,000 to advertise, Mr. Speaker, explaining the good work that Manitoba Lotteries is doing, simply promoting the electoral causes of the members opposite, and we feel on this side they should be looking to their own party to be paying the expenses of these ads, not relying upon the provincial taxpayer.

It is obvious to all of us on this side of the House that we are in a pre-election mode, Mr. Speaker, so why, as was suggested by some of my colleagues, does not the government call the election—

Mr. Speaker: Order, please. When this matter is again before the House, the honourable member for Selkirk will have eight minutes remaining.

The hour being 6 p.m., I am leaving the Chair with the understanding that the House will resolve itself—I will return at eight o'clock in Committee of the Whole.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 2, 1994

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