



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

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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
MALLOWAY, 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

Tuesday, May 3, 1994

The House met at 1:30 p.m.

PRAYERS

MATTER OF PRIVILEGE

Functions of the Office of Speaker

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, I rise on a matter of privilege. As is the case with our rules, I will be following it with a motion.

The matter of privilege relates to a very important matter for this House. It relates to the function of the office of Speaker, yourself, Mr. Speaker, and relates to one of the most fundamental aspects of your role, which is as the impartial ruler of this House in terms of our roles, in terms of our orders, and indeed the centuries of tradition that have established very clearly that the role of Speaker is one which requires the absolute recognition of the impartiality of the Speaker.

Mr. Speaker, I rise on this matter because the comments that were made were not made strictly by a member of the Legislature in a general sense, but by the Premier (Mr. Filmon) of this House who indicated—and I want to quote the words of the Premier because I think the comments are of grave concern to anyone that recognizes just how important the role of the Speaker is in this House. The Premier—and I have just received a transcript of these comments today so it is the first opportunity that I have the ability to raise this matter—stated: When the votes are taken we have 29, they have 28.

Indeed, it was stated in an interview and I will deal with that, because that is a germane point that needs to be dealt with in terms of consideration of a matter of privilege. I know the Premier may not consider those comments to be that important, but we in this House and the public of Manitoba do.

I think it should be very clear, Mr. Speaker, in looking at our traditions, the rules of this House in terms of the precedents, whether it be Erskine May on page 180 of the 21st edition or more germanely, in terms of Beauchesne which states very clearly: "The chief characteristics attached to the office of Speaker in the House of Commons are authority and impartiality."

Not only that, Mr. Speaker, and I want to cite not only Citation 168(1), but 168(2): "In order to ensure complete impartiality the Speaker has usually relinquished all affiliation with any parliamentary party. The Speaker does not attend any party caucus nor take part in any outside partisan political activity."

Mr. Speaker, the statements by the Premier (Mr. Filmon) indicate clearly that he does not perceive your role as being the independent arbitrator of this House, under Beauchesne, under Erskine May, under the traditions of the parliamentary system. The Premier seems to feel that you are subject to the government Whip as indicated by those statements.

* (1335)

I raise that in the context of some very interesting precedents we have in this House. Some members may recall, Mr. Speaker, on Monday the 13th of December, 1982, when members of the then-opposition considered what they felt were undue influences that might have been placed on the Speaker at that time, they raised a matter of privilege followed by a motion which was then put to the House. In fact, it was Sterling Lyon who raised the issue and indicated at the time that their concern for a matter of privilege was related to statements that had been made by the then-Premier to the then-Speaker of the House in 1982.

We have also other precedents. One may recall the former member for Portage having made comments, and I believe you made a ruling in terms of comments that were made outside of this House involving the office of Speaker, because the bottom line here is, in terms of a matter of privilege, while under normal circumstances comments that are made outside of the House might normally not be considered a matter of privilege, there is precedent where those comments have involved reflections on your role in this House, the role of the Speaker.

That is why, Mr. Speaker, we are raising this matter, because in this session of the Legislature, as you did on Friday when you using your judgment cast your deciding vote, it was based on precedent, not any affiliation to any political party, not to any Whip imposed by the Premier. In fact, the bottom line is if this Legislature is to function in the way it should, it should be based on your clear impartiality which we recognize in the opposition, something we wish to see from this government.

That is why I would like to move, Mr. Speaker, seconded by the member for Wolseley (Ms. Friesen),

THAT the statements made by the Premier calling into question the impartiality of the Speaker be referred to the Committee on Privileges and Elections.

Mr. Speaker, I just want to table the transcript in which it states the particular quote: When the votes are taken we have 29, they have 28. You will continue to see this happen and I do not see it as being a lot different from other years.

That is the particular reference that is made.

Mr. Speaker: I thank the honourable member for Thompson for that document.

Hon. Gary Filmon (Premier): Mr. Speaker, certainly the member for Thompson has the right to bring before this Chamber any matter that he considers to be appropriate. On the other hand, there is no question that in this particular case, the case that he makes is way out in left field, so to speak.

I acknowledge totally the comments having been made and the comments were a reflection of the fact that we have had six votes in this Chamber thus far this session, six votes in which the results were 29 to 28. Nobody in this House, Mr. Speaker—and I particularly resent the member for Thompson alleging that you, Sir, have taken a partisan role in this Legislature. That is not something that anyone ought to allege. Everyone on this side of the House respects the impartiality and the record that you have established in an even-handed, fair and balanced manner over this House at all times by the rules of the House and by all of the precedents.

* (1340)

Indeed, throughout the process the comments that I have made and the comments that have been reflected by your actions in this House are that you, Sir, will ensure that you act in such way as to follow the rules and the precedents that have been long established in the parliamentary tradition throughout the world, long established that the Speaker has in the past and on the precedents that you have quoted, voted to continue the debates or voted to continue the government in power in the case of a tie vote. That is precedent and that is amply demonstrated and amply supported throughout the history of parliamentary democracy.

Indeed, Mr. Speaker, I would never, ever bring myself in a position to question your impartiality or your right to rule in accordance with the precedents that have been long established in the parliamentary tradition of this world.

I think it is shocking that the members opposite, particularly in the New Democratic Party, would be so shallow as to try and make an issue of this and that they have so little credibility and so little upon which to found their electoral position in this province that they would attempt to bring this as a major issue before the House and attempt, through their inappropriate actions, to try and call some attention to your actions and to try and infer some sense of impartiality.

Mr. Speaker, I just say that I know you will deal with it in the appropriate manner, and I have total confidence and trust in your impartiality and your ruling on this matter.

Mr. Kevin Lamoureux (Second Opposition House Leader): Mr. Speaker, no one in the Chamber wants to question and impair impartiality of your rulings. In listening to what my colleague the House leader from the New Democratic Party is saying, you know, we look at it in terms of the media would quite often refer that the government has 29 members and the opposition has a combination of 28 members.

I think that Leaders of all three political parties have at times acknowledged that the government is 29, 28. We do not want to question the impartiality of the Chair, but I think at the very least, you could maybe give some caution to all members, whether you are the Premier of the province or you are Leader of an opposition or members of the media, that in fact this is a House that is borderline majority with a 28, 28, and you, Mr. Speaker, are in fact for all intents and purposes, an independent. Your decisions in the past have been based on precedents of this Chamber, and we look forward to you continuing just doing that.

* (1345)

Mr. Speaker: I would truly like to comment on this matter at this point in time, because there does appear to be a cloud hanging over the Chair at this moment.

I thank all honourable members for their remarks on this matter. A matter of privilege, as we are all quite aware, is a very, very serious matter, so I am going to take the opportunity to take this matter under advisement to be able to peruse the remarks that have just been put on the record, and I will come back to the House with a ruling. I thank all honourable members, by the way.

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Brandon University Foundation Directors

Mr. Leonard Evans (Brandon East): Mr. Speaker, I beg to present the petition of Brandon

University Foundation, praying for the passing of an act to increase the number of directors of the foundation to not more than 42 or not less than eight persons, of whom three shall be members of the Board of Governors of Brandon University.

Thompson General Hospital Patient Care

Mr. Steve Ashton (Thompson): Mr. Speaker, I beg to present the petition of Lucy Manary, Bob Gurniak, Sandra Quigley-Jensen and others requesting the Legislative Assembly to request the government of Manitoba to consider reviewing the impact of reductions in patient care at the Thompson General Hospital with a view towards restoring current levels of patient care and, further, to ask the provincial government to implement real health care reform based on full participation of patients, health care providers and the public, respect for the principles of medicare and an understanding of the particular needs of northern Manitoba.

Government Promotion of Gambling

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, I beg to present the petition of Jeff Hunt, Chris Blaquiere, Carl Ross and others requesting the Legislative Assembly to urge the Minister responsible for the Manitoba Lotteries Corporation (Mr. Ernst) to consider initiating a full public debate on the role of government in owning establishments and promoting gambling in Manitoba.

READING AND RECEIVING PETITIONS

Old Age Pension

Request to Federal Government

Mr. Steve Ashton (Thompson): Mr. Speaker, I would like to ask leave to withdraw this petition. It was drafted by seniors in my constituency. I am to understand it may be out of order, but if it could be taken as notice.

Mr. Speaker: Is there leave to allow the honourable member for Thompson to remove his petition under Reading and Receiving Petitions? [agreed]

I would like to thank the honourable member for Thompson.

**PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEES**
**Mrs. Louise Dacquay (Chairperson of
Committees):** Mr. Speaker, the Committee of Supply has adopted a certain resolution, directs me to report the same and asks leave to sit again.

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

Motion agreed to.

TABLING OF REPORTS
**Hon. Rosemary Vodrey (Minister of Justice
and Attorney General):** Mr. Speaker, I am very pleased to table the Annual Report 1992-93 of the Public Trustee.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery, where we have with us today visitors from the Philippines, Malaysia and Indonesia who are visiting Canada under the auspices of the Institute of Public Administration of Canada and the Canadian International Development Agency.

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

Also with us this afternoon, seated in the public gallery, we have again today from Ness Junior High School, 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, from the YM-YWCA Adult Education Program, we have 13 students under the direction of Mrs. Nancy Kelly. This school is located in the constituency of the honourable member for Broadway (Mr. Santos).

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

* (1350)

ORAL QUESTION PERIOD

Manitoba Telephone System Layoffs

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

During the Speech from the Throne and in the document tabled a couple of weeks ago, the government stated: "We want secure and satisfying jobs, not only for ourselves, but for everyone who is able to work and who values the dignity of employment."

We have learned today that for the first time since 1932, Manitoba Telephone System has issued 200 layoffs to their employees working throughout the communities in Manitoba. This seems to go quite contrary to the government's words, and is even more concerning to us when you consider the fact that the Telephone System had a surplus last year, in 1993, of \$20 million. It has a projected surplus this year of \$20 million, according to the Public Utilities Board.

It seems to us, with all the unemployment going on, with all the extra costs the government is incurring over the last five years of welfare costs—does it make any sense at all again to have layoffs in one of our Crown corporations? Will the government take action to stop these layoffs?

**Hon. Glen Findlay (Minister responsible for the
administration of The Manitoba Telephone
Act):** Mr. Speaker, if we look across the country, every telco is reducing the workforce. New technology, automated equipment actually requires less people.

In the province of Manitoba, although it is unfortunate 200 layoffs are announced today at the Manitoba Telephone System, over 900 jobs have been created in Manitoba in the telecommunications industry in the last year. That brings it to over 3,000 people employed outside of the Telephone System in telecommunications in the province of Manitoba.

The Manitoba Telephone System management has tried desperately to avoid the layoffs. They

wanted the workers to take the voluntary 3.8 percent reduction in salary, in other words, 10 days in the workweek reduction program. The employees refused that option. That left the management with little or no choice but to exercise the layoffs.

Mr. Speaker, in comparison, in Ontario, Bell Canada asked the unions to take a reduction of 10 percent in salaries or 5,200 layoffs. They chose the reduction in salary to save the jobs.

Manitoba Telephone System Layoffs

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the Telephone System made \$20 million last year. [interjection] If the former Minister of Finance wants to answer the questions, I am sure we would listen to him. He is no stranger, of course, to layoffs and reductions in people working.

When the government introduced their capital tax on Crown corporations and was asked questions in this Chamber on April 21, 1994, about the increased revenue being taken from those Crown corporations—we project between \$2.5 million to \$4 million at the Telephone System, depending on the application of the tax—the Minister of Finance (Mr. Stefanson) stated: I would expect the two Crown corporations will be able to absorb these costs from within their projected earnings. They both are projecting to be above budgeted surpluses for the coming year.

I would ask the government—given the fact that Oz Pedde had said before in October of 1992: Reductions will take place through attrition; nobody has been hurt by this program at MTS—why is the government now proceeding to lay people off? Are there not enough people on the welfare lines? Are there not enough people on UI in Manitoba? When are we going to stop the insanity of layoffs in our province?

Hon. Gary Filmon (Premier): Mr. Speaker, it is hard to accept the hypocritical attitude of the Leader of the Opposition in these circumstances.

The Manitoba Telephone System offered to the union that represents these workers a very simple way for them to avoid the 200 layoffs. That is, to accept the same solution that is being accepted right across the board in public sector employment in the provincial government, in Crown corporations, including MPIC, including the Hydro and throughout the public service, and that was that they take off the 10 days without pay and avoid 200 layoffs. The union leadership chose the layoffs, and if that member supports that, then he is the one who ought to be ashamed of himself.

* (1355)

Mr. Doer: Mr. Speaker, we have 200 people being laid off. They do not know who they are in the Telephone System. We have 4,000 people now worried, going home tonight potentially thinking that they may be the ones that are being laid off.

This will have a tremendous impact, not only on the families in the Manitoba Telephone System that are working there, it will also have an impact on consumer confidence in the province of Manitoba. It will ripple through as other layoffs do in terms of the purchases of goods that people make in our economy.

Now, Mr. Speaker, what action will this government take if there is an impasse at the Telephone System? What action and what leadership will this government take to bring the parties together to find a creative way to deal with this issue, so that we are not laying people off and we are not having further insecurity right throughout Manitoba in terms of the Manitoba Telephone System?

Mr. Filmon: Bill 22 was a creative way to avoid layoffs. It was so creative that it has been picked up by seven of the other provinces in Canada, Mr. Speaker, including Ontario. I have been complimented on it by other Premiers saying this was a good way to avoid layoffs; this is the way to save salary costs and avoid layoffs. We have provided that creative, flexible way to the Crown corporations, to the employees of Manitoba Telephone System.

If the member opposite really believes what he stands for, what he says he stands for, why does he not, as a former union boss himself, pick up the phone and talk to the head of the union and tell them that they can take all of the anxiety away, they can take all of the worry away, just convince their members, no layoffs as long as you take the 10 days off without pay.

Manitoba Sugar Co. Negotiations

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, sugar beet producers in Manitoba are under a tremendous amount of pressure because Manitoba Sugar has locked out employees from the plant. Because contracts and seed are controlled by the company, farmers cannot begin planting the crop. Even though negotiations are breaking down, workers have said they are willing to go back to ensure that the crop is planted. They are willing to work while negotiations are going on.

I want to ask this government what steps they are going to take to ensure that the sugar beet crop will be planted this spring in Manitoba.

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, I believe the member for Swan River is somewhat outdated in her information. There has been a great deal of discussion going on this morning. Myself, the Minister of Industry, Trade and Tourism (Mr. Downey), the Minister of Agriculture (Mr. Enns), the member for Portage la Prairie (Mr. Pallister) and the member for Emerson (Mr. Penner) have been involved in a great number of discussions.

I am pleased to announce that I have been informed that the parties will be resuming negotiations this afternoon and that we have floated a variety of options that we believe may see the conclusion of this agreement, or at least offer parties, if they are willing to be reasonable, a means of achieving a process or a settlement that will allow the crop to be seeded this year.

Ms. Wowchuk: Mr. Speaker, I am pleased that the government recognizes the importance of this industry, because we cannot afford to have 275

producers put out of work nor can we have the people at the plant, some 160 jobs eliminated from this industry.

I want to ask the minister what steps they will take beyond this to ensure that the crop will go in. Can they negotiate and ensure that the seed will be in the farmers' hands this week so they can get that crop into the ground?

Mr. Praznik: Mr. Speaker, I believe the member for Swan River is demonstrating the danger of having prepared questions and not getting the answer one wants, because there is a fundamental reality. If there is no sugar beet plant there, if the company closes the plant because they cannot reach an agreement, then there is no need to grow the beets. There is no need to seed the beets, which somehow she seems to be implying that if things break down and we do not have an agreement, the farmers should still go and seed the beets.

There is one fundamental reality here. An agreement has to be reached that is liveable by the parties who have to work with it, and all the labour relations gimmicks, all the different types of tools that avoid finding a solution that the parties can live with will mean the end of that industry.

This government is working very hard with the parties involved through our mediator and through other means to achieve that type of liveable agreement.

Ms. Wowchuk: Mr. Speaker, the minister did not answer the question. I was asking him what would he do if this did not work. He indicated that the plant might close. We are told that Manitoba Sugar may be using this as an excuse to close the plant in Manitoba.

Is this government prepared to lose that industry, this multimillion dollar industry from this province—

* (1400)

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

Mr. Praznik: Mr. Speaker, I cannot speculate today on what the motives are on either side. I cannot speculate whether Manitoba Sugar has

another agenda or Mr. Christophe has another agenda either. I am not going to get into doing that. We are working to achieve an agreement that both parties can live with that will allow for a sugar industry in Manitoba for another season of growing beets.

Fundamentally, Mr. Speaker, every time members opposite come into this debate and try to extend in some way—what other plan, what other plan—and interfere in that process of negotiation and give false hope that somehow there is going to be a magic solution that is not on, they do more harm to the process. I wish they would appreciate what in fact is happening here.

Video Lottery Terminals Social Costs

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, for some time I have been asking the Minister responsible for the Manitoba Lotteries Corporation to release and table the five-year plan of the Manitoba Lotteries Corporation which is done each year and updated each year. I have now received a copy of the corporate plan for 1991 through '96 and I acknowledge that it is not the most current plan, which I would invite the minister to table, but I do want to pick up on some of the comments in that plan.

Mr. Speaker, two weeks ago the minister indicated that to his knowledge there was no link between addiction, compulsive gambling and other social problems that people are facing. Page 16 of this report, which was taken to cabinet I am led to understand, specifically indicates that the VLTs will be highly addictive, and the major social consequences of this is the addictive effect it will have on certain segments of the population using gambling as a form of behaviour to deal with certain psychological problems that they have. The consequences could be serious for these people and their families in a financial sense, and the onus will be laid on government. That is the plan which was put before this government before VLTs came into place, specifically indicating that those with

other psychological problems will be more susceptible to these highly addictive machines.

Mr. Speaker, will the minister now come forward and be honest about the knowledge that the government had about the impact of VLTs on those who otherwise psychologically had difficulties and were having problems?

Hon. Jim Ernst (Minister charged with the administration of The Manitoba Lotteries Foundation Act): Mr. Speaker, while I became the minister on September 10, 1993, the former minister and our government hired Dr. Rachel Volberg, who is the pre-eminent psychologist and pre-eminent guru, if you like, of these kinds of activities. She has the most knowledge of anyone in North America with respect to the potential for problems resulting from gambling.

We hired Dr. Volberg, expended a significant amount of money in order to have her analyze the situation as it relates to Manitoba. She determined, to the best of her knowledge and the information that she was able to glean and analyze, that about 1.3 percent of the adult population of Manitoba potentially could have a problem, result in gambling addiction.

That being said, in the state of Texas where there is no organized gambling, about 1.3 percent of the population there also have the potential to be pathological gamblers.

So while we do not, for a minute, think that there are not going to be problems associated with this—otherwise we would not have put \$2.5 million towards the Addictions Foundation of Manitoba in order to run programs to deal with potential and addictive behaviour—we do know that it is a small percentage of the people who are involved in this activity.

Club Regent/McPhillips Street Station Marketing Campaign

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, firstly, the Volberg report came a couple of months after they had installed 2,000 VLTs. Secondly, we have yet to see the full Volberg report. It is not being made public.

Mr. Speaker, my supplementary question is for the minister.

The club concept which was used for McPhillips Street Station and Club Regent, page 49 of this corporate plan, specifically was done—and I want to ask the minister to explain this—in order to attract the low to moderate income patrons that electronic bingo at these institutions has become a fashionable “in” activity for them, it says, and they are targeted in a marketing sense, and, secondly, that the elderly and those who are in need of getting together socially, the elderly and the lonely, Mr. Speaker, would be particular targets for these gambling casinos.

Can the minister explain why they opted for a club concept with a marketing plan which targeted the poor, the elderly and the depressed?

Hon. Jim Ernst (Minister charged with the administration of The Manitoba Lotteries Foundation Act): Mr. Speaker, I reject totally the member's referral to the poor, the elderly and the depressed.

The fact of the matter is that those facilities, Club Regent and the McPhillips Street Station, replaced existing bingo halls that attracted thousands of Manitobans on a regular basis. They were old, they were poorly developed and were in desperate need of replacement, with decent air handling quality and decent atmospheres. That is exactly what happened. Those facilities were replaced with new facilities with decent air handling equipment to provide for a clean environment inside and a reasonable atmosphere for those who wish to play bingo and who had frequented those previous halls for many, many years.

Mr. Edwards: Those bingo halls were replaced with clubs. The club concept has its own chapter in this book.

I want to ask the minister to explain why they went for a club concept with a marketing plan which specifically targeted the elderly. In particular it said, it concluded: The elderly in particular use the bingo club as a point of contact, often their only point of contact with other people.

Why has this government, instead of doing something in the Seniors Directorate, targeted the seniors and lonely people in our society as their primary marketing target for the clubs on McPhillips Street and Regent Avenue?

Mr. Ernst: It may come as a surprise to the Leader of the second opposition party, Mr. Speaker, but the fact is an awful lot of elderly people have been playing bingo in this province for a very, very long time. They play it in churches. They play it in community clubs. They play it in all kinds of facilities. We have provided in these two facilities now a reasonable, decent, clean atmosphere for them to conduct those activities that they make by their choice.

Victims Assistance Programs Government Commitment

Mr. Gord Mackintosh (St. Johns): Mr. Speaker, my question is to the Minister of Justice.

Manitobans are now aware of three instances in the last few months where the government has refused to support victims' cases. There was the Ann Justice case, where the government, for failure to pay a witness, caused significant difficulties. Last week, one of Manitoba's most wanted fugitives was not extradited. As well, we understand from an article today, that an essential witness in the Desjarlais case has not been brought to trial.

Mr. Speaker, with the historic backlogs in the courts, with the reduction in funding for Victims Assistance, there is a concern that victims will start to give up on our justice system in Manitoba.

My question to the minister is: Would the minister confirm that it is a priority of this government that it pay \$1 million for eight judges to not work rather than to allocate some resources to simple justice and victims?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Mr. Speaker, the member and I will speak about all of the services that are provided to Manitobans through our Victims Assistance line when we get into Estimates. I think he will be very surprised and I

hope very pleased, as Manitobans are, by the number of Manitobans who are served by those programs.

He raises issues, whereas he admits himself that his research is done strictly through the newspapers, nothing further than that. He raises a case in which today he did his research through the newspaper, but the member should know that the newspapers do not always report all of the information.

In this case, the individual who was reportedly required to be here did not have unique knowledge of the case, Mr. Speaker. That individual was seen as an expert witness. In that case, there was another expert who was available to the Crown in this province.

* (1410)

Mr. Mackintosh: Well, I suggest to the minister that if she is concerned about Victims Assistance, which is not the case according to the Estimates, Mr. Speaker, she make sure that the victim's case—

Mr. Speaker: Order, please. First of all, I would like to remind the honourable member, this is not a time for debate.

The honourable member for St. Johns, with your question, please, sir.

Mr. Mackintosh: My simple question to the minister is: Will she confirm that, because the government is spending \$1 million on eight judges this year, there will be less money available to bring witnesses to trial and bring the accused to justice?

Mrs. Vodrey: Mr. Speaker, the answer is no, and the member will find out. When we get into the discussion of Victims Assistance, he will find out exactly how many individuals again have been helped. I will also be able to talk to him then about the very substantial amount of money which is spent by Prosecutions to see cases through the courts.

I am also very happy to table a page of the decision which came down in the highest court of Manitoba, the Court of Appeal, and the justices in

that case said, nor are we satisfied that the case against the accused, even bolstered by the evidence of Dr. Ross, would be any stronger. The member is wrong.

Mr. Mackintosh: Well, in that case, Mr. Speaker, I ask the minister to confirm this.

Will she confirm to the House that two senior support positions in the Prosecutions branch have been done away with? Is that the kind of support that victims are getting in this province?

Mrs. Vodrey: Mr. Speaker, the member is referring to a personnel office in which staff have been redeployed. When we get to the Estimates of the Department of Justice, I will be very happy to speak about those.

However, Mr. Speaker, the member has mentioned an early retirement package offer—and I just want to take him back to the days when the NDP were in government, the former Attorney General—at that time prior to October 1987, there was an early retirement package offered which entitled judges to one week for each week of service to a maximum of 15 weeks.

But the Attorney General of the day, the Attorney General, a member of the New Democratic Party, who was in government at the time, changed that. In fact, he made an offer to the judges which said: I am very pleased to inform you that cabinet has approved a different method for the determination of compensation for the provincial judiciary. We have also improved an enhancement of the retirement benefit which will be available to all provincial judges. The temporary retirement benefit adds an additional two and a half weeks of salary to a maximum of 52 weeks for every year of service to the existing entitlement—the exact same offer which is being made.

Mr. Speaker, I will be more than happy to table the letter that was written to Judge Charles Rubin, signed by the Attorney General of the day, Vic Schroeder.

Deputy Minister of Health Salary

Mr. Dave Chomiak (Kildonan): Mr. Speaker, last year according to the government's Supplementary Estimates, the Deputy Minister of Health earned \$102,400. This year, he is getting a raise and is going to be paid \$106,700, an increase of \$4,300 or over 4 percent of salaries.

How, in these times of bed cuts, nurse layoffs, user fees, high-priced consultants, can this minister justify an increase of this kind to the salary of the deputy minister?

Hon. James McCrae (Minister of Health): Mr. Speaker, as I told the honourable member yesterday as we discussed this matter as we reviewed—

Hon. Gary Filmon (Premier): We did not have any media there, though.

Mr. McCrae: No, no media there, Premier.

We discussed this matter in review of the Estimates. The Deputy Minister of Health is treated no differently than any other civil servant working for the government. If there is an increase from one level to another level, that is exactly the same treatment as any other civil servant. Deputy ministers are also affected by measures like Bill 22, exactly like any other civil servant.

Mr. Chomiak: Mr. Speaker, and exactly like every other civil servant, in 1992-93, the deputy minister was paid \$94,600 and yet this year his salary is increased to \$106,000 which is over a \$10,000 increase, well over 10 percent.

Is that the way the average civil servant in Manitoba is treated, particularly in light of 200 layoffs at MTS today and other cutbacks of this government? How can this minister justify that?

Mr. McCrae: It is my understanding that Bill 22 has saved hundreds of people from being laid off in Manitoba. That is why I supported that legislation, because I do not like seeing people being laid off.

The honourable member and his Leader today are suggesting that we should be criticized for layoffs when their union colleagues, the ones they seem to be speaking for when they come to this

place, support that approach. I am hoping that unions in this province will be mindful of the fact that layoffs are the last option that we would like to use as government.

I can only repeat what I said yesterday when I had the deputy minister at my elbow who was able to confirm also that his treatment has been no different from the treatment accorded anybody under his supervision or in the government.

Mr. Chomiak: How can the minister not admit that this sends a very, very bad message out to the thousands of health care workers and other dedicated people in the system who have seen cuts and layoffs on a massive scale? How can the minister state, with any kind of integrity, that this is a normal process when the deputy minister has seen a massive increase of 10 percent in his salary at this time and era?

Mr. McCrae: Mr. Speaker, I am not accepting the numbers that the honourable member is quoting. The budget documents show certain numbers. The honourable member raised this question yesterday, and I thought we came to the conclusion of it.

The honourable member knows that there are people who work for the civil service who move from one step in a classification to another based on merit. That is not new. I think the numbers in the budget reflect that for the Deputy Minister of Health.

In addition to that, any impact of Bill 22 that other civil servants might experience is exactly the same impact that the Deputy Minister of Health will experience.

Municipal Board Review of Gimli Project

Mr. Jerry Storie (Flin Flon): Mr. Speaker, a number of days ago I asked the Minister of Rural Development to reverse his decision on a hearing for the creation of 10 jobs and construction to begin in Gimli.

There have been some unfortunate consequences to this, including a headline in the Interlake Spectator, which says, Gimli MLA is not doing his job. This is an unfortunate headline

because the person who is not doing his job is the Minister of Rural Development.

My question to the Minister of Rural Development is: Will he now, after hearing from many, many constituents in Gimli, people involved in the business community as well as the proprietors of Chudd's Chrysler, overturn his decision and not require a hearing based on two Conservative supporters who have interfered in this process?

Hon. Leonard Derkach (Minister of Rural Development): Mr. Speaker, you know it is unfortunate that the member for Flin Flon is not satisfied with following a process. Instead, he would rather have someone interfere politically and then he would come back to this House and say, well, why did you make that decision on your own if there is a process to follow?

We do have a process to follow, and that is, if there are interveners in a situation where there is a subdivision case, then it is only natural that we would allow an independent body to rule on that issue, an independent body that has been selected for that purpose.

Both parties have lawyers in this case, and they are presenting their case to the Municipal Board on the 26th, I believe, of this month. At that time, this matter will be dealt with by the Municipal Board.

* (1420)

Mr. Storie: Mr. Speaker, is the Minister of Rural Development prepared to sacrifice the member for Gimli (Mr. Helwer) simply to satisfy his own ego?

My question is: Will he, given the fact that he has the discretion, either to call or to dismiss any appeal, and given the fact that this appeal is not supported by anyone else in the community, will he finally do the right thing, let the MLA for Gimli off the hook, and let the people who want to create jobs there get on with the business?

An Honourable Member: Oh, oh.

Mr. Speaker: Order, please. We have lots of time left. The honourable member for Dauphin (Mr. Plohman) will have an opportunity yet.

Mr. Derkach: Mr. Speaker, all of a sudden the member for Flin Flon has become the so-called defender of my colleague the member for Gimli (Mr. Helwer). The reality is, I do not believe the member for Gimli wants the member for Flin Flon to be defending him in this case.

Mr. Speaker, we will follow the correct process, a process that has been a long-standing one and has been established in this province for many, many cases. Both parties know what the process is. Indeed, it is my responsibility, when there is an intervener, as minister to refer that matter to the Municipal Board, which I have done, and that hearing will be held, I believe, on the 26th of this month.

Mr. Storie: Mr. Speaker, we so often hear about the government's desire to create jobs in Manitoba.

Can the minister tell us how long this process will take, and whether the individuals, the proponents of this project, are going to be able to begin the process by this spring so they will have the jobs available for the people in Gimli before this government's mandate runs out and the government has some integrity and does the right thing?

Mr. Derkach: Mr. Speaker, I find this a little bit incredible, you know. The member wants the government to follow all processes. As a matter of fact, the member for Selkirk (Mr. Dewar) raised an issue with regard to some article in a newspaper and said it is political interference by the Minister of Rural Development.

Well, in this particular case, we are following the letter of the law, and both parties understand the process. We have been in touch with both members in this particular dispute, and the hearing has been set, I believe, for the 26th of this month.

That will still give ample time, if the subdivision is approved, for the party to go ahead with the construction and the creation of the employment that is going to happen as a result of this development.

Manitoba Telephone System Layoffs

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, my question is for the Minister responsible for the Manitoba Telephone System or the Premier (Mr. Filmon), whomever would choose to answer.

In some kind of cruel irony, four days ago, the chairman of Manitoba Telephone System, Mr. Tom Stefanson, wrote me in response to a letter I had sent to him, and gloated about the profit picture for MTS, saying, let me quote: MTS's net income for 1993 has increased to \$20 million from \$6 million in 1992. The improved net income in 1993 results, to a large extent, from productivity improvements and reductions in operation expenses totalling \$10 million.

Mr. Speaker, in addition in this letter, Mr. Stefanson indicates that the expected impact of the new capital tax will be somewhat less than \$3 million.

My question for the minister responsible: Why, with glowing economic scenarios from the chairman being sent out around the—they went from \$6 million to \$20 million in one year. Why are they laying off 200 Manitobans, which will only be a drain on our government revenues as they go onto unemployment insurance and welfare, Mr. Speaker?

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Mr. Speaker, yes, it is very encouraging that MTS increased their net revenue from \$6 million to \$20 million, but over the last five years that we have been in government, the average per year has been \$23 million, so there have been better years and there have been tougher years.

Mr. Speaker, MTS is doing a very good job of fiscally managing that corporation so they can stay in the vicinity of \$20 million to \$23 million per year.

The member mentions the corporate capital tax. I want to remind him that Quebec, Ontario, Saskatchewan and British Columbia—you notice that British Columbia, Saskatchewan and Ontario

all have the corporate capital tax, and it puts MTS on a level playing field with the private sector with whom they are competing.

As I mentioned earlier, MTS management negotiated with the unions and said, we need to save this on our bottom line in terms of expense; we are prepared to offer you the opportunity of saving your jobs by taking the voluntary days off.

They chose to say no. We did everything possible, MTS and the government, to be sure the jobs were not lost. We expected them to take the same decision as they did in Ontario, take the voluntary time off to save the jobs. I can tell you, Mr. Speaker, MTS is still open to those unions coming back and saying, we are prepared to accept the voluntary days off to save the jobs.

Mr. Edwards: Mr. Speaker, we have the chairman now saying it is approximately \$3 million, a cost that is relative to that capital tax.

What is the corporation going to save from the 200 layoffs, do they consider, and how does that relate to the \$3 million? Can the minister indicate what the saving is going to be this year as a result of those 200 layoffs?

Mr. Findlay: Mr. Speaker, the corporation was looking at saving on their bottom line around \$3.5 million this year.

The member always wants to argue and say, make the ratepayer pay more. That is what he argues. He does not argue in favour of saving costs, which every company and every government across this country is doing.

Mr. Edwards: Mr. Speaker, they just loaded exactly that same amount of money onto this utility.

Manitoba Hydro Capital Tax

Mr. Paul Edwards (Leader of the Second Opposition): My final question is for the Minister responsible for Manitoba Hydro.

Just yesterday I got a letter from the chairman of Manitoba Hydro, Mr. McCallum, and he indicated there was \$12 million as a result of that capital tax.

What can we expect? What can the people of Manitoba Hydro expect in the future for them, given that MTS, with the new \$3-million taxes, tried to save the \$3 million by laying off employees? What is Manitoba Hydro going to do? Will the government be forthright about their plans today?

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, I think with the two numbers that the Leader of the second opposition party has just outlined, the \$3 million from MTS and the \$12 million from Manitoba Hydro, he has confirmed the amount that we did, in fact, include in the budget.

When asked that question here in the House, we indicated to him that we do not expect any impact on Manitoba Hydro. They have their rates set for the next two years. As he well knows, they have their rates set for the next two years at 1.2 percent overall increase, so certainly in the short term, no impact.

I am not sure how much detail the letter goes into that he has received, but, certainly, the feedback I have heard is in a multimillion-dollar corporation with hundreds of millions of dollars of revenue, that they do not expect the corporation capital tax to have any impact on rates, Mr. Speaker.

Sugar Beet Industry Status

Ms. Jean Friesen (Wolseley): Mr. Speaker, we are pleased to hear today about the potential for a return to mediation at the Manitoba Sugar plant and also to hear that, as yet, no layoff notices have been received. The dispute in this important Manitoba industry has a familiar ring to it. The same type of eleventh hour negotiation and brinkmanship has occurred on a regular basis to the detriment of all sectors of this industry.

In 1991, the then-Minister of Agriculture claimed to be discussing long-term issues of a national sugar policy. In 1993, the present Minister of Finance claimed he was working with all elements of the industry to see if there is a solution.

I want to ask the present Minister of Industry, Trade and Tourism what evidence there is of any progress made by his government in the last four years over the long-term issues facing this important Manitoba industry.

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Speaker, unlike the beef-packing industry that was lost under the former NDP government, we are pleased that there are still negotiations being carried on. Unfortunately, they are last-minute discussions and negotiations, but the industry has operated over the past four years, and it is our objective to get the groups back in a positive way to operating on a long-term basis.

We are hopeful that the negotiations today will resolve the impasse and that we can get on to that longer-term objective.

Trade Issues

Ms. Jean Friesen (Wolseley): Mr. Speaker, the company officials have expressed great concerns about the unfair conditions of trade with the United States.

I want to ask the same minister, again, what steps he has taken to deal with those outstanding issues. Has he, for example, spoken to the new federal government about trade issues in the sugar industry of Manitoba? Will he table for us an account of those discussions?

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Speaker, this government, under the leadership of this Premier (Mr. Filmon), has been extremely strong on trade activities as it relates to the products and the manufacturing goods and the produce of Manitoba.

Specifically dealing with sugar, no, there have not been specific meetings held on that, but there have been in a general way discussions as to how we can improve the trade with Manitoba products and with the other jurisdictions.

Mr. Speaker, as well, I can tell the House that next week we have a Ministers of Trade meeting right here in this Legislative Building as it relates

to internal trade of which I am sure we will have the opportunity to discuss the sugar trade, as well.

Mr. Speaker: Time for Oral Questions has expired.

* (1430)

NONPOLITICAL STATEMENTS

203rd Anniversary of Polish Constitution

Mr. Jack Reimer (Niakwa): I wonder, Mr. Speaker, would I have leave for a nonpolitical statement?

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

Mr. Reimer: Mr. Speaker, May 3 is the 203rd anniversary of the passing of the constitution of Poland. In common with Poles around the world, our Polish community will be celebrating the enactment of its constitution. Along with the American constitution of 1787 and the constitution of the revolution of France of 1791, the Polish constitution of 1791 is regarded as one of the most outstanding achievements of the 18th Century.

The importance of the constitution of the 3rd of May was more than its provisions of judicial and legislative principles. Its enactment provided a fundamental moral sense for the Polish people. The principles enunciated in the beacon of democracy have been praised and emulated around the world for just over two centuries and have served to instill faith and hope in the Polish people throughout the almost insurmountable barriers and tragedies that they have endured so long.

Also, Mr. Speaker, this year is particularly significant because of the 203rd anniversary of Kosciusko's insurrection.

I know that all members of this House will join with me in extending best wishes to our friends in the Polish community as they recognize and celebrate this historic event. Thank you.

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

Mr. Dave Chomiak (Kildonan): Mr. Speaker, I, too, join, on behalf of the members on this side of the House, in celebrating the anniversary of the May 3 constitution.

I certainly join in the comments of the member for Niakwa when he indicated the great strength and the history of this particular document. It is a historical document that has been emulated in many, many countries and many times throughout history and has served as a beacon of hope for the Polish people throughout some very difficult and trying times in their history.

Always this constitution served as a hallmark and a shining beacon of democracy and of rights and attitudes, of respecting individuals and others. It certainly has served as a basis for many other documents, and indeed there is certainly an example in terms of the functioning and the historical nature of this constitution that we in this country can learn from, Mr. Speaker.

I join with all members of this House in commemorating the Polish people for this outstanding achievement. Thank you.

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

Mr. Gary Kowalski (The Maples): I will join my colleagues in their recognition of this event. The Polish community should be very pleased with this event. The contribution of the Polish people of this world has helped all of humanity, and I think we should recognize this event. Thank you.

* (1440)

ORDERS OF THE DAY

House Business

Hon. Jim Ernst (Government House Leader): Mr. Speaker, firstly, on a couple of matters of House business. Today, we will be dealing again in Estimates. The Executive Council Estimates having been completed last evening, we will today have Health revert to the Chamber and Rural Development will be in Room 255.

Tomorrow, Mr. Speaker, we will be dealing with second readings of at least the four bills shown on

the Order Paper. If there is time permitting following that, we will also revert to the Estimates of the Department of Health and the Department of Rural Development.

So, Mr. Speaker, I move, seconded by the Minister of Government Services (Mr. Ducharme), 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.

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

Okay, now we are bringing Health back into the Chamber, and at several previous sessions during Estimates consideration, the House has permitted opposition critics to be seated in the front row in the Chamber while the departmental Estimates for which they are the critics are being considered. In addition, the House in the past has not required members in the Chamber to stand to speak during Estimates consideration.

So that is why I am going to ask at this point in time, is there unanimous consent for these practices to be continued during this session? [agreed]

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 Rural Development; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Health.

COMMITTEE OF SUPPLY (Concurrent Sections)

RURAL DEVELOPMENT

Mr. Bob Rose (Acting Deputy Chairperson): Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Rural Development. Does the honourable Minister of Rural Development have an opening statement?

Hon. Leonard Derkach (Minister of Rural Development): Yes, I do, Mr. Acting Deputy Chairperson.

Thank you very much, Mr. Acting Deputy Chairperson, and good afternoon, members of the opposition critics. The end of 1993-94 marked the first year the department has operated under its new structure, the Local Government Services division and the Economic Development Services division. Through this structure, the department maintained services to local government and developed partnerships with businesses and entrepreneurs to promote rural economic development.

These program and service delivery divisions are supported by a restructured policy section, the Corporate Planning and Business Development branch. The result has been improved communications and a more co-ordinated service approach. In the area of local government services, we began a comprehensive review of The Municipal Act and related statutes. The review which was requested by the UMM and MAUM and local officials is led by a review panel and supported by department staff. Discussion documents were prepared and 2,500 copies were distributed to rural stakeholders.

The review panel completed 17 regional consultation meetings with over 600 delegates attending and providing approximately 300 written submissions and presentations. The process was received positively, and the review panel is now in the process of writing the report with a draft report slated for sometime at the end of this year.

The municipal assessment branch has completed property reassessment for the 1994 tax year across the province. The reassessment included extended public service hours in regional assessment offices during October and November to assist ratepayers, meetings with all 202 municipal governments to explain the impacts of reassessment, and a new simplified assessment notice with an information insert for ratepayers. Only 2 percent of all properties in the province were appealed, and all appeals in rural Manitoba have been heard and decisions have been rendered.

During the past seven years, the branch fully automated and simplified the assessment process and now plans to emphasize field inspections to prevent inequities and ensure all properties are accurately valued. The division is now reviewing the mobility disadvantaged program guidelines which will allow existing programs to continue operations and encourage new communities to join this program that has received increased funding of \$45,000 to a total of \$455,000.

Last year we introduced The Regional Waste Management Authorities Act as well as a number of changes to the existing Municipal Act. Changes such as allowing investment in Treasury bills, mutual funds and allowing municipalities to appoint their own auditors will help increase the effectiveness. This year it is proposed the act be changed for easier collection of tax arrears on oil and gas wells.

Staff from the Local Government Support branch are working closely with councils in several northern communities to help them deal with the mine closures. For example, this department worked with Manitoba Family Services to develop an innovative answer to some troubling questions in Lynn Lake. For residents relying on social assistance, we helped develop a one-time program allowing them to clean up their community by removing and maintaining abandoned homes and businesses, therefore helping this town's transition. This department is also working with Leaf Rapids, Snow Lake and Flin Flon to help them explore and develop economic activities and opportunities.

To build on its client relationship, the department is working closely with municipal offices in redesigning the forms and reports they need to support their budgeting and taxation process. The revised tax statement is an example of a co-operative working relationship we have developed with the municipalities.

For the Economic Development Services Division, this year has been one of promoting new economic programs and services and facilitating rural business development and job creation. Mr. Acting Deputy Chairperson, 1993-94 saw the

introduction of two new REDI components, the Rural Entrepreneur Assistance program, or REA, and the Junior Achievement program. Each program introduced sought-after skills training components for new and future real entrepreneurs. To date the department has facilitated total REDI project commitments of \$12.7 million, a commitment that has resulted in total capital investment of \$145 million and the creation of more than 500 jobs in rural Manitoba. Within this total, the newly created REA program has approved 26 projects to date and levered \$2 million in capital investment and created more than 70 jobs.

In addition, youth focus programming, including Partners with Youth and the Green Team, generated 1,300 part-time jobs for rural youth. This year the "Hometown" component was added to the \$1.8-million Green Team to allow municipalities to hire local students, aged sixteen to twenty-four, to work on local projects. Together with the "Hometown" component, the Green Team will employ more than 700 young adults. This department recently expanded youth assistance with the creation of the REDI-funded Rural Youth Business Initiative. Furthermore, this department contributed \$24,500 to the Youth Business Institute to allow this program to expand to rural schools.

REDI also supported strategic initiatives for rural Manitoba, such as the Rural Call Centre Strategy and the Local Economic Delivery System Study. Rural libraries will receive \$1 million in REDI support, with municipalities receiving an increase of \$1.5 million in REDI funds.

In co-operation with the federal Community Futures program, the department is reviewing the local economic delivery system in rural Manitoba. The consultant's study expected in July will focus on the agencies receiving assistance from various levels of government and recommend an improved approach to the system.

The department's Grow Bonds program is experiencing increasing interest. To date, 11 Grow Bond issues have been approved, totalling \$4.5 million and generating over \$15 million in total

investment and over 250 jobs in rural Manitoba. All rural Grow Bonds sales are successful and of note is the recent Winkler Meats \$240,000 issue which sold out in about three hours. Today, I might add, we were able to launch a new Grow Bond, and before we left the meeting, the Grow Bond had sold \$42,000 of Grow Bonds. So the support of local bond issues is proof that rural Manitoba believes in local initiative. Our plan is to build upon this belief.

The department's Community Choices Program expanded in rural Manitoba again in 1993-94. Today, 58 community round tables operate in our rural areas involving 101 municipalities. This represents an additional 19 round tables since last year. About 20 round tables have completed their vision statements and are now proceeding with further action plans.

In 1993-94 the PAMWI agreement was expanded to 13 new communities to assist in sewer and water development projects. PAMWI's commitments to date total approximately \$81 million. A review of the Manitoba Water Services Board and sewer grant formula is helping develop a simplified formula that is now being investigated and recommendations are forthcoming. The Water and Sewer Program extended assistance of \$1.7 million and the Water Development and Drought Proofing Program is proposing to extend assistance of more than \$1.2 million in new agreements.

* (1450)

As part of this department's focus on improving the rural infrastructure, we recently announced the opportunity for 23 communities to take part in the expansion of natural gas to their areas. This \$22-million initiative, with the province contributing \$7.2 million, could easily provide natural gas service to more than 1,000 businesses, 140 public buildings and 6,000 private homes representing a rural population of at least 19,000 people.

The benefits of this initiative are clear. It can provide long-term economic growth in rural Manitoba by offering savings in energy costs and

an additional fuel option for business development. Town council meetings on the program are now taking place, and a 60 percent sign-up ratio must be reached in these communities before individual projects can be proceeded with. Once this is completed, construction could begin as early as June.

In 1993-94, the department tabled the Rural Economic Development Strategy for public consultation. This strategy contains a vision of rural Manitoba, guiding principles and 10 key components. The process towards finalizing this strategy was set in motion in Manitoba's first rural development forum in Neepawa last year. The forum brought together 350 rural stakeholders to refine the draft strategy into share ideas, identify opportunities for economic growth and to forge new partnerships.

Many of those same rural entrepreneurs, business people and community leaders returned to the 1994 edition of Rural Development Forum. About 800 participants took part in the forum including about 250 youth from rural Manitoba who contributed their views and involvement in our economic future. This year's forum, co-sponsored by the Manitoba Chamber of Commerce, Junior Achievement of Manitoba and EITC, focused on the implementation of the rural economic development strategy.

To spearhead the implementation phase, I have appointed a rural advisory committee of 14 rural businesses and community leaders to help guide the strategy's implementation. This committee will report directly to me ensuring that the rural voice of Manitoba is heard.

In closing, Mr. Acting Deputy Chairperson, the Department of Rural Development is undertaking major strategic and legislative review initiatives changing the face of local government in rural Manitoba. We, too, are adapting and improving the way we serve our clients. We are getting positive results, opening the lines of communication and fostering a positive attitude about rural Manitoba. We are working together with others. We are fulfilling our responsibilities, and we are making rural Manitoba stronger.

Thank you very much, Mr. Acting Deputy Chairperson. I would like to indicate to you at this time that I will circulate a copy of these speaking notes to my critics in both opposition parties. I simply apologize for not having them to you in advance. I will get them to you very quickly.

The Acting Deputy Chairperson (Mr. Rose): We thank the Minister of Rural Development for those comments. Does the official opposition critic the honourable member for Interlake (Mr. Clif Evans) have an opening statement?

Mr. Clif Evans (Interlake): Yes, I do. Thank you, and I will be brief so that—

An Honourable Member: And kind.

Mr. Clif Evans: —and kind, so that we may continue into the general Estimates and then go through it line by line.

The minister has made some good comments with what the department has been attempting to do in the past couple of years. I am pleased, and I think the minister knows this. We have discussed it and I feel that the Rural Development portfolio and department is an extremely important one not only to this province but to other provinces. I would like to see, certainly, the Rural Development department take a lead role in establishing a fine economic base for rural Manitobans throughout Manitoba, expanding perhaps through decentralization, perhaps through other ways and means.

As far as natural gas goes, we will discuss that later. I am rather disappointed that some areas were not able to be a part of the first go-around with the natural gas, and I am sure the minister will discuss this later.

I am pleased to say that I had the opportunity, with the minister, to be at the forum in Brandon just a few weeks back, and I was very enthused about what I heard and saw there especially from the young people that were there, the comments that were made. It opens your eyes, I believe, to understand and realize that the young people in rural Manitoba are the ones that are the future of rural Manitoba and their wishes, their needs, and I guess their demands are very important. The Rural

Development department, basically, should be the one that should be listening to the young people of our rural areas.

I must also comment that I was very pleased and impressed with the minister's staff in organizing and how they handled the Brandon forum. I must also put on record, as I did in my budget speech, that my wife and I were treated so very well by his department and the minister. I just want to say in closing that it will be a pleasure, people in Manitoba permitting, to serve as their minister of Rural Development, if it so be, and that it will be a pleasure to work alongside of them. Those are my comments.

The Acting Deputy Chairperson (Mr. Rose): I thank the critic for the official opposition for those remarks. Does the critic for the second opposition party the honourable member for St. Boniface (Mr. Gaudry) have any opening remarks?

Mr. Neil Gaudry (St. Boniface): Oui, Monsieur le président. Est-ce-que je peux parler en français?

Yes, Mr. Acting Deputy Chair, it gives me great pleasure again this year to be part of the Rural Development Estimates.

First, I would like to thank the minister for his open-door policy when we have concerns, that he has always left the door open so that we can discuss with him and with his staff. I would like to say that whenever I have had concerns or questions —[interjection] We know that.

I will be very brief. The fact that we want to go through the Estimates, and there will certainly be questions to be asked. I know there are Grow Bonds and we have supported that from Day One and will continue to do so, but I think we will have questions of the fact that we have been talking about jobs and jobs that have been created in regard to that. I think we would want to know the number of jobs that it has created in rural Manitoba. I think the interest for rural Manitoba is not just one party.

I think 57 representative elected officials are concerned, whether we are in Winnipeg or in rural Manitoba. We are there to work with all Manitobans, not just with one sector or one

constituency, and I think, if we co-operate with the opposition or the government, that is where we get most satisfaction. I think it has been shown. I know I have tried to co-operate. I have had satisfaction from government members, and I thank them for that and will continue to do that and take the high road whenever we are discussing things. When we criticize, it should be positive criticism, and like I say, I will continue to do that. If I slip somehow, sometimes, I mean, we all do, and we will continue to do that. I thank you for the brief comments, Mr. Acting Deputy Chairperson.

The Acting Deputy Chairperson (Mr. Rose): We thank the member for St. Boniface for those opening 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 consideration of the next line. I would like to advise members of the committee that the correct procedure for considering items in the Committee of Supply is in a line-by-line manner. In order to skip ahead or to revert back to lines already passed, unanimous consent of the committee is required.

At this time, before we begin, I would like to invite the minister's staff to join us at the table and would ask the minister to introduce his or her staff present.

* (1500)

Mr. Derkach: Mr. Acting Deputy Chairperson, I, first of all, would like to introduce to the table Mr. Winston Hodgins, who is the deputy minister of the Department of Rural Development. With Winston, I would like to also introduce Mr. Brian Johnston, who is the manager of the Finance and Administration Division. In addition, I would like to introduce Ron Riopla, who is the Director of Corporate Planning and Business Development Branch in the department and also Aline Zollner, who is the special assistant to the deputy minister.

The Acting Deputy Chairperson (Mr. Rose): Thank you very much.

1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$397,700—pass; (2) Other Expenditures \$77,000—pass.

1.(c) Brandon Office (1) Salaries and Employee Benefits \$100,400—pass; (2) Other Expenditures \$53,400—pass.

1.(d) Human Resource Management (1) Salaries and Employee Benefits \$113,500—

Mr. Gaudry: The item, Salaries and Employee Benefits, is quite a reduction. Could we have a short explanation as to why the reduction of 50-some-odd thousand dollars?

Mr. Derkach: Mr. Acting Deputy Chairperson, this is a result of some consolidation that resulted in the Human Resource branch, and we were able, in this way, to reduce one staff person. The function is now being conducted or is being carried out through amalgamation with other departments.

Mr. Gaudry: To what other departments has it been transferred?

Mr. Derkach: There are several departments that have come together to sort of consolidate this kind of service, and it is the Department of Agriculture, the Department of Environment and our own Department of Rural Development.

Mr. Gaudry: Thank you.

The Acting Deputy Chairperson (Mr. Rose): Shall the item pass? The item is accordingly passed. (2) Other Expenditures \$20,700—pass.

1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$237,300. Shall the item pass?

Mr. Gaudry: Again, this decrease in Other Expenditures in item 2.

The Acting Deputy Chairperson (Mr. Rose): (1) Salaries and Employee Benefits—pass; (2) Other Expenditures \$198,800.

Mr. Derkach: In that particular line under Supplies and Services, the cause of the reduction, if you like, is related to the more efficient use of space and our staff being able to have space reassigned in a more effective way.

Mr. Clif Evans: Can the minister just reiterate the \$33,500 on Grants under that department head, Financial and Administrative Services? The grants, where do they go from this department area?

Mr. Derkach: Do you want a listing of the grants?

Mr. Clif Evans: Not a listing, just a general.

Mr. Derkach: Mr. Acting Deputy Chairperson, there is a grant to the Manitoba Municipal Administrators' Association, and there is a grant to the Intergovernmental Committee on Urban and Regional Research. There is also the support that is given to the UMM banquet and the support of the MAUM banquet, I think, as well in this same component. Now, did you need the amounts?

Mr. Clif Evans: No.

Mr. Derkach: Okay.

The Acting Deputy Chairperson (Mr. Rose): Shall the item pass? The item is accordingly passed.

2. Boards (a) Municipal Board (1) Salaries and Employee Benefits \$333,500—pass; (2) Other Expenditures \$127,900—pass.

Mr. Clif Evans: Under Municipal Board, I wonder if the minister would answer some questions with regard to the Gimli issue under this heading. As it has been brought to the minister's attention and I have been part, of course, of the questions directed to the minister and heard his answers, I just want to make comment here. Because in the past week, 10 days, and previous, the minister and I discussed this some weeks ago and I was rather surprised to see, after hearing the people from Gimli, the proponents of this project, even though the minister indicated that it was the proper procedure that he should be following, that the minister—and I guess the complaint was the fact that the proponent went through all the hoops and saddles and whatever else that they had to do.

They came to the government for no support. There was no government support whatsoever to this family. They followed all the procedures. They received all the stamping and approval of the local Planning District Board, the local

jurisdictions as far as reeves, mayors and councillors. I was rather surprised, I guess, that the minister would take this route on a project that he is taking, on a project that is so important to the community, not only to the Gimli community and to expedite it, but it is also important to the surrounding communities, spin-offs, construction work, and of course potential long-term full-time jobs within a dealership.

The question, of course, and it has been asked in House during Question Period—and I have seen the paperwork—and I really do not see a reason, a substantial reason, that the minister should have this go to the Municipal Board. I would think that with all the support that the project has received from everybody except for two people that the minister has the discretion to just allow the project to proceed.

Between the appeal, between—and as I said earlier, all the loops that they have gone through—now they have to wait for this project even longer. All the necessary meeting and whatnot has to go again. It is going to be going at the end of May. Well, I guess how I can put it is the proponents are very, very down on the bureaucratic system. They are very down on the minister. They are very upset with the fact that here they have worked hard spending lots of money and will be spending lots of money bringing tremendous economic growth for the area that the minister should not have just rubber-stamped this and sent it along its way. Let them get moving on the project.

* (1510)

Mr. Derkach: Mr. Acting Deputy Chairperson, I thank the member for that question because it has been the subject of two questions in the House over the last week or so. Perhaps I could better clarify or explain it in this setting.

First of all, it is true that this particular move of a business to that part of the community is going to create additional jobs in the community because it is certainly going to be an expansion, if you like, and, you know, a new business in a community is always a welcome sight to many, many people.

What is unfortunate sometimes is that there are people who object for one reason or another. In some cases, the objection is valid; in some cases, it is frivolous. So when the objection comes to the department, we have to weigh whether or not it is simply a frivolous kind of objection or whether there is some validity to it and should be considered by an independent body that has been established for those things.

In this vein, I guess, I could use an analogy in my own back yard, if you like. Everybody in this Chamber has heard about the Asessippi ski hill project. Now, you know, we launched—I should not say we. The proponent launched that project over a year ago and would have loved to get on with the job of building the facility and creating something like 130 jobs in the area. However, there is a process that has to be followed when objectors come forward, and in that case, objectors did come forward. A process has to be followed, and it takes time. It does not mean that the project is dead or will not take place, but it does mean that some questions have to be answered.

In this particular situation, we have a piece of land that was zoned agricultural and was changed from agricultural land to commercial, I believe it was. So, therefore, you would have—naturally somebody would want to object when you do changes. I mean, it happens often. The Chudd family approached this in a similar manner that others approach it. In other words, they went through the same processes that other individuals would have to in applying for a rezoning in a subdivision. In this particular case, an objector did come forward, an intervener. I guess the local politics is somewhat heated in this issue, and both parties, I understand, have obtained the services of legal counsel who, I understand, are also very well versed in municipal law.

Now, I think it is wrong for me as an individual to pass judgment on a case like this simply on my own and then either allow the project to proceed or, in other words, end it. I would much prefer to send this to a quasi-judicial body, if you like, who have the authority to deal with matters of this nature, and it would be consistent then with the

way that things are handled in the department. We looked at the past to see whether there were any precedents that would lead us to a different conclusion, and I have to say that whether it is this government or former administrations, we have always respected the role of the Municipal Board. For that reason, we have allowed them to make the final decision in this matter—or they will make the decision and then report back to me as to what they have decided in this case.

We have tried to move the hearing up as soon as possible or as close as we can to the spring season so that if in fact the results are positive to the Chudd family, then they can proceed with the construction of the new facility in this spring season and be in business as quickly as possible.

So to that end, Mr. Acting Deputy Chairperson, I think we have followed the right approach. We have not attempted to in any way favour one party or the other and have simply tried to follow a process that has been established in the long term.

Mr. Clif Evans: I appreciate what the minister is saying, and I have the objection in front of me. Was there a specific part of the objection, basis of objection—it lists seven objections—did the minister decide on any one particular objection within the objection to use or to feel that he could not deal with it on his own or that it was—I mean and also he had support of all governmental people, as I said earlier. There is no government money, no tax money in this project, as with the proposed plan in the minister's area. There is going to be some public money.

Mr. Derkach: Maybe they should go out and get Grow Bonds.

Mr. Clif Evans: Maybe they should, but is there a specific objection that the minister feels or are all these objections worthy enough from two people to go and bring in another board, other members of the Municipal Board in to hear what has been heard over and over again? It has been heard two or three times already. I mean, unless the minister can tell me there is something specific that he is worried about that the Municipal Board should be dealing with on this, then I would like to hear it.

Mr. Derkach: And there is. You cannot simply treat this as a frivolous matter, because any time you change the use of land, and there was a change in the use of the land, anytime you change that, you cannot say that it is an insignificant matter. It was not until the use of the land or the intended use of that land was changed that we had an intervener.

So when you change the intended use of land, and my understanding is, it was agriculture, now rezoned to commercial, you have a significant issue, and if there is an intervener, then I think it is only appropriate for us to follow a process that has been set traditionally in the department, and that is to refer a case like that to the Municipal Board.

(Mr. Deputy Chairperson in the Chair)

Even though I would like to see something like that resolved perhaps at the local level, we do have to have an appeal process where the parties involved can have somebody outside of the area listen to the arguments and then base their decision, if you like, on an objective basis.

Mr. Clif Evans: Mr. Deputy Chairperson, of course the minister is aware that one of the objectors sits on the Municipal Board, is a member of the Municipal Board. What regulations or legislation, if any, or whatever the minister can tell me—I mean, does this person have to resign from the board? Will his objection—I mean, that is another question. How is he who knows the ropes, who was an appointment, how is his role as a member of the board going to continue, or will it continue, as an objector? [interjection] I am sorry. If I may, is he going to have to remove himself from that Municipal Board hearing in May?

Mr. Derkach: Mr. Deputy Chairperson, first of all, I would like to explain the process of the Municipal Board. It is true that in this case the intervener is a member of the Municipal Board. The Municipal Board has a number of people appointed to it. I cannot tell you the exact number—[interjection] Yes, there are 24 members who sit on the Municipal Board. You will not have the entire Municipal Board sitting to hear a particular case. What will happen is perhaps three members will be selected out of the 24 to sit on this case. The

intervener will not be selected in any way, shape or form, and he cannot have any say in terms of this matter. So not only does he remove himself, but indeed the chairman of the board will not appoint him as a member of the panel to the board or as a member to that particular hearing.

Mr. Clif Evans: I understand that three board members have already been chosen. If the minister has the names available now, I would appreciate it, if not for the record, provide it to me at a later date.

Mr. Derkach: Mr. Deputy Chairperson, I do not have the names. I did not know that they had been selected yet, but it is the chair, Mr. Jim Donald, who selects the members who will sit on the particular case. I will get the names, if they have already been selected, for the member and report back at our next sitting.

Mr. Clif Evans: Well, thank you. Sort of going off this topic and on, I guess I speak not necessarily specifically and only for my own feelings on this. From the conversations I have had with the people in the area and the anger out there that this process is not only going to be taking place, but it has already taken so long to come to that conclusion, I think that there would have to be in the future something, the same situation, looked at very, very closely, perhaps a different procedure.

* (1520)

In looking at the objections, I cannot for myself see any real threat, that these objections they have put through are going to be a threat to the community or to the land base or whatever. They have support throughout the whole community. They have support from the other dealers in their own community down the road. They have support from everybody but two people, and I can appreciate that, yes, there has to be, if someone has a very, very strong objection to something, yes, they should be heard.

Perhaps, you know, these objections could have been heard and sat down with the minister, both the proponent and the objector, and discussed and come to some conclusion instead of bringing people all over the place from all over the place to hear everything over again and hear all the support

again and for the Municipal Board to put a rubber stamp on it. I just would think that perhaps this could be looked at at a future time, future date, to speeding up these types of things for proponents who want to establish economic well-being for their communities, private people, private funding.

Mr. Derkach: I certainly accept that suggestion from the member. I say there are other areas in government where perhaps long-standing tradition or perhaps regulations or legislation that have been passed in years gone by, we are now seeing that perhaps different approaches should be taken to speed up and to make sure that our province is an attractive place for investors.

Whether it is this particular situation which is a very small one in an overall context of the province, or let us extend that to a larger project, and I refer specifically to a project like Louisiana-Pacific who are also interested in investment in the province. There is a process they have to go through and although many of us may be frustrated and may like to get on with things to build our province, there are processes that have to be followed.

I guess I will commit to the member that during The Municipal Act review, this is an issue that I will undertake to address and see whether or not there is a more effective and efficient process that can be developed.

Mr. Deputy Chairperson: Shall the item pass? Pass.

(2) Other Expenditures \$15,400. Shall the item pass? [interjection] I am sorry.

(1) Salaries and Employee Benefits \$25,600—pass; (2) Other Expenditures \$15,400—pass.

Resolution 13.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$502,400 for Rural Development, Boards, for the fiscal year ending the 31st day of March, 1995—pass.

We now move on to Corporate Planning and Business Development \$661,700 (1) Salaries and Employee Benefits \$599,300—pass; (2) Other Expenditures \$62,400—pass.

Mr. Gaudry: Slow down. In Other Expenditures, you have a substantial decrease there from \$89,700 to \$62,400.

Mr. Deputy Chairperson: The honourable member for St. Boniface, if you could repeat that, please.

Mr. Gaudry: In Other Expenditures, the substantial decrease of \$89,700 to \$62,400.

Mr. Derkach: This, again, reflects the decrease or the reduction in office space requirements as was the case in the previous one that we dealt with in terms of the supplies and services area. We have been able to reduce the space requirement by the department and that has resulted in some cost savings.

Mr. Gaudry: Why are you reducing this space if you are not reducing staff? It is about time. It took you six years.

Mr. Derkach: Mr. Deputy Chairperson, over the last six years we have tried to implement some efficiency in government and in each department. We have been working very hard at ensuring that the functions we perform are done in an effective and efficient manner.

Last year, as the member will recall, we reduced a significant number of staff in the planning area of the department. That resulted in some vacant space in the building. We have reduced our space from three floors that we used to occupy down to two floors presently. That has resulted in some cost savings, and those are reflected in the Estimates here.

Mr. Deputy Chairperson: Item 3.(b) Other Expenditures \$62,400—pass.

Resolution 13.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$661,700 for Rural Development, Corporate Planning and Business Development for the fiscal year ending the 31st day of March, 1995.

We will now move on to Local Government Services 4.(a) Executive Administration (1) Salaries and Employee Benefits for \$101,700.

Mr. Derkach: Mr. Deputy Chairperson, before we get into this section I would like to introduce to

the members opposite the Assistant Deputy Minister of Local Government Services, Ms. Marie Elliott, and the Executive Director, Mr. Roger Dennis.

Item 4.(a)(1) Salaries and Employee Benefits \$101,700.

Mr. Gaudry: I have not noticed any staff reduction, but you have a decrease in salaries on most of the categories. Are these savings because of the Filmon Fridays, so-called?

Mr. Derkach: Mr. Deputy Chairperson, there is not a reduction in this specific line, but if you look at the department as a whole, there will be some areas where there are reductions, and some of them are because somebody has resigned that has been at the top of the—or someone has retired that is at the top of the pay scale and you hire a new employee at a different level. There have been reclassifications. Last year we did reduce, as I indicated, a significant number of staff in the planning area, so that, in effect, impacts on the line. It really has nothing to do with the bill that was passed.

* (1530)

Mr. Deputy Chairperson: Could I ask the honourable members that want to carry on a conversation to do so at the back of the room so that we can carry on with our meeting?

4.(a) Executive Administration (1) Salaries and Employee Benefits \$101,700—pass; (2) Other Expenditures \$32,600—pass.

4.(b) Assessment (1) Salaries and Employee Benefits \$5,577,200—pass; (2) Other Expenditures \$1,110,300—pass.

4.(c) Local Government Support Services (1) Salaries and Employee Benefits \$735,300—pass; (2) Other Expenditures \$366,900—pass; (3) Transit Grants \$1,325,000.

Mr. Cliff Evans: Mr. Deputy Chairperson, these Transit Grants, these are the grants for handicapped vehicles, for buses for Thompson, for Brandon and Flin Flon, and, of course, just local requests for the handi-transit vans throughout the province then. Is that under this?

Mr. Derkach: Mr. Deputy Chairperson, the transit operating grants are offered to three communities in Manitoba: the City of Brandon, the City of Flin Flon and the City of Thompson. The City of Brandon receives a total grant of—I am sorry. I had better get the right figures here. Okay. The 1994-95 Estimates for the City of Brandon are \$692,800; for the City of Flin Flon \$50,000; and for the City of Thompson \$128,000.

This, in essence, assists the cities to offset some of their operating costs that they have in operating a transit system within those communities.

Mr. Cliff Evans: If the minister is not aware, I would like to make him aware of the fact that the communities of Moosehorn and Ashern area, Gypsumville and the LGD of Grahamdale and the R.M. of Siglunes have made an application to the department for financial support for a handi-transit van for their area. It is very important.

They have contacted me for my support. I would just like to make the comment to the minister that hopefully his department will have support for that specific project and, of course, others in my constituency, but also others throughout the province. Specifically, I have been contacted over the past couple of months about the application that is before you, and I would appreciate your support on that.

Mr. Derkach: Mr. Deputy Chairperson, this is a different grant program. This one is for the mobility disadvantaged. There are more and more people living in rural Manitoba who require the services of the handivan transit because people are much more mobile these days. There has also been some decentralization of people from institutions to their own communities which has prompted a demand for this type of transportation.

We had applications from several communities throughout the province last year and this year. Last year, in 1993, we had the communities of Rivers, Ste. Rose du Lac and Altona accepted. In 1994, we have Oak Lake, Rossum and Arborg. We have on file applications from Ashern, Sandy Lake, Shoal Lake. They are constantly coming in

as we get more and more people who require this kind of transit in these communities.

We have 48 communities in total now who participate under the handi-transit program.

Mr. Deputy Chairperson: 4.(c)(3) Transit Grants \$1,325,000—pass; (4) Centennial Grants \$14,800—pass; (5) Police Services Grants zero.

Mr. Clif Evans: Could the minister just quickly explain that difference of \$200,000?

Mr. Derkach: Last year when the UMM and MAUM agreed to the policing agreement, if you like, one of the conditions was that the \$200,000 would be afforded them last year but that would be sort of the final payment of that \$200,000 which government was subsidizing the Police Grants by.

This year that \$200,000 does disappear in accordance with the agreement that was signed and is no more. So this sort of terminates that part of the old, if you like, formula that was afforded them under the structure.

Mr. Deputy Chairperson: Shall the item pass? Pass.

Item 4.(c)(6) Municipal Support Grants \$1,047,900.

Mr. Clif Evans: Could the minister just go over or generalize on Support Grants, \$1,047,000, for this department? Besides your Transit Grants, it is the next highest level of expenditure. Could you give me an overview of the Support Grants?

Mr. Derkach: Mr. Deputy Chairperson, this section of grants is extended to municipalities to recognize payroll costs. It is calculated at a percentage of payroll, and there are different levels. For example, there is a payroll cost from \$600,000 to \$1.2 million. That is calculated at 4.7 percent.

Then there are the ones that are over and above that, and that is calculated at 2.35 percent. This program was introduced at the same time that a similar program in Health and Education was announced, and it was to offset the impacts of the payroll tax to municipalities.

There is a threshold at which the payment does trigger in, and that threshold has been increasing as

our commitment to reduce the payroll tax has been in place. We have increased that threshold now to \$600,000 to limit the payment of the grant to only those municipalities who are actually subject to that tax. Effective in 1994-95, the grant formula will reflect the change to the minimum payroll tax from \$600,000 to \$750,000. The grants will be provided to 18 municipalities, and by doing this, it certainly does allow those municipalities to keep more money, if you like, within their jurisdictions to spend within their jurisdictions for the benefit of the people in those municipalities.

Mr. Deputy Chairperson: Shall the item pass?

Mr. Gaudry: So the municipalities that are involved are only the municipalities that are unincorporated. Is that it? Because it says here, eligible municipalities and unincorporated village districts will receive grant.

Mr. Derkach: Mr. Deputy Chairperson, the municipalities are sort of the legal entity in an area where you have an unincorporated village, so they would be receiving that particular benefit, not the village itself.

Mr. Deputy Chairperson: Shall the item pass? Pass.

4.(d) Grants to Municipalities in Lieu of Taxes
(1) Grants \$35,859,300.

Mr. Clif Evans: I would just like the minister to go over—of course, I have read some of the Activity Identification, \$35 million, almost \$36 million, again, an overview of it, but if he could also explain the line (2) Less: Recoverable from Other Appropriations and then with the bottom Subtotal (d). Could you explain that?

* (1540)

Mr. Derkach: Mr. Deputy Chairperson, the objectives of this particular program are to assist municipalities or to reimburse them for services extended to provincial lands contained within the local government boundaries. What happens is, we give them grants in lieu of real property taxes because that land is exempt from taxation, and then we, if you wish, recoup our costs from various departments. There are Crown lands across government departments, so therefore that means

that we would be collecting back from other departments. What we do not collect back is what we have in the Department of Rural Development. The departments that are involved are Government Services, Education and Training, Natural Resources, Highways and Transportation and, of course, our own department.

Mr. Deputy Chairperson: 4. (d) Grants to Municipalities in Lieu of Taxes (1) Grants \$35,859,300—pass.

(e) Information Systems (1) Salaries and Employee Benefits \$684,200.

Mr. Gaudry: In this one, we see an increase in salaries. Is it a change of status or merit increases or increase in staff?

Mr. Derkach: Mr. Deputy Chairperson, the staffing in this branch has not changed. The reason for the increase relates to just regular salary increments for the staff that are there presently. There are no other changes.

Mr. Deputy Chairperson: Shall the item pass? Pass.

(2) Other Expenditures \$1,678,200—pass.

Resolution 13.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,960,900 for Rural Development, Local Government Services, for the fiscal year ending the 31st day of March, 1995—pass.

We will now move on to 5. Rural Economic Development (a) Executive Administration (1) Salaries and Employee Benefits \$100,000.

Mr. Derkach: Mr. Deputy Chairperson, if you would give us a moment here, I will introduce some staff. First of all, I would like to introduce the assistant deputy minister responsible for the Economic Development division, Mr. Larry Martin, who is here at the table with us. Seated behind him we have Mr. Peter Mah who is the manager of the REDI program, the Rural Economic Development Initiative program. We also have Mr. Dick Menon who is the manager of the Manitoba Water Services Board.

Mr. Deputy Chairperson: 5.(1) Salaries and Employee Benefits \$100,000—pass; (2) Other Expenditures \$30,700—pass.

(b) Infrastructure Services (1) Salaries and Employee Benefits \$1,335,100. Shall the item pass?

Mr. Clif Evans: Mr. Deputy Chairperson, in the explanation of this department's responsibilities and support that they do provide, provides for the delivery and support to develop and upgrade sewer and water infrastructure. Is that part of the PAMWI at all? Is that strictly under a different area of money?

Mr. Derkach: Mr. Deputy Chairperson, if I could just take a moment to explain the functions of the Water Services Board and these programs. First of all, the Manitoba Water Services Board does have two programs that have been traditionally delivered through the Water Services Board, but in addition to that we have the PAMWI agreement which was first known as the Southern Development Initiative, I believe, and then was changed to the PAMWI agreement which the acronym stands for Prairie—can you tell me what it is? I need a little assistance here. It is the Partnership Agreement on Municipal Water Infrastructure. Right? That is what the name is.

What the agreement was all about was a third and a third and a third share kind of agreement between the federal government, the provincial government and municipalities.

Initially, certain communities were chosen who demonstrated the greatest need for this kind of infrastructure because of industrial development occurring in the community or potential industrial development. As the program developed, some communities did back out because they found they could not raise the money or decided on different priorities, which left some other communities eligible for programming.

We just finished announcing a series of new communities under the PAMWI agreement, and it has been a very positive program. I believe it has been managed well. It has been done in

consultation with both the federal government and municipalities and ourselves.

So I would have to say that if we were looking at delivering a program that involves three levels of government, this one has certainly been a good model to follow, because it involves a structure where there is some monitoring to what happens at the community level. There is some, if you like, due diligence that is performed by both the Water Services Board and the PFRA on these initiatives, so by and large to date this has been a very successful program.

The Water Services Board also does the Drought Proofing program, which is under our department, and the Water Development program, which is under our department as well.

They have just been given another task, and that is that of being involved in the new infrastructure program that is now being administered by various departments, but indeed when you talk about the sewer upgrading, the water service upgrading throughout communities, the Water Services Board is going to have a very key role in that. Certainly, staff there are very busy working with communities and with the federal people from PFRA in administering this program.

Mr. Clif Evans: Under this division, I believe two years ago, and I brought this up to the minister's attention last year in Estimates too, the community of Riverton approached, I believe, three or four of the ministers on upgrading their sewer and water, downtown main street. They have not really heard anything as of late and, of course, the questions are coming as to, has anything been done with this? I believe the community made a proposal to the Minister of Rural Development, and Highways, and Natural Resources.

I was under the impression that Rural Development would be taking a lead role in this. Can you tell me where it is at?

* (1550)

Mr. Derkach: Mr. Deputy Chairperson, I have been in contact with the community of Riverton and they certainly have brought this project to my attention.

Under the existing Water Services Board, they do not qualify for support because of the way the formula is structured and the criteria that have to be met for someone to qualify for that program. We do not have a program in the department that would fit what they want to do. However, we are still working with them. They have been talking to some other departments in government as well and we will continue to work with them to find a possible solution to some of their needs.

We are not taking it lightly, but I have to tell the member right now, there is not a program that their project fits into nicely. I am sure that down the road some solution can be found to their needs.

Mr. Deputy Chairperson: Shall the item pass? Pass.

5.(b)(2) Other Expenditures \$313,700—pass.

5.(c) Community Economic Development Services (1) Salaries and Employee Benefits \$2,565,300—pass; (2) Other Expenditures \$794,700—pass.

5.(c)(3) Grants \$536,600.

Mr. Clif Evans: Yes, just on the Grants, if again the minister could give me a quick breakdown of some of the grants under item 13.5.(c)(3).

Mr. Derkach: I guess the grants that are identified here are the ones that go specifically to the various Regional Development Corporations. We have seven throughout the province. We had a new development corporation established last year. The acronym for it is WEDA, the Westman Economic Development Association, which like the Parkland one is broken into two divisions, the north and the south. In Parkland it is east and west. Basically we have seven corporations that receive granting under the department's program.

Mr. Clif Evans: I would like to just comment on that. Looking from last year to this year, I am pleased, and I think the RDCs are pleased to see that the funding has remained the same, as there was great concern out there that the department would be cutting the funding to the RDCs. I am pleased to say that I can see that it stayed the same this year, the old thing about being a member of an RDC at one time, on the executive, that they are a

very important part of rural Manitoba, the local development corporations, and they are doing some excellent work. I would certainly appreciate as much support whether it be from the department or perhaps financially down the road to be able to have the RDCs even do a better job than they are doing. Eight ways into \$536,000 I think may not just be enough for some of them to be able to do what they basically want to do. That is just something that the minister could keep in mind.

Mr. Derkach: Mr. Deputy Chairperson, a good topic raised by the member, one that certainly has been on my mind for more than a year now.

I guess when I look at what Regional Development Corporations are doing across the province, I find some very positive initiatives and very positive results. However, I do find that in some instances we could have improvements. That is always the case I guess. In some instances we have communities perhaps that house the office, get all the activity, whereas some of the surrounding communities are kind of crying or mildly complaining. There is nobody who is really complaining too loudly that they are not getting the kind of service they would like even though they are a participating community.

I think that it is good for any program to have a review done from time to time so we can ascertain whether or not we are meeting the mark or whether we have to perhaps change in the way we administer our programs. There has been a request that we look at how RDCs function, but more importantly not just on RDCs, I think it is important for us to look at how we deliver services at all levels of government.

If you look at what we have out there, we have the Regional Development Corporations, we have the Community Futures committees, we have Business Development Centres, we have local industrial development groups. Local economic development officers have been hired by communities. We have our own community development offices throughout rural Manitoba. If you are an entrepreneur who is looking for some assistance, you sometimes become confused as to who you should go to first because there are so

many people who are out there delivering similar kinds of programs.

To that extent, we thought it might be timely for us to embark on a study of how these programs are delivered and these services are delivered. To that end, we have entered into a contract to have someone look at the programs to give us some ideas about how we can address the whole issue of service delivery to rural Manitobans in a better way.

We are consulting with the communities and with the RDCs and with the various delivery mechanisms to ensure that people have an opportunity for input. In the end certainly our desire is to come up with a system that is going to be effective for the communities and is going to result in some positive initiatives in our communities across Manitoba.

Mr. Clif Evans: If I recollect correctly, I think the minister gave the same little speech last year on this. [interjection] A repeat, yes.

I would just like to put on record that I am not necessarily in favour of doing away with the rural development corporations, and I hope that this plan and this consultant that the minister has is not working or deciding down the road that perhaps rural development corporations cease to exist. I hope that is not in the plans. [interjection]

Mr. Clif Evans: I certainly hope not, because they are too important to the rural areas, and the local jurisdictions have a tremendous amount of input with the rural development corporations that they are a part of. How more can you have ideas come together for the well-being of a whole number of communities instead of just centering around one or two?

If you talk about the Interlake or you talk about any of the other constituencies, especially in rural areas that are spread out, the communities are spread out, RDCs are a tremendous asset for those who are members and for the areas. They work well with the local community futures federal programs that are in and around the areas, just so the minister is aware that I am certainly not going to be a happy camper if he decides that rural

development corporations are not the best way to go for certain areas and/or for certain projects.

I would certainly hope that he would be consulting with the local RDCs and their members and their executive as to how better RDCs can serve the community, along with the department.

Mr. Derkach: I certainly do not want it to be noted on the record that we are doing away with RDCs, because that is certainly not the intention at all. What we are looking at is how we can make the delivery systems out there more effective to benefit more communities. In the end, the report may recommend that the programs that we have out there are very effective in that we should continue.

* (1600)

On the other hand, I do not think we should bury our heads in the sand and say, let things continue as they are, because I do believe that we can improve. That is our goal. Certainly our mission is to try and provide rural Manitobans with the best possible services at affordable costs, where we are not creating a burden on taxpayers by having a multitude of organizations out there trying to deliver the same service.

We spend significant dollars on these initiatives. I think it is important that they be responsive to the needs of the communities. That is really what this exercise is all about and to get from the communities a sense of how effective these delivery mechanisms are.

We are happy that the community futures program saw fit that this was a worthwhile endeavour and that they are participating in the process as well. I think that is a positive step.

Mr. Clif Evans: I agree with the minister on some of the things he has indicated and said, but how better than local communities dealing with the issues of rural development? You have your grassroots people, your grassroots mayors and/or councillors who are part of rural development corporations. I would think, if there is a study or whatever being done to improve the service and enhancability of rural development RDCs, it would be sort of like a little mini—I cannot think

of the word, Larry; help me out here—base for the area in dealing with the Department of Rural Development. You certainly cannot forget them.

If you do not have such organizations, then where is the department going to go? It is going to start going again to individual jurisdictions and meeting with people, and this jurisdiction is going to have this idea, that jurisdiction is going to have this idea, that idea. Under the RDCs, I think that you have all these ideas together, and they should be a major player in whatever can be done to enhance rural development.

Mr. Deputy Chairperson: Shall the item pass? Pass.

Resolution 13.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,626,100 for Rural Development, Rural Economic Development for the fiscal year ending the 31st day of March, 1995.

We will now move on to Capital Appropriations.
6. Expenditures Related to Capital (a) Transit Bus Purchases \$144,000. Shall the item pass?

Mr. Clif Evans: Just on that Transit Bus Purchases, bus purchases for where? Is that one for Brandon?

Mr. Derkach: That is correct, Mr. Deputy Chairperson.

Mr. Deputy Chairperson: 6.(a) Transit Bus Purchases \$144,000—pass.

(b) Water Development \$644,400.

Mr. Clif Evans: Yes, the increase there, could the minister explain the increase of funds, where it is going to be going?

Mr. Derkach: Excuse me, can I ask the member to ask his question again?

Mr. Clif Evans: Yes, Water Development, an increase of \$244,000. Can you explain the difference there?

Mr. Derkach: Mr. Deputy Chairperson, if you look at the 1993-94 lines under Water Development and Drought Proofing, you will see that in the Water Development side there is an increase from last year to this year; in the Drought Proofing, you will see a decrease from last year to

this year. What has happened is that we have simply moved some money over from the Drought Proofing to the Water Development side but the amount of money on those two lines is basically the same as it was in 1993-94.

Mr. Deputy Chairperson: Shall the item pass? Pass.

6.(c) Sewer and Water \$2,000,000.

Mr. Clif Evans: Under Sewer and Water, can the minister indicate how many communities would have access and how they would have access to this funding for their own communities for either expansion, development, improvement to their sewer and water systems?

Mr. Derkach: Mr. Deputy Chairperson, this particular program certainly does not address all of the needs that we have in rural Manitoba. As you can well appreciate, we have communities, and I visited one of them, that have needs that are 10 times what the total budget for this particular initiative is.

Basically what we try to do is address the most urgent and the most needy communities first. There is a screening process that the Water Services Board does go through. It is also dependent on the ability of the community to afford its share of the cost as well. When you add all of those things up, it certainly does exclude some communities because either they are not able to fund their portion of their project because they do not have the capability within their financing structure, and also, in some communities we are sort of mandated by an environmental, if you like, condition to go ahead and do some emergency work as well.

Mr. Jerry Storie (Flin Flon): Mr. Deputy Chairperson, my colleague who is taking the lead in this review of the Department of Rural Development has had to leave for a couple of minutes. I am wondering if we could, with the consent of the minister, revert one section to the Community Economic Development Services.

Mr. Deputy Chairperson: Order, please. Could I ask the honourable member to bring his mike up.

Hansard is having a little bit of a problem picking you up there.

Mr. Storie: I am wondering if we could revisit the Community Economic Development Services section for a moment, particularly with reference to some of the—[interjection] Yes, with respect to some of the projects that were referenced in the minister's opening remarks, particularly Snow Lake.

* (1610)

I know that some ministers from the government met with representatives from the Snow Lake New Futures Group with respect to a proposal focusing on tourism but looking at many different aspects of tourism for the community. Obviously the minister will know that Snow Lake, effective a few weeks ago, has lost all of its employment related to HBM&S activities.

I am wondering if the minister could tell us what has happened to that proposal, whether the group will be receiving any support and what time frame we might be looking at in receiving that support.

Mr. Deputy Chairperson: Could I ask the honourable member which item we are dealing with, you were referring to.

Mr. Storie: 5.(c).

Mr. Deputy Chairperson: Is it the will of the committee to allow the honourable member? I have to get leave of the committee to revert back. Is there leave of the committee to revert back to item (c)? The honourable member for St. Boniface (Mr. Gaudry)—there is leave? [agreed]

Mr. Derkach: I thank the member for that question. I have had the opportunity to travel in northern Manitoba on several occasions, and one of the communities that I have not visited yet specifically has been Snow Lake. I am certainly anxious to get up there at least this summer, because I understand it is a great community.

But let me say that we have found something very interesting about northern Manitoba as we have talked and dealt with communities in the North. One of those things is that many of them are single-industry towns, and they have relied on this

industry for a long time because it has been very beneficial to the community. Then all of a sudden, when the ore deposit runs out, the community is left without any kind of activity that they can turn to other than what they have been accustomed to in that single industry.

I guess the first one that hit us was Lynn Lake, and they were in desperate straits when they came to us. They simply wanted more money from the Mining Reserve to help the town council perform its duties. They had not really sat down and looked at other opportunities that might exist for them or how their community might survive after a mine closure. We asked them to sit down together with staff from our department to do a sort of strategic planning exercise, if you like, and they did that and came up with some very good ideas on their own. These were not driven by government or by my department; they came up from their own community.

I think what was important to note was that the community took on almost a new life because they understood that they had to really get down to work and do things for themselves. We approached Snow Lake with that same message, and we asked Snow Lake for a five-year strategic plan which I am hoping they are going to come up with very soon. Snow Lake is a very active community. They have lots of people who are actively looking at ways in which they can make their community survive, and tourism certainly looks like a very important component in that community.

They did present to a group of deputy ministers their plan. However, I think the plan still needs some work on it, and again, the community has never been used to doing one of these. It was a first attempt. I think it was a good attempt, but they still need to refine it and to do some more work on it, and with people from our department and other departments we will continue to work with them to see whether or not their project can indeed become a reality in their community.

Mr. Storie: Mr. Deputy Chairperson, I am all too familiar with the government's response to the community of Lynn Lake. The minister and I have

gone over some of this ground in the past, and of course, the government finally, after a couple of years of delay—and I guess I was going to say mismanagement of the issue, but I will not—decided to support some of the municipal needs of that community.

I think it is a little simplistic for the minister to say that the community of Lynn Lake has, in essence, lifted itself up by the boot strap. Certainly, there were many people looking for help and wanting some assistance, but we both know had not gold prices improved—and we had been fortunate enough to find a mine—that the future of Lynn Lake would not look much different today than it did four years ago. That is fortunate. I think the danger is that we are leaving Lynn Lake and now Snow Lake in the same position that they were prior to these unfortunate instances. The community wants to begin a new process.

This minister also knows that more than two years ago the community put forward a Community Adjustment proposal for retraining, new initiatives to allow the community to expand its horizons, to look at alternatives. There has been some support through the Community Adjustment Committee, but the community had proposed a much more aggressive review of all of the issues, tourism, manufacturing, quarrying, a number of others, and there was no support forthcoming.

Now, two years later, well, when the community has lost its main employer for who knows how long, and we could argue about why that happened, the minister is now saying, well, it is a nice proposal and we are looking at it. The question is, when are they going to receive some sort of support?

The Minister of Northern Affairs (Mr. Praznik) and formerly the minister of—the member for Lac du Bonnet, anyway, as a cabinet minister, attended a meeting in Snow Lake and made a number of promises about what services were going to be available. The minister referenced now the staff in the department. I had suggested that there be an economic SWAT team created back in 1991 to help the community of Snow Lake, that in fact, you get people from I, T and T, Tourism, Rural

Development, Northern Affairs, Energy and Mines, that you put together a support services group to specifically work with the community.

Not only has that not happened, the bottom line is that there has been very little tangible support from the government for the initiatives. The community of Snow Lake was looking at this initiative believing it was one worthy of support or that parts of it were worthy of support, and all we have is the minister saying, well, it is very nice, but. The question is, when is the minister going to get serious and put some staff and resources to work in the community of Snow Lake to come up with a proposal that is acceptable to the government and that can be funded?

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

Mr. Derkach: Mr. Acting Deputy Chairperson, I have purposely avoided trying to point fingers in my responses to questions, and I try to stick to the facts. However, the member for Flin Flon (Mr. Storie) forgets sometimes where these communities have come from and indeed what the real issues in these communities really are. He does it for political purposes, and I think that he should perhaps take a more realistic view of what is really occurring out there. In his comments he is suggesting that we simply throw funding at these communities without a plan, without any kind of research being done on what these communities might become and how they can grow.

Mr. Acting Deputy Chairperson, it is this government that has put forward a strategy to encourage mining exploration and prospecting. The reason that we do not have mines operating in northern Manitoba today is a result of past government policies, and I am talking about policies which did not provide any kind of incentive for exploration in our north.

Recently we have seen the re-establishment of a gold mine, not one, but two. We have seen the prospect—

Mr. Storie: Where is the gold mine? There is no gold mine in Snow Lake.

Mr. Derkach: Mr. Acting Deputy Chairperson, if the member were to go back to, for example, I think it is—I forget how many bars now have been poured at Lynn Lake recently. Has that been a rejuvenation of a mine?

Mr. Storie: It is an open-pit mine.

Mr. Derkach: It is an open-pit mine but, again, there was a decline in the activity there, and now we see an increase and certainly a potential for more activity in the future. But I do not want to take the credit for that. There are people who are working hard in these communities who deserve the credit because they have worked hard. We have tried to facilitate as a government some of the requests that have come from those communities, and we have done that through such programs as the incentive program for exploration, the tax holiday and those kinds of initiatives which certainly do assist in new mines being established, in exploration taking place.

* (1620)

When the community of Lynn Lake came to us in an emergency situation, where abandoned homes were being vandalized, where the community was falling apart, we responded very, very quickly. We put together a program in consultation with that community to address some of those needs. Again, we did not do it for partisan's sake. We did it because it had to be done. This was a community that was in desperate need, and we are taking the same approach with all of the communities in northern Manitoba, and Snow Lake is among them, and we have asked Snow Lake for a long-term plan.

Why? Because we want to ensure that that community will be healthy down the road. Now, it may not be the same size it is. Certainly we have seen how that community has diminished in size, but for the people who want to live in the north, who want to make Snow Lake their home, we want to ensure that that community is a safe place to live, is a good place to live and one that can attract people to it and is not in essence a dying community.

As I indicated, when you have a one-industry town, sometimes when the resource does run out that does impact significantly on a community. The member talks about retraining. Yes, we would love to get into retraining wherever we can, and we support retraining. I mean, Workforce 2000 has retrained, what is it, over 80,000 workers. The member for Flin Flon (Mr. Storie) smiles, but he has to come to grips with reality.

The funding that is going to Workforce 2000 is not going to the companies. It is going to retrain those workers; that is what the purpose is. For the first time in Manitoba, under Workforce 2000, we have companies now putting money into training which was never the case before because this is a cost-shared program. As a matter of fact, it was nationally recognized as an excellent training program and one which has now been picked up by other jurisdictions.

Now, yes, there will always be problems when you have programs, I guess. There will always be those who perhaps do not use them correctly, and that is what we are there for to try and ensure that in fact the right thing is done.

With training in the North for specific jobs, I am sure that we would only be too happy to be in the game and helping those workers get retrained for meaningful jobs. I think that the North has a bright future, and we are going through some trying times. My department, along with the departments of Natural Resources, Northern Affairs, and Industry, Trade and Tourism, will continue to work with these communities so that they can survive and be good communities and safe communities to live in.

Mr. Storie: Mr. Acting Deputy Chairperson, I appreciate the involvement in the last year with Manitoba Family Services and this department dealing with cleanup, some of the cleanup in the community. It was much needed, but I remind the minister that the mine closed in 1989. The question is: Where was the department? Where was the government when all of this vandalism and destruction was occurring? I mean it is all very nice to say, well, we have dealt with it now. We have cleaned up the mess. I mean it was created for

a reason. No one is denying—I will leave that. That is old history perhaps now.

The minister keeps referring, for example, to gold mine. The Minister of Energy and Mines (Mr. Orchard) made a wonderful announcement about the TVX project, the new gold mine, and the government's commitment under the Mineral Exploration Incentive Program for TVX. Well, the minister has also announced a potash mine which is pie-in-the-sky dreamland.

An Honourable Member: He did not announce it.

Mr. Storie: He said it was likely it was coming. He has announced diamonds in eastern Manitoba, and TVX is in about the same position. After the minister made the announcement, I phoned the vice-president for North American operations of TVX and asked him the direct question: Has a production decision been made? The answer is no.

About two days after that I was in Snow Lake for office hours and tried to find anybody who knew anybody who represented TVX in the community. There is no one. I am going back for office hours in Snow Lake on Thursday of next week, and I do not expect to find anybody from TVX. So let us just cut through the facade. The government can issue as many press releases as it wants about what is happening in mining in northern Manitoba. Until there are jobs on the ground, it does not mean much.

The second point is that mining is the bread and butter. We know that the ore is not leaving. What the communities have wanted to do, starting with Lynn Lake in 1989, well, actually Sherridon before that and now dealing with Snow Lake, was to begin to broaden their economic base, and they need to do that sooner, not later. That was what they were asking for. I appreciate that the government is not going to turn over all of the funds available in the Mining Reserve Fund for the communities of Lynn Lake or Snow Lake or any other community. Unfortunately, they have not been willing to turn over anything, virtually. Not only that, when they were requested, when the communities requested assistance from the

departments, they received precious little, precious little in terms of ongoing sustained support for those activities.

My question specifically was, what has happened to this proposal, the New Futures proposal from Snow Lake? If there are problems with it, what is the government's commitment in terms of a time frame for actually getting something together with the people of Snow Lake, who the minister quite rightly said are working very hard to secure their future? That is the question.

Mr. Derkach: Mr. Acting Deputy Chairperson, the member for Flin Flon seems to revel in twisting facts. He is cynical not only about what government does but indeed about communities, and that is unfortunate, because if you were to talk to communities like Snow Lake and like Lynn Lake, they are communities who have hope. Maybe it would benefit the member if he actually lived in the North because—and I understand he is moving to the North which is going to help him understand what the North is really all about.

Perhaps I digress, but let me say that in northern Manitoba, we have communities who are optimistic about their future, and it does not help them when their own MLA goes into their communities and scoffs at the prospect of new ventures occurring. He says, well, I phoned the vice-president for North American operations, and he told me, no, there is nothing going on. Well, I recommend to the member for Flin Flon that perhaps he should sit down with the Minister of Energy and Mines (Mr. Orchard) and go through what the Minister of Energy and Mines is working at for those communities. I invite him to sit down with me to go over what is happening from my department in the North. Rather than in a forum like this, we can sit down on a one-to-one basis and we will go through what we are doing in Lynn Lake, what we are doing in Snow Lake, in his communities, so that they are better communities in which to live.

Mr. Acting Deputy Chairperson, a number of projects come before us constantly from these communities. Some fit some criteria, some do not.

Some have to have some work done on them before they can actually move ahead. The project that the member talks about for Snow Lake has certainly come before a committee that is made up not of one ministry but of several. Now, there is still some work to be done on that project, and that work is continuing at the department level. When it is ready to come before me, as minister, I am sure that staff will forward it to me at that time. I am familiar with the project. I know that there is still some work to be done on it. I am not negative about it, but it is certainly too early to say that, yes, we are just going to sign a cheque over and let it go ahead. I think that there is still some work that needs to be done on it.

* (1630)

The member also talks about us going—or my colleagues or myself making announcements throughout the province, and I just ask him to go back to the industry, to the mining industry, and ask them about how Manitoba stands in relation to other jurisdictions in Canada in terms of the way we have approached in a proactive way the attraction of investors into a mining industry. And, yes, we do not have a potash mine in Russell or in Harrowby or in McAuley or wherever it might be, but certainly there is renewed interest in the potash area, and I am hopeful that reserve can be tapped and can be mined for the benefit of Manitobans.

To me, it matters little whether it is in my own community or thirty miles south of my community. It is good for the province, it is good for the economy of the province, and if we can attract the private investment to begin the process of developing that resource, then I think we should do everything we can to assist. It does not mean that we buy it. It means that we work in co-operation and in partnership with people to do it. I am not the Minister of Energy and Mines, but I can tell you that I will support him in all of those endeavours.

In terms of supporting Lynn Lake, the member also made some statements about Lynn Lake, and the fact that in 1989 when the mine closed they were in trouble and we did not come to their assistance. Well, that is not quite true because in

1989 there was something like \$243,000 that went to Lynn Lake from the Mining Reserve, and then in 1990 and '91 there were monies also extended to them, \$160,000 and—

Mr. Storie: That was to pay for municipal taxes.

Mr. Derkach: That was to pay for local services, municipal services, and that is recognized. However, the community themselves recognized the fact that they had to come up with a plan on how they would survive after the mine closed for good, so that community could rely on other resources because there was nothing else in that community at the time, and that is how we worked with the community to develop a plan.

We also tried to assist the community in developing for itself an image which was presentable to people who might come to that community and want to either invest or use that community as a tourist community or as a place to visit. So I think we have worked in partnership. I guess we can always criticize and say, well, you could have done more. But I think that given the resources at our disposal, we have done what we can in those communities and will continue to do as much as we can to help them on the road to prosperity for the betterment of our province and for that community.

Mr. Storie: Mr. Acting Deputy Chairperson, I do not need any lectures from the Minister responsible for Rural Development (Mr. Derkach) about the North. Whether the minister wants to acknowledge it or not, I do live in the North, and I visit my communities regularly, and I am not belittling the efforts of the mining industry. I have been quite positive about some of the initiatives in the Department of Energy and Mines with respect to exploration incentives. There were some flaws in the program initially, and some of those have been corrected. Certainly the tax holidays may be attractive to mining companies, but I have said on other occasions—and I remind the minister that the North is not just mining companies—yes, they are critical, but in the intervening months while HBM&S continues to explore and other mining companies continue to explore, there are communities that are looking for some options.

The specific question was, and the minister talked about the support that was given to Lynn Lake. It was given grudgingly. It was given after numerous calls and meetings and pressure. The point is that it was in response—

Point of Order

Mr. Derkach: Mr. Acting Deputy Chairperson, I know a dispute over the facts is not a point of order, but when one puts on record something that he knows is absolutely erroneous, I think that is a point of order, and I think the member should correct his statement on the record.

The Acting Deputy Chairperson (Mr. Reimer): Order, please. The minister is correct. It is a dispute over the facts. There is no point of order.

* * *

Mr. Storie: Mr. Acting Deputy Chairperson, I certainly have no intention of correcting what I put on the record. I recall the facts, and this government did not come up and offer of its own accord the kind of support the community requested. The support that they offered, and I am not blaming the minister, I do not think he was Minister responsible for Rural Development, the fact of the matter is, what they offered was some financial support out of the Mining Reserve Fund so that the community could continue to provide municipal services. The reason that they required that assistance was that they had in effect lost their tax base, but that is the support.

My question for the minister is: Since 1989 could you give me a list, can the department provide me with a list of all the funds that have gone to Sherridon, Lynn Lake, Snow Lake, Flin Flon with respect to economic development, the activity that the community itself has said is its most important priority, to find an alternative to the mining as its sole base for the economy?

Unfortunately, it is a pittance. From 1988 to 1993 the government of Manitoba collected more than \$400 million in mining taxes from northern Manitoba. The least we could have expected was a small percentage of that to come back to help those communities build their economic base.

Now, I want the minister to be specific. I want the minister to answer the question: How much money has gone to economic development activity, community economic development support, in the last five years? I want the minister to answer the question: When was the last time that members from the department attended on a sustained basis to meet with community members to build that alternative? [interjection]

The minister is saying, well, the department is reviewing it. This is an emergency for the community of Snow Lake. It was an emergency in '89 for the community of Lynn Lake, and what is the minister doing in a sustained way to offer support—not huge sums of money—technical support, expert advice, departmental support?

Mr. Derkach: Mr. Acting Deputy Chairperson, it is obvious that the member for Flin Flon knows little about economic development. Every time he puts things on the record he demonstrates his lack of knowledge on the topic. I would like to say that his view of economic development is simply throwing money at a community, and he said that on several occasions today in his questions. He said that about the funding that we should be giving to communities, again without a plan, without any kind of a request for economic development.

It is typical of what his administration did when they were in government. They simply threw good money after bad, and that is why this province is saddled with the kind of debt that this province has today. It is regrettable, but nevertheless, we are not taking that approach. We will work in partnership with communities, and when there are requests for economic activity, for economic development, we will be there as partners.

The staff from my department have been very active in northern Manitoba, and every community in northern Manitoba knows that if they wish to have a special person from staff visit them and share with them what it is that we can do as a department for that community, we will be there simply at the behest of that community.

We also have an economic development officer who does travel in northern Manitoba from Thompson, and every community in northern Manitoba is familiar with him and certainly have worked with him in some capacity.

The member asks, how many dollars have you thrown at northern communities? We do not throw dollars at northern communities. We will invest in worthwhile projects that will benefit the communities, projects that will create wealth in the communities as well. Our Grow Bonds Program is open to northern Manitoba. Our REDI program is open to Manitoba, and I dare say that if he compares the Department of Rural Development today with what his own administration had to offer, those communities in northern Manitoba in his tenure, he would have to admit that today we have some very meaningful approaches to economic development in rural Manitoba which are working.

Now the projects themselves have to come from the communities or from proponents. They cannot come from the department itself. We are not there to identify a project and then to start throwing money at it. We still believe that the best investment made in an enterprise is one that is done by local people, and that is why we have the Grow Bonds Program, and it has worked very, very well.

* (1640)

(Mr. Deputy Chairperson in the Chair)

As a matter of fact, as I said today, we announced a Grow Bond this morning, a \$180,000 Grow Bond, and before we left the meeting \$42,000 had been invested in the Grow Bond. Now that just shows you that local people do believe in local initiative and they are willing to support it.

We have worked with our northern communities to identify potential projects that might come forward under REDI or Grow Bonds, and we will continue to do that. Whether it is Lynn Lake or Flin Flon or Snow Lake, we will work as hard as we can with any one of those communities.

I must say, though, that the member is very wrong when he says that the community came to

us out of desperation and it was after they had beaten the door down in my office that they received some support—wrong. Indeed, I worked with the mayor of Lynn Lake, and indeed, if he takes a look at where the initiative originated, that initiative originated from the Department of Rural Development as a proposal and as a suggestion of how they could get their community back to a point where it was respectable and one which had cleaned up a lot of the vandalism that had occurred in that community over the number of years.

So I am not lecturing the member for Flin Flon. I am simply telling him how it is and telling him that this department does not need to take a back seat to anyone in terms of working with people in our province. Also, I must say that we have put a special emphasis on northern Manitoba.

Mr. Storie: I am glad the minister is interested in telling it like it is. The fact of the matter is since 1989 the community of Lynn Lake has dropped from approximately 1,800 to approximately 800. The community of Snow Lake has dropped from a community of 2,200 people to perhaps 700 people. The community of Flin Flon has lost probably 400 jobs, so the minister may want to talk about the facts. The facts are that the government, for all of its rhetoric, has been going backwards as far as mining and northern communities are concerned.

The question that I asked, however, has been sidestepped now, I think, on three occasions. The specific question was: What monies has the government made available to support economic development activity that came from within the community? What monies has gone to support the community involvement and development committee in Flin Flon? What monies has gone to support economic development activity in Snow Lake, to the Community Adjustment Committee or the New Futures Group? That was the specific question.

Mr. Derkach: Let me say to the member for Flin Flon that he should think back a little bit because he was Minister of Energy and Mines, I believe, at one time. He knows very well that you do not do exploration today and have a mine tomorrow, that it takes some investment and some time in mining

exploration in order to be able to secure the future of mining in our province.

While he was Minister of Energy and Mines, he did not have a program of any kind to stimulate exploration of mining activity in the North. It is for that reason that today we have communities dropping in population, because those old mines are running out of resources and the mining is diminishing. Until new reserves are found and until there is a renewed interest in mining, we are going to have a problem in the North; but it is starting to turn around. It was his government that put disincentives in front of the mining community that caused the mining community to absolutely abandon this province.

So, therefore, today we are attracting them back. All of them. Not one, all of them. [interjection] He is saying name one. All of them, Mr. Deputy Chairperson. All of the companies that worked in Manitoba decided to give up on Manitoba when his government was in power. Today they are coming back to Manitoba; they are reinvesting in Manitoba; they are opening up abandoned mines in Manitoba; and, indeed, there is opportunity and there is a bright future for our communities in Manitoba and northern Manitoba included.

The member asks about specific programs that have been afforded or awarded to northern Manitoba. Let me say that first of all there have been several. Let me go to Thompson.

Point of Order

Mr. Storie: Mr. Deputy Chairperson, I have been trying now on three occasions to get specific answers to the question about what has happened, what support the department has given to the communities of Lynn Lake, Snow Lake and Flin Flon with respect to their efforts to establish a new economic base. That was the question. Now I do not want the minister to read a list of grants for other municipalities or R.M.s or entities—

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

* * *

Mr. Derkach: Mr. Deputy Chairperson, in northern Manitoba, first of all in Thompson under the REA program there have been two projects that have been approved.

Mr. Storie: Can I write that down?

Mr. Derkach: The member asks if he can write it down. If he is capable of writing it down, yes he may, or he can read Hansard.

Mr. Deputy Chairperson, in Thompson we have a client called The Best for Less Store who received support under the REA program. We also have Bullee's Mac Tools which received support under the REA program in Thompson.

Under the REDI program, we have in Churchill Tundra Tours who received support under the REDI program. We have Caribou Ventures Limited who received support under the REDI program.

Mr. Deputy Chairperson: Order, please.

Point of Order

Mr. Storie: I give up. On a point of order or perhaps a point of procedure, I do not need the minister to read a list of projects that have been approved. I can certainly read them. If the minister could identify for the committee what specific projects have been approved that have been applied for—

Mr. Deputy Chairperson: Order, please. The honourable member does not have a point of order, and there is no such thing as a point of procedure.

* * *

Mr. Deputy Chairperson: The honourable minister was answering his question. We will allow the minister the opportunity to answer the question at this time.

Mr. Derkach: Mr. Deputy Chairperson, I will continue to give the good news to the member, and although it hurts a little he must bear with me.

Caribou Ventures in Churchill received support under the REDI program and so did Leaf Rapids Chamber of Commerce receive support under the REDI program. In the LGD of Churchill, we have

the LGD of Churchill Prefab Housing initiative received support under REDI programming as well.

Mr. Deputy Chairperson, in addition to that, all communities in northern Manitoba received the 10 percent which was given to all communities in Manitoba. Besides the 10 percent, we also gave them \$5,000 on top of that for each municipality to recognize that some of our smaller municipalities did not access the REDI programming very readily.

So we are working with northern Manitoba. As a matter of fact, there is a project from Leaf Rapids right now that is being worked on, but I am not going to go out there and try to drum up the projects to come forward. They have to come forward on their own. Indeed, when they come forward, we will work with them and we will target staff to help develop these projects and put business plans in place and work as hard as we can to approve these projects.

Mr. Storie: Mr. Deputy Chairperson, the minister proves my point. He has read the list. The list did not include any support to community adjustment committees, Snow Lake new ventures, CIDC from Flin Flon. It shows that there was absolutely no support, which was the case I was making. I want to thank the minister for making my case. The bottom line is that the government has chosen to ignore the plight of those communities, and we will leave that for the record.

* (1650)

I want to make two other points with respect to the minister's comments about mining. The minister talked about that our government—and I was Minister of Energy and Mines. I was Minister of Energy and Mines for a short period of time and during that time, through MMR, helped to establish a mine in Flin Flon. Unlike this government, which has seen mine after—

An Honourable Member: You established a mine?

Mr. Storie: Yes, the Callinan mine in Flin Flon was supported by the government of the day, as was the purchase of Ruttan mine by HBM&S to

keep the community of Leaf Rapids going, as was support to what was then SherrGold to support the community of Lynn Lake.

An Honourable Member: What exploration did you do?

Mr. Storie: Mr. Deputy Chairperson, and exploration of course was the ongoing exploration of MMR, which was supported by the portion of Trout Lake mine in particular that it owned.

There were no disincentives, in fact there were no changes to the mining regulations whatsoever during our term in government. The only disincentive that was applied was in 1988-89 tax year when the new government, the government that this member was a part of, introduced a surtax on mining of 1.5 percent. That surtax—never mind all of the rhetoric about what they are doing for the mining industry—has remained in place today. In fact, this budget reduced the mining surtax from 1.5 percent to .5 percent I believe. So this mining surtax has been in place since this government took office, and they imposed it in 1989. Talk about speaking out of both sides of one's mouth. The government talks about the incentives it has provided; well, it introduced a surtax.

Mr. Deputy Chairperson, we are not talking—I have tried to avoid talking about the mining industry. The mining industry is a big industry and has invested in exploration in the past and will in the future.

The question was: What is the government doing to help the communities? There is obviously nothing.

I want to ask the minister a more specific question. He is going to want to respond to some of my comments, but the more specific question is: Has the government, has the minister directed staff to meet in Snow Lake with Snow Lakers to review the new Community Futures proposal to identify where and in what ways the government can lend a hand, can work co-operatively with the community to make things happen?

Mr. Derkach: Mr. Deputy Chairperson, the member for Flin Flon (Mr. Storie) certainly tries again to somehow twist what is reality to make a

failed administration like his look better. I do not know how you can do that.

All you have to do is talk to the mining industry and I think it becomes very apparent how the former administration abandoned northern Manitoba, how they abandoned the mining community and how they abandoned the exploration of mining in Manitoba.

I am proud of what our government has done in terms of the mining tax holiday, in terms of the exploration returning to this province.

Every administration, Mr. Deputy Chairperson, I think has tried to do something positive, and indeed I will not say that everything the member did when he was minister was negative. I would never say that, but let him not try to inflate the positives of his administration either.

He talks about Snow Lake, specifically, and I have to tell him that he should know, and it should be put on the record, that this is not a project that came to us a year or two ago. This is a project that was identified as recently as December, when staff met with the communities to talk about a project in a conceptual sense. After that, they were required to come up with some information, and staff from my department and other departments met again in mid-March with them, when the plan was presented. At this time, the plan was not in any way, shape or form in a complete form.

Now we must understand the magnitude of the plan that they are proposing. This is not a \$100,000 investment or project; this is a \$7-million investment. The member for Flin Flon (Mr. Storie) thinks that between December and now, which is May, we should approve a \$7-million project and approve it without having a completed business plan in place.

Now I indicated to him very specifically, I am not negative on the plan, but certainly we need to have more work done. The work that needs to be done has been identified to the community by staff, and staff from my department and other departments have indicated to the community of Snow Lake that they are prepared to meet with them and work with them. It may be a very good

project in the end, but let us not start to criticize something when we are just in the process of it.

We are just in the process of the project. The community still has to do a lot of work on the project, and staff from a variety of departments will work with them to try and make their workload a little easier on them as well.

So that is basically the stage of this particular project that the member talks about, and we certainly will continue working with that community.

Mr. Storie: Mr. Deputy Chairperson, I was asking simply what status the New Futures project had.

I make the point that in fact it has been not just a few months that the elements of this proposal, particularly the tourism component, were identified by the Community Adjustment Committee more than two years ago. The community at that time was seeking some assistance, either a service in kind, the secondment of staff.

The point, well, Mr. Deputy Chairperson, the Community Adjustment Committee tabled with the government a whole proposal more than two years ago. And as I said, the member for Lac du Bonnet (Mr. Praznik), a minister in the government, then-Minister of Northern Affairs, I think at that time, anyway a minister of the government, Mr. Praznik, attended and understood what the community was looking for in terms of support. The same is true of this proposal.

Mr. Deputy Chairperson, the minister continues to say that he understands these communities. The community of Snow Lake does not have an economic base that will allow it to pay \$60,000 or \$80,000 to hire people to do the things that need to be done. If the government does not provide the support, then I would ask them to provide the assistance in terms of the staff. That is why I asked, almost three years ago now, for the government to put together a team of people to help the community. That, yes, it is all very good to require the initiative from local people to identify the opportunities and to provide direction to a group of

people who might be trying to identify projects, but the community does not have the resources.

The government is sitting on a Mining Reserve Fund that now exceeds \$15 million. It has received some \$400 million in mining taxes. Does it seem so illogical or unreasonable to request that a little bit of money be spent, a little bit of money, to help the community along in its plans? The minister sees some sort of satisfaction that the members of the government have now identified where the plan may need developing. Well, Mr. Minister, take the time to assign some staff to work with the community to develop the plans to the point where you can identify a project that may use Grow Bonds or REDI or some other project for funding. I am simply saying apply some staff to this. The government has—

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

Call in the Speaker.

HEALTH

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

This section of the Committee of Supply is dealing with the Estimates for the Department of Health on page 81 of the Estimates manual. We are on item 1.(b) Executive Support.

Would the minister's staff please enter the Chamber.

Item 1.(b) Executive Support (1) Salaries and Employee Benefits.

Mr. Dave Chomiak (Kildonan): Madam Chairperson, earlier in Question Period we had an occasion for me for the first time to ask the question about this year's salary for the deputy minister. I think the minister was mistaken. I did not ask about this year's salary yesterday in the Estimates process, I asked it today in the Question Period. But my question remains to the minister.

The deputy minister has received a salary increase of over \$4,000. How can the minister justify that particular increase at this time?

* (1440)

Hon. James McCrae (Minister of Health): Madam Chairperson, I perhaps misheard the member today because I thought he was asking basically the same questions he was asking yesterday. He shakes his head, and I have misunderstood the difference in the questions that he is asking.

Let me just say that the salary of the deputy minister reflected in the 1993-94 Estimates has been reduced by the reduced workweek as per Bill 22 introduced in 1993-94. The annual amount is \$100,400. I am not sure what number the honourable member was using earlier, but that is what it came to.

With respect to the columns identified on the salary details contain the following: general salary increase requirement from September 18, 1994, until year-end March 31, 1994—this was transferred from a central government account after COLA increase was determined per the master agreement—is \$2,000; reinstatement of the reduced workweek for 1993-94 for \$4,200; the reduced workweek for '94-95, minus \$4,400; an annual merit increment, \$4,000. That must be what the honourable member is referring to.

People who work in our hospitals, people who work in our personal care homes, people who work for government, people who work for Crown corporations receive annual merit increments, and this is the situation with the Deputy Minister of Health.

Then there is a general salary increment of \$500 so that the 1994-95 Estimates show a figure of \$106,700. Now, I hope that sets out the situation. It is basically in line with what I said yesterday and what I repeated again today when there were media listening. That was that the Deputy Minister of Health is treated no differently than anybody else.

Deputy ministers generally have rates of pay that are set somewhat higher than other people working in the system, either in hospitals, although I do not know about the salaries of all of the administrators at the hospital, but I know that

deputy ministers usually make more than staff in a department or line staff in a hospital or facility.

What I tried to underline yesterday and again today is that I know of nothing that sets the Deputy Minister of Health apart from any other deputy minister in the government and nothing that sets him apart from other people who work for the civil service, other than that he is a deputy minister and perhaps his base is set higher than the base of other people working in the system. That has not changed.

As far as I know, deputy ministers, when the previous government was in office, had wage levels, the base set higher than assistant deputy ministers, for example, or set higher than staff working in the field.

I do not know quite what the honourable member's point is. Is he suggesting that we ask the deputy minister, because he is a deputy minister, to make some adjustment that other deputy ministers are not being asked to make, that the member for Kildonan (Mr. Chomiak) is not being asked to make, or the member's Leader is not being asked to make?

I am trying to get a clear understanding of what the difference is between the issues raised yesterday by the honourable member and the issues today and how it is that the Deputy Minister of Health is somehow getting treatment that is different from other people in the civil service.

Mr. Chomiak: The question raised yesterday was with respect to the fact that the Supplementary Estimates last year did not reflect the actual total of the salary as included in '93-94 as adjusted this year. My question yesterday was the adjustment and where that difference came. That was yesterday's question.

Today's question, and the minister answered the question if I understand it correctly. The deputy minister is receiving an overall increase of \$500 and a \$4,000 merit increase. The point from all of that is the question I asked in Question Period, and I have no hesitation of stating again the whole question of symbolism and how it looks, particularly when you juxtapose it against the

increases in salaries by the Professional/Technical staff and the Administrative Support staff. They do not increase in commensurate amounts to that of the deputy minister.

While I recognize the base is a different figure, it is still symbolic in an era of cutbacks and an era when people are asked to make major sacrifices in the system. It simply does not look good.

Mr. McCrae: Well, I am glad the honourable member has cleared that up, that it is simply a question of symbolism. If it is simply a question of symbolism, why does he not pick on the salary of somebody else other than the Minister of Health? Why does he not pick on the salary of somebody in his caucus or why does he not pick on the salary of his caucus chief of staff or somebody like that?

If all it is is symbolism, what merit is there in the point being raised by the honourable member? Why does he single out the Deputy Minister of Health when if all he wants to do is pick some victim out there and make somebody into a victim? Why pick the Minister of Health? Was it random? Is there a particular reason why he has done that? Why does he not ask me what the salary of the president of the MNU is? Why does he not ask me that? Why does he not ask me what the salary of the president of the UFCW is, or why does he not ask me what the salary of the chief of the Peguis Reserve is or something like that? Why does he not ask me those things?

Why does he not ask the salaries of other people working in the department? Maybe he will. He knows what my salary is if he sees fit to vote in favour of it, but why pick out one person for the sake of symbolism when we can pick out lots of people where the symbolism is far more important, I suspect, or far more dramatic in terms of the kinds of points the honourable member seems to be wanting to make.

I cannot help but observe, if this is his case, Madam Chairperson, the honourable member ought to rest it.

Mr. Chomiak: Madam Chairperson, I think the minister would have a great deal of difficulty explaining to individuals who have been cut off of

home care, who have to pay for home care equipment, who have to pay for home care equipment supplies, who have trouble waiting on waiting lists to get into hospitals, who have to wait sometimes years or 18 months to get operations, that the chief administrator and executive of his department is getting a \$4,000 merit increase. The minister may not agree. He may not agree that it is a major point, but to that person I believe it is. That is the point that I am making.

If the minister wants to comment, fine. If he wants to move on, fine. I am prepared to discuss this as long as he wants.

Mr. McCrae: The honourable member is engaging in the kind of tactics that really do not bear much by way of response, Madam Chairperson.

Mr. Chomiak: Madam Chairperson, the minister indicated he would table the MMA agreement for us early today. I have not received a copy of it. I am wondering where that particular agreement is.

* (1450)

Mr. McCrae: Madam Chairperson, I have to share with my colleagues today the agreement reached between the Province of Manitoba and the Manitoba Medical Association. It is dated the 8th day of March, 1994.

As I began to point out last night, the agreement spells the beginning of a renewed relationship, I suggest, with government and the medical profession. It was very important to government to achieve this agreement and, I suggest, perhaps important to the MMA as well. As medical practitioners are very key people in the whole health care delivery system, it remained important prior to the signing of this agreement to settle outstanding issues and to create an understanding that could work for a number of years as we try to make our health care system something that will be sustainable for many generations to come.

That is the goal, and I am pleased to ask the Page to make these contracts, copies of them available to my honourable colleagues.

Mr. Chomiak: Madam Chairperson, while we wait for the distribution of the agreements, I

wonder if the minister can outline for me, in terms of the capital, there is \$4,600 allocated for capital for Executive Support. I just wonder what that money might be utilized for.

Madam Chairperson: Order, please. I believe the honourable member for Kildonan is awaiting a response to his question.

Mr. McCrae: Madam Chairperson, the amount to which the honourable member refers has to do with upgrading computer capacity in the ministerial and deputy ministerial office so that we can better serve the public.

Mr. Chomiak: Madam Chairperson, I am not being critical of anyone—we are still waiting the distribution of the documentation with respect to the MMA agreement—but can the minister in the interim tell me whether or not the Manitoba Medical Services Council has met at this point, how many times they have met and basically what they have dealt with?

Mr. McCrae: Madam Chairperson, the Medical Services Council has not met, and it is about to be struck as I speak.

Mr. Chomiak: Madam Chairperson, are the terms of reference for the Manitoba Medical Services Council set out, and can we have copies of the terms of reference of the Manitoba Medical Services Council?

Mr. McCrae: The agreement sets out the terms of reference of the Manitoba Medical Services Council.

Mr. Chomiak: Can the minister indicate who all the appointees are to the Manitoba Medical Services Council and/or can he table a document that illustrates who the specific individuals on the council are?

Mr. McCrae: Yes, but not today. As I say, it is being struck; it has not been struck. I expect very shortly the honourable member will be apprised of the names of the individuals who are prepared to serve in that capacity.

Mr. Chomiak: Madam Chairperson, similarly, can the minister indicate whether or not the Physician Resource Committee has met or is

intending to meet? Can he also table the board of directors of that committee when and if it is available? Finally, can he indicate what the terms of reference are for that committee, unless they are in the agreement, in which case I will have a chance to quickly review that?

Mr. McCrae: Yes, when and if, and yes. Yes, I will make the names of the individuals on the Physician Resource Committee available to the honourable member, and the terms of reference of the committee is also set out in the MMA agreement.

Mr. Chomiak: Again, as I await an opportunity to review the committee, to review the actual documentation, I wonder if the minister can indicate for me whether or not the drawback with respect to Bill 22, as it affects this agreement, has been completed for this fiscal year or does it continue further on into this fiscal year?

Mr. McCrae: Because the requirements of Bill 22 for the last fiscal year only began to be addressed very late in the fiscal year, it was agreed between the parties that they would have until the end of June of this year, '94, to complete the changes in the fee structure necessary to comply with Bill 22 for last year, which means that for the remainder of between now and the end of June some members of the medical profession will be making some considerable adjustment for the next little while. Then the requirements of Bill 22 for the present fiscal year will also be complied with by the end of this fiscal year.

Mr. Chomiak: Have those fee adjustments already been indicated? Can the minister outline for us what those fee adjustments are?

Mr. McCrae: Madam Chairperson, I do not have that information. That is something that is done by the MMA internally. There are various sections of the Manitoba Medical Association, and historically in some sections members have had certain levels of fees that have been adjusted either up or down depending on the specialty or group of physicians involved. This was left to the MMA to work out with their members and that is being done. I do not have that information.

Mr. Chomiak: One of the criticisms made of the agreement, and I am certain that was not from ill-informed people, was the fact that in certain areas there was a fear that the fee reductions would be a disincentive—the best way I can term it is a disincentive—to some individuals.

The best example would have been an area where we have very few specialists. The effects could be devastating in an area where it is sometimes difficult to attract particular individuals and specialists to this jurisdiction. I am wondering if the minister has any concept of that particular difficulty and how it is being addressed.

* (1500)

Mr. McCrae: I understand the concern the honourable member raises but taken in light of the fact that some of these specialties here in Manitoba the practitioners of it were garnering fees that exceeded national averages, exceeded what one could make in the province of Ontario, exceeded even the salary of Frank Maynard.

Mr. Chomiak: Madam Chairperson, they will not be getting a 4 percent merit increase this year? To the minister.

Mr. McCrae: Madam Chairperson, some will get more than 4 percent, some will get less. It addresses somewhat of a historical imbalance that has built up over the years.

Mr. Chomiak: Since the minister has stated that, so what is the government's involvement precisely in this process? Initially when I asked about the fee reductions in tariff as they applied to Bill 22, the minister said the physicians were working on it themselves. The minister has now left the impression that in fact the government is having an input in terms of how these fees are being allocated and divided up. Can the minister outline what that input is?

Mr. McCrae: While it was the work of the Manitoba Medical Association to address these things, the government did have a role to ensure that there were not inconsistencies or inappropriate changes that would have the kind of result that would leave Manitobans unnecessarily without the kinds of services they need. That was the role

played by government to this point. With the Manitoba Medical Services Council the government will have some say there but so will consumers. That is a very important feature of the MMA package.

Mr. Chomiak: Madam Chairperson, as I understand it, the government made much of the fact that they are capping globally the fees to be paid for doctors, and the minister can correct me if I am wrong. Globally, the fees paid to physicians have been capped in year one and two of the agreement. There is a Bill 22 application that draws back some of those fundings, and then Years 3, 4 and 5 there could be fee increases that must come in below a cap. Is that a correct understanding of the agreement?

Mr. McCrae: Yes.

Mr. Chomiak: Does the minister therefore envision that in years three, four and five there is a potential for less medical services to be performed in the province of Manitoba while still paying the same amount or perhaps more in terms of fee for service?

Mr. McCrae: That question will be answered by the Medical Services Council. That is the role and function of it, to ensure that the cap is abided by, that whatever measures are taken to ensure that the cap is abided by are measures that are consistent with what the consumers of health services are interested in protecting, consistent with the government and consistent with the MMA representatives there. That is why the Medical Services Council is such an extremely important aspect of this. We get to work together as opposed to the government just calling all the shots.

They will make recommendations which ultimately government will have to put into effect or reject or ask for change or whatever, but it is a relationship between a council composed of the various disciplines that we have talked about. It is a focus on overseeing the cap that is laid out in the agreement.

For example, the honourable member raised in the House issues respecting lab fees and laboratory operations in Manitoba. It is felt by many

consumers—it was brought forward to my attention many times—that that is an area where there may be unintentional misuse of the health system whereby without knowledge physician-to-physician people will go to one physician and get certain lab tests ordered and another day go to another one.

We know that is true because of the PURC, the Patient Utilization Review Committee, which made it very clear that indeed that is happening. In fact, the honourable member might be interested in knowing that as we are in the development stages of the Drug Program Information Network we have already, through the piloting of that, found people double-doctoring and those types of things.

So we think the Medical Services Council can be very useful in identifying issues like that. The use of walk-in clinics has been raised as well as a potential for us to look at those operations to see that they are achieving the intended results. I believe that the Medical Services Council will indeed look at the interplay between walk-in clinics, doctors' offices, emergency rooms and community health centres, the operation of all of those places, to see how is the best way for us to achieve the best results for the patients in Manitoba through the use of the Medical Services Council.

We have opportunities we have not had before. That is why I am very pleased and hopeful for the success of this agreement.

Mr. Chomiak: Madam Chairperson, I had an opportunity to review the terms of reference as cited in the document. While the minister interprets the mandate of this council fairly broadly, it does not necessarily read in that particular fashion.

I am wondering, the specifics of dealing with lab costs, the specifics of dealing with walk-in clinics, the specifics of dealing with emergency operating rooms. All of these the minister has referenced towards the Medical Services Council, all of these have seen extensive studies and working committees that are presently still working and still operating and still rendering reports.

I am not quite clear how the minister sees a way to an end through this Medical Services Council to all of those fundamental issues if the minister is throwing all of these issues into the lap of the Medical Services Council. I am not entirely certain or clear how the minister envisions this particular group making all of those decisions, or does the minister see this group making all of those decisions?

Mr. McCrae: If you look at the Estimates book there is a line in there for Medical Services. It has been reduced by some \$12 million, and it is because of that line that we have the agreement that we have talked about and why we have the Medical Services Council. The Medical Services Council is there to review all matters related to that line in the Estimates.

There are a large number of committees, working groups and so on, composed of various kinds of health providers and consumers who have been and will continue to make recommendations, many of which will be put before the Medical Services Council for its review, not to reinvent the wheel, but to look at the recommendations put forward in those reports and to make recommendations to government as to how we ought to proceed in the administration of that particular line in the Estimates.

* (1510)

Mr. Chomiak: Madam Chairperson, in dealing with the lab issue, one of the issues cited in the minister's Health Action Plan is the issue of conflict of interest and the difficulty and the lack of conflict of interest guidelines vis-à-vis between private labs, public labs, public institutions, et cetera. It has been identified as a difficulty, and it has been identified as an issue.

Does the minister envision the Medical Services Council as being the body or the agency that is going to resolve this issue?

Mr. McCrae: Madam Chairperson, any decisions that are made by the government that have a bearing on the practices and the fees of medical practitioners, there is a role there for the Medical Services Council. I would just like to introduce

Mr. Bobby Cram, whose title is the manager of professional remuneration. He comes to us from the Civil Service Commission and has joined the Department of Health to help us administer the MMA contract. I realize we are not exactly on the right lines, and I am glad Mr. Cram noticed that was what we were talking about and decided to join us for a little while.

The honourable member asked about the issue that he has been raising in the House respecting conflict of interest with respect to private laboratories. We have discussed that in Question Period. Even though Question Period sometimes has its limitations, I think I understand the honourable member and I believe he also understands me, that the issue of conflict, should there be a conflict, is one that should be addressed. I am glad that we have an opportunity to address that through the Laboratory Committee that is operating, which has membership from people who work in publicly funded laboratory operations, people who have an interest in private laboratory operations, and it is in this area the member claims some kind of double sort of conflict.

I have been quite open and up front in saying that I would think that what we want here is advice. These committees will not be in a position to have the power to make decisions. They can make recommendations or offer implementation plans or whatever. I have already said that it may well be that there will be people in the strictest sense have a conflict, not unlike a union leader if there were a union leader on such a committee, who speaks for employees in the public system. That is a conflict too, and the honourable member may not think that, but you cannot holler conflict when your task is to represent in this House, or you see your task as representing the interests of the union bosses. You have to acknowledge there is a conflict there, too.

Madam Chairperson, while I am on my feet, it has just been brought to my attention—something came through the Canadian Press. I will just read it into the record. It is from Toronto. I quote: Ontario's chief cost-cutting negotiator spent more

than \$100,000 of taxpayers' money on moving and personal expenses during a 22-month period, show documents obtained by the opposition Liberals.

Point of Order

Mr. Chomiak: On a point of order, Madam Chairperson, we have allowed the minister extreme leeway with respect to—this matter of something in Ontario has absolutely no relevance to either this line item or any matter we are discussing here today. I would appreciate if the minister would get back to answering the questions and not trying to move in some kind of political downplay like he did yesterday in the committee. We would function far better if the minister would only deal with the points in question and deal with the line items and deal with the questions rather than go off on some kind of political tangent as to what happened in some other jurisdiction of some other province.

Madam Chairperson: The honourable member for Kildonan does not have a point of order. It is a dispute over the facts.

* * *

Madam Chairperson: The honourable Minister of Health, to finish his response to the question.

Mr. McCrae: Madam Chairperson, the article continues, and I quote: Michael Decter's expenses include a \$65,810 bill to relocate to Toronto from Montreal after he was hired by the NDP in August 1991, say the documents obtained under Freedom of Information laws and released in the Legislature Tuesday. Decter's relocation bill included \$28,000 to cover a housing differential which would make up any shortfall on the sale of a house. The remaining \$37,000 was attributed to moving expenses.

Decter rode the gravy train for two years, a ride that taxpayers can be glad is finally over, said Sean Conway, the Liberals' deputy leader. As Michael Decter was telling the rest of us to tighten our belts, he was opening new notches on his own belt to provide for an expanding of his own girth.

Decter is leaving his \$140,000-a-year post as deputy minister later this week. [interjection]

Madam Chairperson: Order, please. I have not recognized the honourable member for Kildonan.

Mr. McCrae: Well, now, I am just going to carry on. There is a line here I am having trouble making out. It must be the fax's fault. It does not really say here where—oh, there are more stories here, so I will deal with them, too.

I will just pick up a line or two down. I will leave out the next paragraph because I cannot read it anyway. Under government relocation rules, Decter would have had to pay back a portion of his moving expenses if he remained on the public payroll for less than two years. He announced he was leaving the Civil Service in September, two years and one month after his appointment, Conway said. In addition to his moving costs, Decter also spent \$36,599 in meals, hotels, flights, taxis and a leased car between September 1991 and June 1993. His expenses cost taxpayers about \$1,600 a month. One dinner with Ross McClellan, Premier Bob Rae's special adviser, cost \$152.70.

There are several pages here, and it may be that if the honourable member wants to discuss the arrangements of the Deputy Minister of Health further, we could deal with these. The articles—I have not read all of this, and it has not said so far where Mr. Decter is going next, but I think it is—[interjection] The honourable member for Elmwood (Mr. Maloway) wants to know, so I will tell him that Michael Decter, after closing thousands of hospital beds in Ontario and laying off thousands of Ontarians, has now joined the Canadian branch of APM, the so-called Connie Curran firm. I do not know where he is going to work next exactly, but that is where he has gone.

* (1520)

This, Madam Chairperson, was the clerk of the Executive Council here with the honourable Leader of the Opposition (Mr. Doer) and his colleagues when they were in government.

It was at that time as I recall, Manfor, just as one example, one of the perks of office for the president of Manfor was membership in an exclusive golf club and other perks like that.

So when the honourable member for Kildonan wants to raise the \$104,000 salary of the Deputy Minister of Health as a symbol, and that is as far as he can take it—the Deputy Minister of Health is treated exactly the way other civil servants are treated in terms of his merit increments and his compliance with Bill 22 like everybody else.

I really have trouble understanding the symbolism when we hear news like this of how Mr. Michael Decter has fared at the hands of his NDP friends and how, just for example, that president of Manfor, when it was losing millions and millions of dollars every year, the government of the day, the NDP government of the day here in Manitoba had the money to pay for memberships in exclusive golf clubs.

So when we are talking about symbolism, let us try to be fair about it, I suggest, Madam Chairperson.

Hon. Harry Enns (Minister of Agriculture): Let reason and fairness prevail.

Mr. McCrae: Well, my honourable colleague the Minister of Agriculture is a wise person. He has been in this place long enough to know that fairness and reason should prevail in these discussions.

Mr. Chomiak: Madam Chairperson, I fail to see how the minister could possibly be proud of his department and what they are doing when in dealing with a question, asked a specific question with regard to a line item, the minister has to go off on a political tangent dealing with a matter totally unrelated to the question, totally unrelated to the issue.

It shows how weak the position of this government is with respect to its health care, a government that hired, untendered, a \$4-million contract, \$800,000 tax free, allowed them to fly in and stay at the Westin Hotel until we got wind of it, untendered, snuck in the contract, the highest consultant contract probably in Canadian history, a travesty, caused the members to lose five by-elections, not one by-election, but five by-elections, reduced them in this House, after escapades of those kinds, after cutting and laying

off thousands of workers, after an exercise where the minister tried, came out of one day a discussion about Connie Curran when he had an opportunity to cancel the contract, and the minister had an opportunity on many occasions, said that he could not justify the contract, went to cabinet, got beat up by his fellow cabinet ministers, came out and said, well, I guess maybe I was misquoted the day before, continued the contract, continued to waste the taxpayers' money knowing they had lost five by-elections, knowing the public of Manitoba were not in favour of this contract, this waste of \$4 million, the greatest waste of a consulting contract in probably Canadian history, and this minister has the gall to try to cover up this issue by trying to bring completely irrelevant matters to the attention of this committee and this House.

It only shows how weak the position of this government is with respect to its so-called health care reform and its so-called review of the health care system and its continuing cuts, cuts that are going to see, as in the minister's and the government's own documentation, the potential for 1,500 more layoffs at the Health Sciences Centre and St. Boniface alone, that is seeing the government reject the recommendations of its own provincial Labour Adjustment Committee that made seven recommendations, that was set up by this government and rejected those very recommendations. This government that could pay willy-nilly \$4 million to the U.S.-based consultant is unable to accept the recommendations of its own appointed provincial labour justice committee, and the minister defends all of that and seeks to hide behind some kind of reference to individuals outside of this province, individuals that cannot defend themselves.

Well, Madam Chairperson, I think that does not speak well for the process or for the defence of this government of its handling of the health care system. Perhaps the minister would now be prepared to return to answer the questions as posed dealing with this year's Estimates.

My next question for the minister is with respect to the agreement that was entered into by the government, the one that the minister is so fond of

indicating is such a positive agreement. Frankly, I give him credit for settling something with one group at least. I mean this government has been unable to settle with almost any group in the entire jurisdiction of health care, never mind the province. But I am wondering how cost increases will be recouped under the global cap in Years 3, 4 and 5 of the MMA agreement.

Mr. McCrae: By his tone the member seems to indicate he does not support the deal with the Manitoba Medical Association—I really regret that—and then he downplays its importance by saying I cannot make deals with anybody else.

Frankly, the medical profession is a key group with which to make deals. I have been making deals, if that is the right expression, with nursing professionals. My first meeting this morning, bright and early, was with the Manitoba Association of Registered Nurses. We discussed some matters of mutual interest and concern and talked about possibilities for working together in the future. So I really do not know which deal I have failed at.

But the honourable member's question is a little bit repetitive, because as I have said before, issues like the kind that he is talking about, how we are going to come under this global cap and so on, are issues to be resolved with the help of the Medical Services Council, which will be composed of members of the profession, people representing the governments, people representing science and research, people representing the regulatory side of medicine and people representing consumers. So I think that is a good kind of body to have in place to give us advice on how to sail over those rough waters that we expect to continue to see in the whole health care area in Canada for some time.

We have made good progress. We have some distance to go. There is no question about that. We have shown clearly that the shift that we talk about is happening and it is happening in an effective way, not without its growing pains, as the honourable member pointed out yesterday and which I acknowledged. But I think that in terms of jobs lost and jobs gained, we seem to be ahead of the game at this point in terms of the job creation in

the health sector. It is important to remember as we address job displacement that we also address job creation, because that is happening, and by virtue of the fact that that is happening, that means that services are being provided in communities and that is important.

But very simply, the answer to the honourable member's question is that many items will be decided after due deliberation by the Medical Services Council.

Mr. Chomiak: Madam Chairperson, my question was in Years 3, 4 and 5 of the agreement specific recommendations with respect to matters to keep the total fees within the global cap, those recommendations presumably will be made by the Medical Services Council and will be referred to government for final decision. Would that be the process? The minister is nodding the affirmative.

Mr. McCrae: Yes, Madam Chairperson.

Mr. Chomiak: The Advisory Sub-Committee of the Physician Resource Committee will be making a preliminary physician resource plan to be referred by June 30 to the overall council. Can the minister indicate whether or not that plan will be made public?

* (1530)

Mr. McCrae: Madam Chairperson, I frankly have not thought about it, and I do not suppose you will find it in the agreement anywhere that it will be public or not public, so I will have to take the matter under advisement. The whole idea is to try through the Physician Resource Committee to ensure that underserved areas of Manitoba get appropriate service, that people who have not been able to access satisfactorily certain specialty services or even general services that those services become available. That is my wish as to how the committee operates, but frankly I had not thought about whether its recommendations would be a public matter or not. I will give it some thought, but I do not know how to answer that question today.

Mr. Chomiak: Madam Chairperson, I want to take a specific example of an issue and carry it through to determine how the process is going to

work, and I will go back to the conflict-of-interest issue. We have the lab committee studying the issue. It is on their terms of reference. They are due to report I think in nine months or something along those lines. We have the issue of the Manitoba Medical Services Council. Does the minister see the process that the lab committee will make a review with respect to conflict of interest, the proposal will come to the Manitoba Medical Services Council and then it will come to the government for a decision?

Mr. McCrae: Madam Chairperson, at the end of it all I think the agreement acknowledges that government is the body that has to make the ultimate decisions. However, I dare say, the Medical Services Council will be interested in recommendations made by specialist groups and committees. Conflict is really one issue here amongst a number of them. The committee that the honourable member referred to the other day was not even asked for its opinion on conflict, apparently, and yet it gave that opinion, and so we have that. The Medical Services Council will be mindful of that, I am sure, as it does its work and so will the government to the extent that conflict exists. There ought to be some fair way of addressing that issue while at the same time securing for the people of Manitoba the best possible services, the most efficient services and the best quality services that they want and they deserve as well.

Mr. Chomiak: Madam Chairperson, you see, that is what I do not understand. What I see happening is the Medical Services Council is becoming a, for lack of a better word, sort of an ultimate governing body almost, and that is not the way the agreement reads. That is not how I understood it. So that is why I picked conflict of interest specifically as an issue, because it seems to me that conflict of interest would be outside of the purview of the Medical Services Council.

Conflict of interest is a separate issue that relates to the issue of perception, et cetera. The question of fee for service as it relates to labs, et cetera, could very well be within the jurisdiction of the Medical Services Council, but the specific issue of

conflict of interest, I do not see how it fits in. So maybe I am missing it, but that is what I do not understand. I am trying to get some grasp as to what the minister is—I mean, are all issues going to be vetted through the Medical Services Council or not? I mean, it does not read like that in the agreement, but the minister's responses have tended to imply that is the case.

Mr. McCrae: Madam Chairperson, just as a preface to some comments I might make with respect to conflict, I will read from page 26 of the agreement, at the very top of the page.

“Article 9(01). The Manitoba Medical Services Council is hereby established for the purpose of the Minister and the Association co-operating in the management of the publicly funded insured medical services program, and to ensure that medical services, as may be insured from time to time, are provided by medical practitioners in the most cost effective manner within the available amount determined by the Minister in accordance with this Agreement.”

So the Council is there to ensure that medical services are provided in the most cost effective manner and within the available amount. That leaves, I think, the council with a number of ways by which to arrive at its decisions. I think the member is making the point that it is very powerful. I think that there is something to what he says because in terms of being a recommending agency directly to the minister, an agency comprising membership from the government—we have our own people on that council, the medical people have their people on it and the consumers have their people on it. It seems to me a pretty good way to arrive at decisions.

The council will consist of three members appointed by the association, three appointed by the minister, one by the College of Physicians and Surgeons, one by the Faculty of Medicine, one by the Manitoba Centre for Health Policy and Evaluation, three members appointed by the government who will represent the public's interest, one co-chairperson appointed by the association and one co-chairperson appointed by the minister.

That is the make-up of the council, and the council will decide whether it wants to pass on issues like conflict; meanwhile, we have the committee the honourable member and I were talking about previously talking about that too.

While the honourable member was talking about conflict, though, he raised the issue about the membership of the committee looking at lab issues and pointed to the fact that one or more members there had an interest in a private lab. My response basically was, well, horror of horrors, we have a union boss on there too and that person is in direct conflict, and so I guess I have to ask the honourable member what he thinks about that.

The college, which has an appointee to the Medical Services Council, will not be able to appoint any medical practitioner who has any pecuniary interest in the work that he or she will be doing. That is another point. While we are talking about conflicts, I think I have to ask the honourable member why he raises the issue of conflicts when we are working with a committee that has a function of advising on issues; why he keeps raising the question when members of that committee on the one side have conflict and members on the side he represents also have conflict.

Mr. Chomiak: Madam Chairperson, we raise the issue because the minister clearly does not understand, and I will go through it quite simply so the minister can understand this issue.

The minister says there is a union person on that committee that somehow has a conflict of interest. Yes, yes, there is a union person on that committee. There is also a private lab person appointed to that committee to represent private lab interests. There are also on that committee at least five individuals who are supposedly representing public labs. They are designated on the committee as representing public labs, but at the same time they have financial pecuniary interests, or their spouses, in a private lab.

I am not criticizing those individuals one iota. The point is, if a committee of that nature is to arrive at a decision with respect to conflict of

interest, it puts those individuals in a very difficult situation to make a decision about conflict of interest concerning private-public labs when in fact they are on that committee representing a public lab and have an interest in a private lab. It is not a reflection on those individuals. That was the concern raised in the House, and the call from this side of the House was for the creation of some kind of conflict-of-interest guidelines to help those individuals, to ease them out of the situation or to put them in a situation where they would not be in a conflict.

The minister, when he answered the question in the House, indicated that we in this Chamber have conflict of interest, and that is correct, but when we have an area of conflict of interest we are forced to withdraw from the decision making. Those individuals do not have that overall benefit.

* (1540)

Now, the minister may indicate they are not making the decisions, but they are making the recommendations with respect to the very legislation that will deal with that issue. There is a perception—it is not raised by me, it has been raised by members of the public—there is a perception of a conflict of interest. That is what the minister I think fails to understand, and I hope he now understands what the issue is and why we have raised it.

Mr. McCrae: Madam Chairperson, I do understand the honourable member. I understood him last time. I understand his point. I disagree with his conclusion that somehow whatever product comes out of the deliberations is tainted by this unmitigated conflict. The fact is we know who is on that committee. We know their backgrounds and what possible interests they might have, and there is no secret about that. That is the point.

The honourable member is making the point that they are having the power to make decisions and stuff like that, and that is not what is on. These committees can make recommendations and we look forward to them. I just think that when I am trying to see to the care of Manitobans, trying to do

so in a way that is quality and in a way that is efficient, we need the advice of everyone involved.

You cannot on the one hand say, well, take everybody's advice even if they have conflicts but leave out that person who also has a conflict. That is not what this is about. That is not how we build Manitoba by making decisions behind the backs of people who do indeed have an interest. Some people have an interest in improving services to people, and of course, people are there to make a living and nobody is denying that, and I am not. The honourable member is the one who misunderstands; I do not. I have understood him right along.

Mr. Chomiak: Madam Chairperson, so what is the minister going to do about that issue then? Because the minister clearly—it is recognized even in the MMA agreement that in instances where the matter is not resolvable the appointee of the association shall be—no medical practitioner, the minister cited it—no medical practitioner who has a pecuniary interest in the matter contemplated by subarticle 11 shall be eligible to be appointed by the college.

So there is a recognition of not putting an individual in that difficult a situation in making a decision in that regard in the government's own agreement. So it is recognized in this, and I am wondering what the minister is going to do since the whole issue of conflict of interest was raised by the government's own Health Action Plan in 1992.

Mr. McCrae: Madam Chairperson, if we were to follow the honourable member's logic, we would just disband the laboratory committee, because we cannot have a union boss on there, we cannot have anybody who has an interest in private labs, we cannot have anybody who has an interest in public labs. So who have you got left to give you advice on laboratory services? So I do not accept that. What I am going to do is look with interest at the work of the committee and remember the nature of the committee's make-up when I look at its recommendations. That is what I am going to do. If it was the honourable member who had his way, there would not be a committee because everybody has a conflict of one kind or another. So

we go back to the NDP way of not consulting anybody, just close beds, shut down private labs, kick out anybody who makes a profit and reward your union boss friends and away you go. That is not the way I do it.

Mr. Chomiak: I would sure like to find all these union bosses. The way the minister speaks, there must be thousands and thousands of them storming this Legislature every day. Every single reference to every single question and every response by the minister is referenced to these hoards of union bosses that must be just camped outside this building on a regular basis, conferring and avoiding the member for Assiniboia (Mrs. McIntosh) and the minister and not discussing anything with them, clearly spending most of their time with us.

My question to the minister is with respect to the agreement and the professional liability fund that the government is augmenting. I wonder if the minister can indicate, the professional liability insurance fund that the government is paying an additional \$7 million to this year and an additional \$7 million over Years 2 and 3 of the agreement, is that also augmented by physicians or how is that particular fund funded? To what extent is it government, what extent is it physician funded?

Mr. McCrae: According to the agreement, the government's contribution to the Physician Liability Insurance Fund, known as PHLIF, the first year of the agreement, \$2 million; the second year, \$3 million; the third year, \$3.5 million; fourth year, \$3.5 million; fifth year, \$4 million.

I understand that the government, and the physicians put in a portion as well, since about 1987 or '88, in that range, '87, the government took its base contribution and made greater contributions because of the skyrocketing premiums required for liability insurance per medical practitioners. But, basically, what we are doing is what is set out in the agreement.

I point out that it is from the government's contribution from within the available amount, which is that global cap.

Mr. Chomiak: I am just returning to a question that I had pursued earlier. Will the minister admit that it is possible in Years 3, 4 and 5 of the agreement for fewer medical services to be performed while providing for fee increases in Years 3, 4 and 5 of the agreement?

Mr. McCrae: Madam Chairperson, to the extent that we have discovered that in one case one Manitoban used the doctor 247 times as a result of a review by the Patient Utilization Review Committee, and other Manitobans as well, we have taken some steps to try to address that because of the more efficient use of pharmacy, because of the drug products information network and many, many other initiatives already announced or to be announced.

I expect that we will see less misuse of the health system, and that will save the dollars for those who need the health services. So to that extent, I would say that if getting rid of abuse and misuse is less, then that is the case. In the meantime, we expect to see some Manitobans requiring more services, and we have to have the resources available for those Manitobans who need the services.

It is hard to know if there is going to be less services delivered or whether it will be more because of an increase in the quality and the effectiveness of those services.

My hope, as a result of being involved in these contract negotiations and all the work I have been involved in, is that we will have a better quality of service directed to people who need them and that, ultimately, improvements are being made in the health system so that not only will we continue to have a health system but it will be a better health system.

Mr. Chomiak: Madam Chairperson, the minister indicated that very shortly he will be providing a list or he will be announcing the members of the Manitoba Medical Services Council. Can the minister indicate whether or not there will be nurses appointed to that council?

Mr. McCrae: The announcement will be coming very shortly, and before the honourable member

releases me from these Estimates discussions I will be able to answer that question.

*(1550)

Mr. Chomiak: Does that mean we are here till September?

Mr. McCrae: We are here till at least tomorrow. You are going to keep me here until tomorrow, are you not?

Mr. Chomiak: Oh, I can guarantee you that. I appreciate the fact the minister was very candid in terms of indicating when those announcements will take place, and we look forward to those particular announcements.

The agreement contains a section, article 6 sub 3(i). It is page 17. If I understand that correctly, this indicates that in Years 3, 4 and 5 of the agreement neither the minister nor the council have the power or the authority to reduce fees within the tariffs as decided or reduce payments—and that is a legal interpretation. I just wonder if the minister is familiar with that provision and might want to comment on it.

Mr. McCrae: As I understand the honourable member's question, I think that what he is referring to is fee schedule reform which we expect, by virtue of this agreement, to be completed by sometime around this time next year which would be the end of Year 2. So in Years 3, 4 and 5 there ought not to be any need for government or the council to be involved in anything to do with the fee schedule because the reform will have been achieved by that time. I do not know if that is precisely what the member is getting at, but he can let me know.

Mr. Chomiak: Madam Chairperson, it is a little bit difficult because I have just received the agreement, but I am referring to the fact that within this agreement in Years 3, 4 and 5, within the global cap, if there are any reductions required by physicians the reductions would not come out of the fee but would have to come out of some other source. I presume that is the clause that refers to that.

Mr. McCrae: The honourable member has that correct, yes.

Mr. Chomiak: Can the minister indicate how those particular reductions will be achieved if they are required in Year 3, 4 and 5?

Mr. McCrae: In order to abide by the global cap, and keeping in mind the fee schedule, keeping in mind the COLA plus one or whatever it is in those subsequent years, all of that kept in mind, I think the honourable member is pointing to, like, how do we do it? How do we come within those various criteria? That is the role and function of the Medical Services Council, and it will have to look at the services that are delivered, how they are delivered, work with MMA and the rest of the people on there to find better ways to deliver service if they are not able to do it within the available funds.

That is the reason for having the council, to give sound advice to government as to how to proceed. Unlike in some instances where without any plan or without any such body governments have had to make decisions about health care that, you know, you cannot really say that they were arrived at through some reasonable approach, therefore they are suspect—those kinds of decisions.

The decisions we arrive at have to keep in mind the concerns and the bottom line that I have, and that is patient care. As long as I am minister and members on this side of the House are minister, we are going to have that as a bottom line and we are not going to want to place our fellow Manitobans in a compromised situation. So the council will make decisions and make the decisions about recommendations, make those recommendations. The government will have to make a decision about whether to follow them. It will be hard not to, I grant you that, because those decisions will be made as a result of the kind of process set out in the agreement, but that is the, I guess, strength of this agreement, the nature of the make-up of the Medical Services Council. It gives me some comfort that I am not going to be faced with recommendations that are way out of line or that put my fellow Manitobans in any danger.

Mr. Chomiak: But the minister will agree that those recommendations will not include fee reductions as per the agreement?

Mr. McCrae: I think that is implicit in the contract.

Mr. Chomiak: Can the minister indicate whether we will be seeing legislation this session associated with this particular agreement?

Mr. McCrae: Pursuant to the discussions that we have held with the Manitoba Medical Association, the honourable member can expect to see that, yes.

Mr. Chomiak: I have more questions in this area and some other general questions, but I am going to pass the floor to the member for Crescentwood (Ms. Gray). Prior to doing that, I just have one general question and I want to find out if it is appropriate to ask it at this particular item in the Estimates or some other item, because I cannot find through my records from previous Estimates, but I wanted to ask some questions about the Canadian Blood Agency and the like. I wonder if the minister wishes to deal with it at this point.

Mr. McCrae: Madam Chairperson, with respect to blood issues and perhaps others that may come up, if the honourable member can let us know we can attempt to have the appropriate people here. I do not think I need to fill up the galleries with staff who need to be working at other things. So I do not think I am able to deal with blood issues right at this minute. Given some notice as to when you want to discuss them, we will arrange to have the appropriate people here; otherwise we could go on the line by line.

I am trying to be really flexible here and deal with some of the things that you have on your minds. I suppose at some point we can whip through a lot of things quickly. However, unless the honourable member is saying no, in which case we can start line by line now and go the rigid way. I do not think that is what the honourable member wants.

I am trying to make this workable so that the staff people that I need to help me are here when they are needed. So if you give us a little notice as to when you might like to raise an issue, and if our people are available, we will have them here to deal with them.

If that is satisfactory to the honourable member, we can proceed that way.

* (1600)

Mr. Chomiak: That is quite satisfactory and reasonable. The minister will know from my past dealings in Estimates, I do try to deal line by line and try to stay on the point as diligently as possible. In fact, the reason I raise the blood issue is I thought the deputy minister was the one who was directly responsible for it.

Mr. McCrae: The problem with the blood issues is for the rest of the afternoon, the deputy minister, who is the one who is able to assist me, is not going to be available to us. So maybe when you see the deputy minister here that might be the time to raise it.

Ms. Avis Gray (Crescentwood): I would like to thank the minister for providing us with the MMA agreement. I would imagine that Thursday when we resume Estimates I will have some questions on that.

I wanted to ask some questions about students in medicine and the government's policy and direction in that area. Just before we do that, I wanted to get back to the deputy minister's salary. It is more of a comment to the minister and to the member for Kildonan (Mr. Chomiak).

I guess my question would be to the minister to ask the MLA for Kildonan as to what—I am not quite sure what the member for Kildonan is suggesting in terms of merit increments. I recognize that above a certain level in the department that staff positions are not covered by any type of collective agreement, but oftentimes their benefits and salaries are similar to the kinds of working conditions that are outlined in a collective agreement.

I wonder, if we are not looking at a situation of merit increments within the civil service, is the minister aware—because in this forum I can ask the member for Kildonan—of any other kinds of methods that one would use to reward service in the government?

Mr. McCrae: I am not trying to be dense, Madam Chairperson, I am trying to understand what the

honourable member is asking. Have I got it wrong? Is the honourable member asking, is there a way to reward merit at other levels of the civil service?

No, well, I will maybe ask the member to try it again.

Ms. Gray: My question is: If we remove from the civil service merit increments—merits increments are basically financial rewards—or we remove them from upper levels, are there other ways that we can reward our staff?

If the increases, the merit increments, as suggested by the member for Kildonan, are excessive, if we are going to remove them from those levels, one would assume you would have to do it throughout the civil service, which I would not support because I think it is very important that there be rewards in the system for staff.

My question would be if there was not a financial incentive, which we now have with merit increments, are there other methods that could be used?

Mr. McCrae: I am not so sure that there are other methods except to say that even if there were, they would have a value, and there would be a value attached to it, and members could attach a value to it.

Whether it is the person who sweeps the floor or the person who runs the department as a deputy minister, the member for Kildonan is clearly saying that there is no room for merit in the civil service, and I disagree with that at any level. I think there is room for merit at the higher levels of the civil service, at the lower levels. I think there is room for merit in the hospital system and throughout. I mean, you take away initiative from people, you take away performance. I am a strong believer in that. I know the member for Kildonan is not, but that is his problem, not mine.

Ms. Gray: I just want it to be on the record that in terms of within the civil service, I think that given that civil servants and certainly employees in other institutions are asked to take salary cutbacks through Bill 22, are asked to accept no salary increases, which I think a lot of people in this day and age are willing to accept knowing that at least

they have a job, that at least the one thing we can continue to offer within civil service, because we have direct control over that, is some form of merit increment. So I would want to support that type of system.

I think when you look at that kind of system, it is hard to exempt some staff from it, but include others. So I would hope we would see that continue, particularly now when we do not have any salary increases, particularly at the lower levels of the pay scale, so that oftentimes the merit increment is the only form of financial reward that a particular employee does have.

Mr. McCrae: I am quite in agreement with the honourable member, and I know the Minister responsible for the Civil Service Commission (Mr. Praznik) might be interested if the member for Crescentwood (Ms. Gray) has any ideas that might be helpful. We are always open to those.

I think that in other areas there is maybe more flexibility, for example, Crown corporations where you can offer people memberships in the exclusive golf clubs and things like that, which has been done. I am not recommending that, but that is something that has been in Manitoba in the past. I do not think this is the time to be doing that kind of thing.

But as I say, if the member has some ideas or members of her caucus have ideas along that line, I am interested in them. But I agree, I strongly believe in the merit principle. As a former civil servant—[interjection] My honourable colleague the Minister of Agriculture (Mr. Enns) comes from a long tradition of people who have a great deal of merit, and their self-effacing style is one of their greatest attributes.

Madam Chairperson, I was going to say that having worked for the civil service in the past myself, I was always trying to make sure that my performance would demonstrate that I deserved that merit increment, and I was fortunate that I did get those merit increments. It came to the point where I reached the top of the scale, and there were no more merit increments, and it was at that point where I got into politics.

I do not know what all that means, but that is what happened.

Ms. Gray: Just before we talk about medical students, could the minister indicate to us when in this process we will have an opportunity to have the capital budget tabled?

Mr. McCrae: I am working to try to get that capital budget available as soon as I can get it available. There are some remaining items for me to address, and I would like to get it done as soon as I can.

With respect to medical students, I am mindful of the concerns that have been raised by or on behalf of the medical students. There is a place for the views of medical students to be heard.

There is an advisory subcommittee. One could be an advisory subcommittee to the physician resource committee, and one member would be appointed by the Professional Association of Residents & Internes, another member appointed by the Manitoba Medical Students Association. That is not the be all and the end all, because there are a bunch of other members too, but this is a chance where we bring people together to talk about the issues.

I think there has been concern expressed and felt by and for medical students. I have the concern that medical students may have some worries about their future in medicine in Manitoba. I want the physician resource committee to be mindful and sensitive. I have already asked government people helping me put these things together to be mindful of this. I have expressed my concern to the MMA as well.

I do not think the problems are insurmountable, because, as I said yesterday, when we are talking about physician resources outside Winnipeg, but in pure numbers of physicians required, it is not very many. I do not know how many medical students may already have it in their minds they would like to practise somewhere outside Winnipeg anyway. I do not know that today, but I do want these councils and committees to be sensitive to the issues of students, and that is why we have allowed

that students be represented on the advisory committee to the committee.

* (1610)

Ms. Gray: Can the minister tell us, there was an announcement or some thought that for students who are enrolled in medical school that it would be prescribed once they had graduated, what part of the province they could practise in or what part of the province they were eligible for a billing number?

Has that been decided? Is that something that is going to go ahead, because that certainly seemed to be the concern of a number of students who certainly wrote myself en masse? I am sure they wrote other members of the Legislative Assembly as well.

Mr. McCrae: Just by way of background, the day that the story came out that an agreement had been arrived at, I found myself in Thompson, Manitoba. I was asked by a reporter there, what about students having to go somewhere other than Winnipeg and how are they going to feel about that? My response was, I live in Brandon; I would like the capital of Manitoba to be in Brandon, please. Immediately it was understood the point that I was making. You go where the work is. The general public has to go where there is work. We are reaching a point where the Winnipeg market is saturated in many ways. I do add that in certain specialties I cannot say that, but certainly in numbers of physicians, that is not a problem here in Winnipeg.

So I am saying that medical students should take some comfort in the fact that they are going to be represented at the table and that all parties here, as far as I know, are very sensitive to their concerns. I could understand an initial concern because this represents a change. I think that a lot of medical students of the past felt that automatically you will somehow be attached to major hospitals in urban areas and that is what the practice of medicine is going to be about. But our reform plans do talk about services for people are to the extent possible, services that bring results, outcomes based and so on.

So we are very mindful of the concerns of students, and we are so mindful that we have asked them to help take part in making decisions about physician resources throughout the province. You have to remember also the concerns of Manitobans who need physician services outside Winnipeg, and you have to draw that kind of balance. We think we have drawn an appropriate balance in the way we have put these committees together.

Ms. Gray: Madam Chairperson, I want to clarify that I do not disagree with the minister in his comments, and I believe that the issue of physicians and the management of physician resources in Manitoba is certainly something that needs to be looked at. When you look across the provinces of this country, a number of the provinces have physician resource committees and are looking at this problem. I also believe that we need to make some changes so that in fact we do not have an ever growing number of general practitioners practising in the city of Winnipeg, ever growing over what our population is. When you look at the statistics over the last number of years, and I am sure the minister knows this, you will see that in fact G.P.s are growing at a faster rate than our population.

I believe it is Montreal where they have looked at a moratorium on billing numbers for physicians in the city of Montreal for up to five years. Other provinces are looking at reduced fees, looking at 80 percent of the fees in different cities. So I think there are certainly some mechanisms that need to be put in place, and I can appreciate where rural communities want to attract physicians. Attracting those physicians has to be done, I think, part and parcel with having the other support services and technology available to them as well.

My one concern about the initiative to look at confining billing numbers to certain areas of the province would be—I think the university students, I think it is fair that when they enter into a medical program at the university, they need to know the rules of the game rather than having those rules necessarily changed mid-stream. So my caution would be that if this committee, through this agreement, is looking at some innovative and

creative ways of trying to attract positions to rural Manitoba and/or attaching postal codes to billing numbers that at least students be aware at the beginning of a program what the rules of the game are. That gives them an option about whether they want to enter into the program here or go elsewhere, or at least they know what the rules of the game are. I would be interested in the minister's comments on that.

Mr. McCrae: Madam Chairperson, from the comments made by the honourable member, I sense that her thinking and mine are very much the same in this area. I believe the honourable member is acknowledging that there is a need out there and she knows that. Her own background would suggest she would know that, but she also sets out a concern for students for whom the rules appear to be changing in the middle of the game. I understand the point she makes. That is why I made my views known about the concerns of the students as I perceive them and about possible steps that can be taken to take account of the fact for those who are presently in medical school and affected by this, or just coming out about at this time that are affected by these new rules, that the council and the committee look at that and be mindful of those circumstances for that group.

I mean, anybody now going into medical school ought to understand that there is a cap in Manitoba on billing numbers for the next five years. The number of billing numbers is not going to grow in the next five years, and through the position resource there will be some way of attaching a location to some, although not many, but some billing numbers.

It is the most interesting problem because not very much resource is really required to solve the problem, yet it is a big, big problem in rural Manitoba because of the absence of the kind of practitioners that are needed.

I understand what the member is saying, and I am saying that those people we are appointing to various councils are also aware of our concern. I have made my concern known for the medical association, as well, on behalf of those people.

Ms. Gray: Madam Chairperson, does the minister know what numbers we are looking at in terms of what he would see as physician shortages in rural and northern Manitoba?

Mr. McCrae: Madam Chairperson, through the work of the standing committee on medical manpower and other work that is done, we have a general idea here. I do not have it in front of me, but if the member would let me take notice of this, I will be a little more forthcoming at a later time with this, as to the needs and the regions in Manitoba where those needs exist.

There is always an interesting discussion, depending on whom you talk to. Some people think they need—and that is another thing about health reform we have to look at, what are real needs as opposed to perceived needs. That is something where we can get advice from organizations like the Manitoba Centre for Health Policy and Evaluation, to help keep us research-based, fact-based, as opposed to want-based or emotion-based.

* (1620)

Ms. Gray: To change the subject a bit, yesterday we talked about Bill 22 and the impact on institutions.

I would say someone, a higher being up there, does not want us to continue this Estimates process.

We talked about Bill 22, the impact on institutions. I was not quite clear, and I am not sure if we got into this discussion as to if the minister has changed his direction in regard to Bill 22 being utilized by personal care homes.

I raise this because of a letter which the minister may not have seen yet, it is fairly recent, from the Seven Regions Health Centre, dated April 25, where they expressed some concerns about, again, Bill 22 and how that will impact on personal care homes. I know he talked about flexibility within the institution, the hospital setting, in regard to not necessarily having those institutions have to use salary dollars reductions, that if they could find the 2 percent reductions through other parts of their budget, they would have the flexibility to do that.

I am wondering, is that going to be the case for personal care homes?

Mr. McCrae: Yes, and it was all along. Where there was a lack of clarity it had to do with the facilities, the hospitals. The purpose of my meeting last week was to make it very clear that the same flexibility being accorded to personal care homes and community health centres was also being accorded to hospitals. So they had it previously. It was the hospitals where we were not as clear as we could have been, and we have made it more clear.

Ms. Gray: This letter also refers to new staffing guidelines which the department said were effective October 1, 1993. Is it possible to get a copy of those new staffing guidelines? I would imagine those were guidelines that went to the institution.

Mr. McCrae: Madam Chairperson, last fall, staffing guidelines were about to take effect which would have resulted in layoffs in various places in rural Manitoba. I asked that that be stopped—put on hold was the expression I used, which has been much misinterpreted since. That was so that a review could take place, a meaningful review which included groups like the MARN, the MALPN, the hospital administrators, the College of Physicians and Surgeons, again to ensure that whatever staffing guidelines were being declared or imposed were staffing guidelines that would take into account patient care and safety issues.

That review is underway, and I am not just certain when it will be done, but it is underway, and I expect that once that review is done, then we will have to look at the different facilities.

One of the things in relation to this, though, that is important is that even with those staffing guidelines, which I think are public—certainly lots of nursing organizations know about them, all the hospitals know about them, but what I was going to say was that even some hospitals today are working within those guidelines. Others are way out of whack in that respect and have staffing levels that exceed those guidelines by far.

My point is I do not think that is fair to those communities and facilities that are able to and have

shown an ability to be able to live within those guidelines and provide safe patient care. My question is, why cannot the others, if they are not able to? Maybe the answer is in a difference in the configuration of a building. I can accept that. Maybe the answer is that there is a higher level of acuity of illness in a particular region, and I can accept that kind of point.

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

Mr. Acting Chairperson, beyond that, if it becomes strictly a labour issue, then let us look at it as a labour issue and not as a health issue. If jobs have to be removed from the system, let us handle the people as compassionately as we possibly can, taking into account their service they have provided in the past.

The fact is some hospitals have staff well above levels in other hospitals and that is not fair. Again, we cannot have different rules in different areas, I do not think, yet you have to take account of the uniqueness of the various facilities. There are not two that are identical and I accept that, which is a third thing that can be taken into account, but in what ways? What are the appropriate questions to ask? That is what the review is all about now, to ensure that patient safety is assured through change to staffing guidelines and to do so efficiently because we cannot afford to spend dollars on health care unnecessarily because there are other places where it is necessary to spend it.

Ms. Gray: Can the minister tell me who developed and worked on these new staffing guidelines, and was there input from institutions? Also, do these guidelines basically look at greater staff-to-patient ratios or less staff-to-patient ratios?
* (1630)

Mr. McCrae: Mr. Acting Chairperson, I am sorry for the delay, but I needed further background.

The honourable member asks who it was set the staffing guidelines of last fall. The answer is it was ministry staff after a review of staffing guidelines on a national basis. The last time this had been done, I assume in a way very similar, was back in 1989 or '90. These guidelines were set after review

of selected hospital operations and after consultation with selected administrators and directors of nursing in Manitoba. They had to do with activity levels, and activity levels, like the noise levels, had changed. But unlike the noise levels, the activity levels decreased in our hospitals by as much as 10 percent because of issues like length-of-stay reductions, I assume because of services in the community that took the pressure off hospitals and so on. Sometimes it was more than 10 percent, maybe sometimes a little less. The guidelines actually would add staff, in some cases, as well as subtract staff depending on the circumstances of an individual hospital.

Even though that process had been gone through, having listened to only a few nursing groups in the early days of my appointment, it was my feeling that we should make sure that patient care is not affected in the ways that many of the nurses I had been talking to were suggesting they would be. A lot of the nurses I have been talking to also talked about how they did not want their jobs to change, and I understand that. That is a very understandable sort of feeling for people to have. But I am also sure that nursing people in Manitoba are interested in making sure that we can apply the resources to the places where the resources are needed.

So at the end of the present review, then ultimately the decisions will have to be made. I expect that it will mean reduction of staff in some places, and it might even mean addition of staff in some other places to make it appropriate for patients.

I do not know how much these guidelines will change as a result of the review. Let us let the review take its course.

Ms. Gray: In regard then to activity levels and staffing guidelines, is it a fair assumption to say that in personal care homes then, you might actually have an increase of activity levels, because of the higher acuity oftentimes of individuals now in personal care homes?

Mr. McCrae: I preface my answer by saying that this review is only about acute care. But the

honourable member's point is correct, because everything we are doing is leaving more acutely needy people in our acute care or in our personal care, so that there is a review going on with respect to personal care as well, and we know what the judge said at the inquest with respect to staffing levels—Judge Rusen—we have that and it might be an expected outcome that we will have to look at staffing levels at PCHs, because if they have not changed for some time there may well be a need to look at that.

Ms. Gray: With that current review committee that is looking at personal care homes, in light of the CBC documentary and the judge's comments and the report from Manitoba Health Centre, who exactly is sitting on that review committee?

Mr. McCrae: Mr. Acting Chairperson, through the Seniors Directorate we have the leadership of that committee coming from there. It is departmental people from both the Departments of Health and Family Services. I can get the names if the member needs that, but it is the consulting work that they will do that is going to be just as important as the membership of it. If the member needs to know that, I will get that information for her.

Ms. Gray: Thank you, Mr. Acting Chairperson. Just to clarify that, it is simply departmental staff from the Seniors Directorate, Health and Family Services? I do not need to know who the names are, but I would ask, is the minister able to table their terms of reference in terms of exactly what they are going to be doing?

Mr. McCrae: I am going to ask my staff to remind me if there was somebody else on that committee as well, and if there was, I will tell the honourable member. The terms of reference of the committee, I think, I will have that in front of me, but I will take that as notice.

Ms. Gray: Mr. Acting Chairperson, I thank the minister for that information. Another issue, and I do not know whether the minister has the answers with the deputy not being here, but changing tracks, as regards the interdepartmental deputy minister's committee that was looking at services

to medically fragile children in the school system, the special needs children, I had asked a question of the Minister of Education (Mr. Manness) in the House a couple of weeks ago. I believe he said there was an implementation plan, and we might look at seeing that sometime in June.

I am wondering from the Department of Health perspective, can the minister indicate to us what exactly has that committee looked at, and what were some of the analyses of that whole issue of medically fragile children in the school system, and who provides supports, what kinds of supports are available, who should pay for it, et cetera?

Mr. McCrae: I think we are getting into areas now that I am going to have to take notice of things or ask the member to wait until we get to the appropriate line, such as Healthy Public Policy or some such line like that, because we do not have the necessary staff here to help. So, if the honourable member could hold that question or I could take notice of it and get some detail on it for the honourable member, either way we will address it at a subsequent time if that is all right.

Ms. Gray: Mr. Acting Chairperson, that is fine. We can look at that issue in another line.

There have been some concerns expressed about, when we talked yesterday, centres of excellence, particularly within the city of Winnipeg and looking at which hospitals provide what services. There is the Manning Report on Obstetrical Services in Manitoba. I am wondering if the minister has decided where that report is at or what is going to happen with the Manning Report in terms of the recommendations that were contained therein.

* (1640)

Mr. McCrae: I expect this spring to be making the government's position clear, formally making that report public, even though many people have it. I will formally be making it public and stating our government's objectives. I think that certain events that have happened also call for a relatively quick response here now too because, for example, at the Grace Hospital, they are having a problem because of an obstetrician leaving the jurisdiction, and

some people are wondering, well, ought we to—how hard should we work to try to make sure we have an obstetrical presence at Grace? I am saying to people, I will move as quickly as I can to make the government's views clear, but that they ought not to, at Grace Hospital, let up on their efforts to find a replacement obstetrician.

Ms. Gray: Mr. Acting Chairperson, that was another question I had in relation to obstetrical services—the issue of Grace Hospital and some concerns that had been expressed to us about the fact that one of the obstetricians has left. But I would ask the minister: Does his government have a plan or what does he see in terms of obstetrical services in Winnipeg?

In the Manning Report, I believe it was suggested that some obstetrical services could possibly be phased out or closed down in some of the hospitals. I am wondering what the minister's thoughts are in terms of the following: Where do we provide obstetrical services? How do the community hospitals play a role in provision of those services versus the tertiary hospitals? Do we want to be expanding obstetrical services?

I know a number of years ago obstetrical services were closed down at Concordia, I believe it was, and Seven Oaks, and I guess the question would be, how does the minister see obstetrical services being provided, particularly given that this government spent quite a few dollars on the new family birthing centre at Victoria Hospital, which I have had the opportunity to tour. I am wondering how this all fits into the future directions of health care services in Winnipeg and perhaps the—well, I will reserve my comments on closing of hospitals in Winnipeg until we talk more about obstetrical services.

Mr. McCrae: I think that if this were a card game, the honourable member would be saying, it is your turn to play, and she is probably correct. We have to look at our obstetrics services in the city of Winnipeg from the point of view of what it is the consumer wants. The consumer, I think, wants to have some options, some choices that we can reasonably provide.

I think administrations in some hospitals are getting into the delivery of obstetric services through the so-called LDRP method, which is seen to be a very satisfying or popular—I am not sure of the right kind of word to use to describe it—but appropriate to women and their families.

When I visited Victoria Hospital, for example, I had a chance to—it is one of the nice things about being Minister of Health. You get to go to these hospitals and not have to be a patient to go and visit some of the people in them, and it is a wonderful experience to visit a room where there is the mom and the child and the dad, and that is the room that they were in from the time they got there. That was really special for me as one who has visited hospitals many times as my wife and I have been fortunate enough to bring children into the world. If all of those choices had been available to us, I know which one we would have chosen, having spoken to Darlene about that.

(Madam Chairperson in the Chair)

But people want safety. The Manning Report reminds us that, of all the places in the world to deliver babies, Manitoba, and especially Winnipeg, is the safest place in the world. People do not know that maybe—well, because the report is not broadly distributed—but that is something that needs to be said. I guess, I am going to be the one to be saying it from time to time because, as I said, it does not get said often enough. On the other hand, Winnipeggers and Manitobans want whatever choices the system can provide to them within the available resources.

There is a level of satisfaction in some of our hospitals in Winnipeg that is high, and that is a positive thing. It is very positive. The Manning Report does talk about several models as opposed just to one, and we are looking at several models before we play that card that I was talking about. I just want to know from the honourable member, for example, if there are some concerns that her constituents or people whom she consults with are bringing forward, issues that maybe are not adequately dealt with either through the Manning Report, through the Michael Lloyd study, which deals with the economics of obstetrics, or even

through the midwifery study. Those are the three that we are looking at, more or less, in tandem to try to develop the proper policy for the obstetric services in the future.

I am just hinting rather broadly here today that we are interested within the resources that we have, making the kinds of choices available that we can. I understand Grace Hospital has learned the new wing is going to have LDRP in it. It is planned, right. LDRP is planned as part of the—I guess I cannot say it very loud, but the APM project the Health Sciences Centre talked about LDRP in their facility. So I think we are doing our best to keep up with the kinds of choices that the consuming public wants to see. I think we are going to be able to deliver, and we are going to be able to announce our choices and our decisions later this spring.

I say that a lot of people are looking at a lot of things. My staff are reminding me about some of the things that some people are wanting or planning or talking about, and I have been fairly open about discussing these things too. It occurs to me, having had some concerns brought to my attention by members in the west end, the member for Kirkfield Park (Mr. Stefanson), the member for Sturgeon Creek (Mr. McAlpine), the member for Assiniboia (Mrs. McIntosh), the member for Charleswood (Mr. Ernst), all interested in what is happening at the Grace, because of the problem with the obstetrician leaving the jurisdiction, so I am just trying to give some comfort there that we are not going to leave people out there needing service that is not available. We have to make sure that it is, so the administration of the Grace Hospital is working very hard with the profession in Winnipeg to try to make sure that the obstetrics needs of the patients of Grace will be looked after while we address all the obstetrics issues for the city of Winnipeg.

Meanwhile, there is work going on in rural Manitoba as well. Dr. Manning is involved in looking at an obstetrics plan for rural Manitoba, and Dr. Manning is recognized as an expert in the area of obstetrics. Just by virtue of the report that was put out there, there is also room for differences

of opinion. That has come through fairly clearly too. But, in fairness, Dr. Manning's report sets out a number of options and not just one, so that leaves us room within which to work in the delivery of obstetric services in the future.

* (1650)

Ms. Gray: The minister asks, what do consumers and the people out in the various constituencies or parts of the city want? I suppose if you sometimes ask the average person, they would want as many types of hospital services available to them in the community. That was certainly the case when we closed down Concordia and Seven Oaks obstetrical units; there was an outcry from those communities. However, I do not know in the long run if the service was actually lessened, because certainly within the city of Winnipeg, I think, when you look at where people go to their dentist or doctor, whatever, people see the city of Winnipeg as one region, one community.

I know Victoria Hospital likes to emphasize their community aspect in the south part of the city and has done a lot of work in being a community hospital, and I commend them for that. So, when you ask the question, what do consumers want, I think sometimes their first response is, well, we want as many services as we can in our individual hospitals. When you talk to them further and talk about how many health dollars there are and what kinds of services are reasonable to provide in one hospital, I think sometimes you get a different answer from them.

Now the minister said that he or his department was encouraging Grace Hospital to look for another obstetrician. Can I take that answer to say that the Department of Health is saying to Grace Hospital, yes, we see your obstetrical ward is very viable and it will continue on, or is that a leap of faith by putting those two statements together?

Mr. McCrae: Well, I am certainly not here to try to destroy the faith that the honourable member might have; that is for sure. I agree with what the member is saying, that people are very reasonable people if you take the time to spend with them and listen to what they have to say and tell them, from

your point of view, what is happening too. People understand there are only so many dollars. They want to have for their particular community hospital in which they take great pride every possible thing that you can put into it. I know that because I am from Brandon and we are very proud of the Brandon General Hospital. We want to have everything possible there and every kind of surgeon and every kind of machine that you can think of. We want all those things, but we also recognize when we consider it all that we have to provide health services for all Manitobans and wherever they happen to live. That includes people in Winnipeg as well, and people in Winnipeg, if given the chance to address all of the issues, are very reasonable people too.

So I think that they just want to be assured that—I think the member talked about amount of services or some such thing. When the baby is going to be born, the baby is going to be born, and we have to have provision for the baby and the mom too when that time comes. I am happy to say that today we have services that are more varied and as high or higher quality than ever before in the city of Winnipeg, and that when we are finished with our future plans for obstetrics in Winnipeg, we will be able to make even greater claims.

Ms. Gray: Madam Chairperson, with respect to the Bell-Wade Report and looking at some amalgamation of service provision between Health Sciences Centre and St. Boniface, can the minister tell us what his plans are, his time frame, in terms of whether he will accept their recommendations or is there another committee that is looking further at—and what will be the result of the suggestions in that report?

Mr. McCrae: Since having had a look at that report myself, I have had discussions with the university and the hospital CEOs and board chairs and also Mr. Bell and Dr. Wade and departmental staff. Bell-Wade talks about finding better ways to do the things we are already doing. In other words, I think the expression is two sites, one program. Now, if you apply that to let us say cardiac or to

neuroscience, you kind of get an understanding of what we are talking about.

We have two separate administrations in these teaching hospitals and in some cases we have two separate programs, and both of them are associated with the University of Manitoba. Now the idea is that, since we are working with the University of Manitoba on two campuses, we can kind of make that one program, two campuses in the various disciplines. That is the general principle underlying Bell-Wade, I believe, and adjustments to administration to make room for that concept, we expect, will improve the concepts and the delivery of not only educational service but also services to patients in those places. It is that streamlining of administrative functions and, I think, the building up of leadership and making the leadership stronger for those and other programs that will result in improvements in the future.

The implementation is in the beginning stages in the sense that there seems to be agreement on all sides that this is the right thing to. It does not, as reported in the newspaper, result in, or on the radio—I heard one commentator say that St. Boniface is the big loser—and far from—I mean, it is on the same day that people of St. Boniface denied such a suggestion. This goes to show what kinds of things can come out from time to time. We have no intention of making St. Boniface into something less than it is. We intend to make it better, and the same with Healthy Sciences, and we are working in partnership with the CEOs, with the boards of these hospitals, who, after all, are the governing authorities of those hospitals.

At one point during the whole process there was some discussion about governance and concern about governance, where if you are going to have amalgamation of program, what does that mean with respect to the governance of these two hospitals? You have to take into account the histories of the hospitals. Certainly the history of the St. Boniface Hospital has been brought very clearly home to me in all of my discussions, and there have been many, many of them with the Grey Nuns, with the administration, with the board and even with the staff of St. Boniface Hospital. There

is no move whatsoever to do anything to detract from the original and current mission of St. Boniface Hospital because there is nothing in that mission that is inconsistent with anything the government is trying to do in the area of health reform or bringing about excellence in the delivery of health care in Manitoba.

A couple of things I said yesterday that I said I would do for honourable members, and they asked about an updated organizational chart for the Department of Health, and I will make those available to my friends. The honourable member, I believe it was, for Kildonan asked questions about the Terminal Care Committee, and I have here a document setting out the membership of the committee, a purpose, and it is the impact on the primary focus. I will make this available to both honourable members.

There was a question yesterday about home care and what it is that people are entitled to and so on

An Honourable Member: Personal care homes.

Mr. McCrae: Oh, I am sorry. Yes, indeed. A question about personal care. I have some information here that honourable members may have seen, but if not, then this will be new. Some of it is in two languages for those who want that. I have some other thing here, but I have not had a chance to look at it myself, so maybe I can make it available tomorrow.

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

Call in the Speaker.

* (1700)

IN SESSION

Committee Report

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

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

Motion agreed to.

PRIVATE MEMBERS' BUSINESS

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

Introduction of Guests

Mr. Speaker: Prior to the proposed resolutions, I would like to draw the attention of honourable members to the Speaker's Gallery, where we have with us today Terrylinn Johnson, Brita Hall and Michael Ireland. These are three athletes who participated in the Lillehammer Winter Olympics.

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

PROPOSED RESOLUTIONS

Res. 2—Manitoba Athletes

Mrs. Louise Dacquay (Seine River): Mr. Speaker, I move, seconded by the honourable member for La Verendrye (Mr. Sveinson), that

WHEREAS representing Canada in international competition is the pinnacle of achievement for an athlete; and

WHEREAS Susan Auch, Michael Ireland and Sean Ireland all earned an opportunity to compete at the 1994 Olympic Winter Games representing Canada; and

WHEREAS Terrylinn Johnson, Brita Hall and Wayne Bauche earned the opportunity to compete in the 1994 Winter Paralympic Games representing Canada; and

WHEREAS all of these athletes distinguished themselves as world class competitors and all Manitobans share the pride in their achievements.

THEREFORE BE IT RESOLVED that this Legislature recognizes and commends Susan Auch, Wayne Bauche, Brita Hall, Michael Ireland, Sean Ireland and Terrylinn Johnson on their outstanding athletic achievements.

Motion presented.

Mrs. Dacquay: Mr. Speaker, it is with pleasure that I speak to the accomplishments of our Manitoba athletes who have competed and

achieved at the 1994 Olympic and 1994 Paralympic Games this past winter.

It is the dream and hope of every aspiring amateur athlete in Canada to compete at the Olympic level and represent their country in the most prestigious of international sporting competitions.

When you take into account that there are 3 million registered competitive athletes in Canada alone and more than 15,000 Canadian athletes engaged in high-performance sport, the attainment of being able to participate at the world Olympic level can be considered a remarkable achievement.

Even more difficult is to medal at the Olympics, and this remarkable achievement was attained by two of our Manitoba athletes, Susan Auch, who won a Silver Medal in speed skating, and with us this afternoon, our Special Olympian Terrylinn Johnson who won a Bronze Medal in cross-country skiing.

What Susan Auch, Wayne Bauche, Brita Hall, Michael Ireland, Sean Ireland and Terrylinn Johnson have achieved through hard work, training and dedication to their sport provides us with positive role models.

They provide others with the encouragement and confidence to compete; to achieve their goals; to excel, and they have made their dream a reality and are positive individuals who are able to instill a dream in others and a vision in others.

They have demonstrated the qualities of the consummate athlete and with the pride and dignity that has made all of Manitoba and all of Canada proud.

As the mother of a former national competitive swimmer, I know firsthand the level of dedication and endless hours of training that these athletes endure seven days a week year after year. Their commitment to strive to be their very best, as well as the personal sacrifices they make, surely set an example for all of us.

I would also like to commend the families of these superb athletes for the sacrifices they have made to ensure the success of their sons and daughters. This support is absolutely critical to all

athletes. Community leaders, the general public, the media—all have an important role to play in communicating the values of these individuals, their contributions to society and the value of one's participation in sport.

Public interest always peaks during major worldwide events such as the Olympics. We must all take full advantage of these opportunities to recognize our amateur sport heroes and their contributions to the social fabric of our nation through sport.

The Manitoba government takes pride in recognizing the accomplishments of these athletes and what it has taken for them to compete and achieve at the world-class level.

We hope this resolution in some small way provides them with the well-earned recognition they deserve, and I would encourage all honourable members on both sides of the House to support this resolution this afternoon.

Thank you, Mr. Speaker.

Mr. Clif Evans (Interlake): It is indeed a pleasure to be able to rise this afternoon and speak to this resolution and welcome the athletes that are here this afternoon. I know that during the Olympics and the Paralympics we were all able to watch on TV all the accomplishments of all the athletes throughout the Winter Games.

A bit of a personal pleasure too, Mr. Speaker, seeing the achievements of the athletes and particularly our own Manitobans, but in our Canadians. Having been in athletics for most of my years and working very, very diligently and hard in hockey and in different sports, I can appreciate the fine efforts of these athletes that we are here honouring this afternoon. It brings back the hours, as was mentioned by the member, and I am sure the athletes that are here can appreciate the time and the effort to be able to get good at something, No. 1; No. 2 to get better at it; No. 3 to get to be the best that you can possibly be at a particular sport and, finally, an achievement to just be victorious at a local level just shows the gratitude. You see the gratitude amongst the young athletes.

I know I felt that many times, not to a tremendously high level, but to a level that made me feel that the work that I put in, whether it be hockey or baseball, not swimming or rowing or cross-country skiing, but some of the other sports that I participated in, it was an accomplishment within yourself. I know that is how our athletes feel.

I had, of course, the opportunity to see Susan Auch win her silver medal. It was quite a feeling, too, Mr. Speaker, because the honourable member for Transcona (Mr. Reid) made mention to me when she made the team that she was from Transcona. Of course, myself being a resident of the community of Transcona for many, many years, but not knowing the family, it was sort of like it is your own family, I guess, if you want to call it that, that had the opportunity to win a medal at the Olympic Games.

For Terrylinn, I am sure just being there was a tremendous feat for her. I wish her very well. I am very pleased to see that a bronze medal was won by her, Mr. Speaker, and I know that next time perhaps a gold, and the same for Susan Auch in the next Olympics if she so decides to participate.

To all the other athletes, of course, those who were able to participate from our province who were not able to accomplish a medal, but were there, not only in competition but in spirit, enthusiasm and support for their other athletes who were able to win medals and be distinguished, I know we are all proud. I know the families are proud and not even knowing these fine young athletes personally, I know I am very proud.

* (1710)

I know members on this side are proud of their accomplishments, Mr. Speaker, and know that with more dedication from communities, from support groups, from the families, that perhaps we can have more athletes there representing our province in different competitions. Yes, you and I can of course go at ping-pong or something and perhaps we can become a team.

An Honourable Member: Table tennis.

Mr. Clif Evans: Table tennis. But, Mr. Speaker, I again would just like to say a personal gratitude and a personal satisfaction for these fine young athletes and I know that we wish them well. I wish them well. Members on our side wish them well, continued success and the best of luck in the future for their accomplishments and continued good health and continued hard work so that perhaps there will be more golds on the walls of Manitoba after the next Olympic Games and all because of our wonderful athletes here. Thank you, Sir.

Mr. Gary Kowalski (The Maples): Mr. Speaker, it is my pleasure also to rise in support of this resolution. I, too, would like to welcome Michael Ireland, Terrylinn Johnson and Brita Hall here today. All these athletes, including Susan Auch, Sean Ireland and Wayne Bauche, deserve our mention.

It often seems cheating that somehow we take pride in the accomplishments of others, but all Manitoba takes pride in the accomplishments of these athletes, even though perhaps we had no contribution to their successes.

When I think of these athletes and what they have achieved, I think of all the other athletes who tried hard and maybe made as much effort but did not have the skills.

They represent all athletes who have made valiant attempts at whatever sports they have achieved. They also represent the coaches, the families and friends who supported them. I am sure during their careers as athletes there has been much fundraising, many trips where driving and travelling was done by families, coaches, friends, and it was the sacrifice of all these people. They can take even more pride than the rest of Manitobans.

At a time when young people are looking for role models, I think these are fine examples of role models for all athletes. We talk about our youth needing discipline, guidelines. Well, athletes are the most disciplined people in the world, and I think they will be a role model for all our athletes.

Again I say, I support this resolution, and I add my congratulations for their accomplishments and best wishes to them in the future.

Hon. Jim Ernst (Minister responsible for Sport): Mr. Speaker, I am pleased also to rise today to participate in discussion of this resolution.

As the Minister of Sport I cannot tell you how proud I am of the efforts of our athletes, particularly those who represented Manitoba in the Olympics. One-third of our athletes won medals in the Olympics, a very great statistic, Mr. Speaker, and one that I think all of us should be very, very proud of.

While we had only six athletes participate, certainly two of them brought medals back to our province in recognition of their efforts and work that has gone on for any number of years. I can tell you that Brita Hall I have known since she was about this high—a little girl. She is probably embarrassed because I said that. Nonetheless, her efforts and the efforts of the Ireland brothers and certainly all of the athletes who have participated on behalf of Manitoba in these Olympic and Paralympic Games are something that all of us can take great pride in.

Mr. Speaker, this does not happen easily. As others have said before, there are a number of sacrifices that are made, sacrifices for certainly those high-performance athletes who have to attend a high-performance centre that is not located in Winnipeg. For instance, speed skating in Calgary means time away from family, means time away from educational pursuits because if you are going to be a high-performance athlete, you do not have the time to spend in normal university courses and other types of training that people might wish to pursue.

So, from that perspective, they have a very difficult time in trying to accomplish all of those other things. They sacrifice a social life that is almost nonexistent. It is very, very difficult to conduct any kind of social life while you are a high-performance athlete, and that takes a very large chunk out of their very young lives to do that. So that certainly stands them well.

Mr. Speaker, they have had coaches who also spend a great deal of time with them to try and encourage them, to train them, to provide the skills so that they can compete and they can hone the skills that they have to a great degree of perfection in order to reach the pinnacle of sport.

They also have parents and supporters who spend a great deal of time and effort and money in support of those athletes. We do not have the benefits of some other countries where we have huge amounts of funding available for high-performance athletes. While we are pursuing that end, and we are working now in corporate partnerships with a number of high-performance athletes—I know Tanya Dubnicoff, Colleen Miller, Susan Auch were all sponsored by major corporations—I know we have to do more with that for our high-performance athletes.

Certainly, our Paralympians, Mr. Speaker, have spent many, many dedicated hours, and I know that the efforts of their parents and supporters and the time and effort and money that they have all put in to ensure that their children or their chosen athlete is one who has the opportunity, at least, to pursue that effort. To be able to pursue the goal of winning a medal is something that all of them deserve a great deal of thanks for. Unfortunately, again, we are unable to provide huge amounts of funding to enable them to do this without that support, and we thank the parents for their efforts in this regard.

* (1720)

But I can tell you what corporations have learned in recent time, and that is the fact that when they hire these athletes to work in their organizations as an effort toward contributing to their costs of training and so on, they have learned that those people provide a great stimulus to the existing employees, the other employees of the companies, so that they can in turn perhaps provide better performance, provide an incentive for them to provide better performance. The work ethic that they learn during their years of training and years of pursuit is something to be envied by most employees. I suspect that, as time goes along, that will become more and more recognized in Canada

in the fact that these young people have exemplary attitudes to bring to the workplace. I am sure that, as time goes along, that will become more and more recognized.

So I offer my congratulations to all of them. I thank them for coming here today. We do not have, Mr. Speaker, in this Chamber all that many happy stories. So today we do have that, and I am pleased again that they came today to hear this resolution and the efforts of the members of the Assembly here to speak in that regard.

Thank you.

Ms. Marianne Cerilli (Radisson): Mr. Speaker, I rise also to recognize the fine athletes that have represented our province and our country: Susan Auch and Michael Ireland and Sean Ireland, who all competed in the 1994 Olympic Winter Games, as well as Terrilynn Johnson, Brita Hall and Wayne Bauche, who were representing us at the 1994 Winter Paralympic Games.

I want to give special congratulations to Susan Auch, one of the reasons being that she has represented Transcona, the community that I also have the honour of representing here in the Legislature, and I remember watching her perform and watching her speak on behalf of all of us as an ambassador. I was very impressed and very proud. She was very articulate, and I thought that she certainly represented us well both as a spokesperson as well as performing as an athlete.

I know her sister, Andrea Auch, from the couple of years that I was at the Winnipeg Rowing Club, so I know that sport is important to their family.

I think that we cannot underestimate the value that sports or arts or cultural pursuits play in the lives of young people, and we have to realize that it is a very, very good investment for us to have both public and industrial finances go into funding of sport. The kind of leadership skills that are developed, the kind of aspirations that it encourages in young people, even if they never make the Olympic Games, even if they never make the national team, just to have that goal while you are growing up can add so much to a young

person's life and help them maintain a direction that is going to be positive.

I think about the dedication, the discipline, the kind of focus on goal setting, the kind of skills that are learned in time management, the kind of understanding that an athlete develops in learning about their body and about health and about how to get along with other people, whether they are coaches for other athletes or officials or dignitaries from other countries and other provinces.

I think we have to be really conscious of what we are doing with our sport policy and really valuing the kind of sport that we have through our schools and in our community clubs and in our community programs. We have to have a balance and realize that we have to have both developmental and elite programs and that the two must be joined, and we need to make sure that the developmental programs in the province are going to feed into our elite and high-level athletes. We have to make sure that sport is going to be accessible to all Manitobans, and that young children across the province are all going to have the chance to participate in some way, because I really believe that is the way we are going to find those best athletes who will carry on to represent our province and our country, if we do have the kind of developmental and grassroots programs that I am sure so many of us in the House have benefited from.

I talked before about my own enjoyment of athletics and how important it was for me and also in coaching, and how much I learnt from coaching athletes through schools and different programs like the Peace Garden Athletic Camps or the university sports camps or mostly in track and field, which is the sport that I pursued.

I just want to close again with congratulations for all the dedication and the hard work of these fine athletes. The amount of sacrifice that they have made has been referred to, and it is, I am sure, very satisfying for them to follow through and have the rewards of success.

I would also recognize the contribution of the families of so many of these athletes that do pursue

Olympic dreams, and the coaches, the volunteers and all the other funders and people that support the athletes throughout our province and those that go on to represent us and our national teams.

I commend the members opposite for bringing forward the resolution. I wholeheartedly support it, and I hope that we can work together to ensure that Manitoba is going to continue to have athletes carry on a tradition of representing our country throughout the world on a variety of sports.

I think that we have in this province a lot of the facilities and the natural advantages of having athletes from a variety of sports, both winter and summer, and we can develop that to do us all proud. Thank you very much.

Mr. Gerry McAlpine (Sturgeon Creek): It gives me great pleasure to rise today in support of this resolution and to offer my congratulations to the athletes who are in the Chamber here this afternoon.

I think this is something that we should not take lightly by any means. I can only offer my congratulations and admiration for the accomplishments that these athletes, along with their families, have been able to achieve in representing not only themselves but the province and this country.

I think that they have reached the level that I am sure we would all like to be in a position to have achieved in our aspirations as athletes or reaching our levels of endurance and what we have to offer. But I think they have a further level to aspire to, and I am sure that nobody knows that better than they do. The level that they have achieved is not sufficient anymore, and that is one of the admirable qualities of an athlete.

When you consider the amount of training and the amount of commitment that these people have had to make in order to endure and to be able to achieve the goals that they set for themselves, it is not only something that they are doing on their own; they have the support of their families and the community, which offers the facilities and the opportunities that give these athletes that opportunity. I think that we are growing to a level

in Manitoba that enables our young people to reach levels that they have not had opportunities before, and I know that probably many of the members in the Chamber would look back on their days when the facilities were less, much less, than what is out there today. I think that there is a real opportunity there for the young people to move on and to reach the levels that they do achieve, but it does not come without hard work. We cannot do it without the hard work and only rely on the facilities. There is more to it than just having the facilities there.

I would like to also compliment the parents for the commitments that they make. I, being a parent of an athlete that reached a competitive level a few years ago—and it was quite an honour to be able to attend and participate at the level as a father of a daughter who reached the level in being able to represent the province. So I know what these parents—how proud they must be of the athletes that are here in the Chamber today.

* (1730)

When you are representing the province and your country, there is something that comes within you that really is hard to explain. It is unimaginable and you have to be there in order to be able to appreciate that feeling, but when you attend a venue in representing a province or a country and see that these are the best in the world or the best in Canada or the best in the province, that is really saying something, and we cannot take that too lightly.

I think that there has been a lot of hard work that has gone into that. There is a lot of commitment, as the minister has indicated, which he said so well. I think that we have to stop and think what the sports facilities and the sports themselves are providing for these athletes. The number of athletes—you very, very seldom see an athlete getting into violations or difficulty with the law. They are people that are fully occupied, and it enables them to be better citizens. I think they have a greater appreciation not only for themselves, but they also have an appreciation for the country and the community that supports them.

I also think that they learn something about themselves, and I think that it is something that I guess you have to have been there in order to be able to appreciate what you find out about yourself. I think that is the important aspect of becoming an athlete, and knowing what your capabilities are and what your endurance levels are and pushing it to the level that is beyond your wildest imagination. I think it is something that people of the calibre of these athletes certainly have experienced, Mr. Speaker, because they have gotten there. They have reached a level that can only be complimented, and I think that every—they serve as role models for all the young people here in Manitoba. I am really pleased to be able to stand in the Chamber here today and wish the athletes continued success and best of luck in the future. Thank you, Mr. Speaker.

Mr. Steve Ashton (Thompson): Mr. Speaker, it is ironic that we are here today discussing this resolution. I had the opportunity yesterday to contemplate Lillehammer in the strangest sort of way. I was driving to Thompson with my family and also a visitor from Europe, and the northern lights were particularly spectacular yesterday, as indeed they were, I know, in Lillehammer. In fact it was very much a part of the whole symbolism of the games, the northern games they were. Of course, there was snow as well by the time I hit Thompson, and that reminded me of the great wealth of winter that we have in this great province of ours. One of our greatest assets.

As I sat here today, I was struck by the fact that the six individuals we are recognizing today have probably spent a considerable period of time going to cold rinks or going to ski facilities, minus 30 weather, driven by parents and friends, coached by dedicated volunteers. You know, it is hard, I think, for anyone to really put in words just how much effort must have gone into just getting to the degree of representing this country in the Olympics and the Paralympics. I must say, Mr. Speaker, it is inspiring, and I am really pleased that we are able to recognize the individuals here today.

I know perhaps our visitors here in the gallery may not be aware of this, but it is not always that we agree on resolutions in this House. We do disagree on occasion. In fact, I am sure that I am not giving away any confidences in indicating we very rarely agree on resolutions in this House, but I would hope that when Hansard is issued on this, it would show that support is unanimous for this particular resolution and the athletes that we are recognizing today. In fact, I would hope there will be some way of having a permanent recognition of this, perhaps a copy of the resolution, perhaps signed officially and given to the individual athletes in some way, shape or form of recognizing on a permanent basis their achievements.

I just want to say, Mr. Speaker, that, as we head into the centennial year of the modern Olympic movement in 1996, following, of course, the refounding of the Olympics, originated, of course, in ancient Greece, I think very much we should recognize what we are talking about in terms of this type of achievement, the incredible effort by the individual athletes involved, by the coaches, by the people who are involved in terms of the sports federations, by parents, by friends and by whole communities, and recognize that one of the key tenets of the Olympic movement is that building of understanding between nations, and that we can compete on the athletic field as nations rather than the history that we have had, the many cases of strife.

I think that here in Manitoba, a province of one million people, we probably typify that Olympic spirit, and I think that the individuals that we are recognizing today typify the Olympic spirit. All those hours, all those cold mornings, those long practices, and, indeed, as the Minister responsible for Sport (Mr. Ernst) pointed out, the fact that many athletes often have to train away from home for considerable periods of time.

In a small province like Manitoba, it is a tremendous achievement that we were able to send the athletes we are recognizing today: Susan Auch, Michael Ireland, Sean Ireland, Terrylinn Johnson, Brita Hall and Wayne Bauche to the Olympics and the Paralympics.

I think the fact that the Olympic spirit is so evident here in Manitoba is indicative of the strength of this particular province. We can all be very, very proud of the six individuals we are recognizing today and the many who aspire to it. I must admit that when I drive my kids to the hockey practice or swimming practice—I think in the back of every parent's mind there is some sort of dream that they might achieve the same accomplishments of the athletes we are recognizing today. I know my son and daughter must have the same sort of dream, and that is what we are talking about today, those dreams and the fact that these six individuals have shown that dreams can come true. Thank you very much.

Mr. Ben Sveinson (La Verendrye): Mr. Speaker, I rise today as the seconder of this resolution to congratulate all six Olympians and to tell you a little bit of the contact that I have had with one in particular, and that is Terrylinn Johnson.

I had the honour of attending a function in Steinbach, at which I spoke on behalf of the honourable minister, the Honourable Albert Driedger, and the province, congratulating her for her efforts in the Paralympics in Lillehammer.

Mr. Speaker, at the time I was sitting on the platform waiting for my turn to come and speak, I was looking at our Olympian of the day and thinking back when my children were in school and competing in different competitions.

One in particular was judo, and I can remember my wife literally down on the floor beside the mat cheering on her boys and almost screaming. I was thinking to myself, just at that moment, looking down at her family, and thinking indeed if they had been there cheering her on, and I am sure they were.

It made me feel good, and I just want to assure our Olympians here today that we indeed are proud, very proud to have them as role models for our youth, and we wish them the very best in the future. Thank you.

* (1740)

Hon. Glen Findlay (Minister of Highways and Transportation): Mr. Speaker, it is indeed a

pleasure for me to rise and also recognize the six athletes who are sitting up there. It is indeed a personal pleasure for me because I know one of them, and I have known her brother and her family.

In other words, I am referring to Brita Hall who is sitting up there today, and it is indeed a pleasure to have this opportunity to pay recognition. Her brother and my son went to school a few years ago in the same school, played on the same hockey team.

So I want to pay recognition to their contributions to making Manitoba and Canada a better place for us all to live. I know that they receive a lot of personal satisfaction from their accomplishments, and that they are the pinnacle of thousands and thousands of young people who participate in athletics for the purpose of participation and enjoyment. As other members have said, it certainly makes these young people better citizens of our province and our country, but I think it helps break down the barriers of tension that exist between different countries of the world, and athletics has been a tremendous way of doing that.

I just want to add my congratulations, as all members of the House here, to these individuals who symbolize thousands and thousands of young people who work hard to have fun, make their parents feel proud, make their country feel proud, and become better citizens in the process.

If those young people who get into trouble, had they had the opportunity to do some of the things in terms of athletic participation, maybe they would not have got into the trouble they have in society.

On behalf of the people of Springfield, to the Hall family and all the athletes, I want to send my congratulations for a job very well done. I know I watched the Olympics this past year with a great degree of pride as to what Canada did in terms of its accomplishments. We have got better and better over the years. We are a relatively small country, yet we have an ability to compete on the

international scale and it is important that we continue to do that.

As the member for Thompson (Mr. Ashton) said, this is a very unique occasion when all members of this House agree on a particular point of view, and that I am very proud to be a part of.

Thank you very much, Mr. Speaker, sincere congratulations to all the athletes and those who will follow.

Mr. Speaker: Is it the pleasure of the House to adopt the resolution? [agreed] As has been clearly indicated by all members of this Legislative Assembly, we are proud of each and every one of you, so our congratulations to all of you.

Is it the will of the House to call it six o'clock?

The hour being 6 p.m., this House now adjourns and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 3, 1994

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