



Second Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David	Riel	P.C.
PALLISTER, Brian, Hon.	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 30, 1996

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Teachers—Collective Bargaining and Compensation Review

Mr. Gary Kowalski (The Maples): Madam Speaker, I beg to present the petition of Barbara Teskey, John Erskine, Kim Gauthier and others praying that the Legislative Assembly of Manitoba urge the Minister of Education (Mrs. McIntosh) to recognize the true value of teachers and reject the recommendations made in the May 1996 paper entitled, Report of the Teacher Collective Bargaining and Compensation Review Committee.

Home Care Services

Mr. Jim Maloway (Elmwood): I beg to present the petition of P. Lee, D. Goullas, M. Johnston and others requesting the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

Mr. Conrad Santos (Broadway): Madam Speaker, I beg to present the petition of Amanda McKenzie, Gerrie Wasylo, Dennis Linklater and others requesting the Premier and the Minister of Health to consider reversing their plan to private home care services.

Ms. Becky Barrett (Wellington): Madam Speaker, I beg to present the petition of R. Labossiere, Teresa Miller, Sharon Sorenson and others requesting the Premier and the Minister of Health to consider reversing their plan to private home care services.

READING AND RECEIVING PETITIONS

Seasonal Camping Fees

Madam Speaker: I have reviewed the petition of the honourable member for The Pas (Mr. Lathlin). It

complies with the rules and practices of the House (by leave). Is it the will of the House to have the petition read?

Some Honourable Members: Dispense.

Madam Speaker: Dispense.

WHEREAS seasonal camping has provided an affordable form of recreation for many Manitobans; and

WHEREAS the provincial government has announced increases in seasonal camping fees of up to 100 percent; and

WHEREAS this huge increase is far more than any cost-of-living increase; and

WHEREAS this increase will lead to many people being unable to afford seasonal camping.

WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the provincial government not to increase seasonal camping fees by such a large amount.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

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

I move, seconded by the honourable member for Emerson (Mr. Penner), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Eric Stefanson (Minister of Finance): I have two reports to table. The first one is the 1996-97

Departmental Expenditure Estimates for the Manitoba Community Support Program, and the second one is the 1996-97 Departmental Expenditure Estimates for the Canada-Manitoba Infrastructure Works Program.

MINISTERIAL STATEMENTS

Alliance of Manufacturers and Exporters of Canada

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, I have a statement for the House and I have copies for members opposite.

Madam Speaker, 125 years ago the Canadian Manufacturers' Association was founded, and 94 years ago this month the Parliament of Canada enacted a bill incorporating the CMA to promote Canadian industries and to further the interests of Canadian manufacturers and exporters. Fifty-three years ago, the Canadian Exporters' Association was founded to promote Canadian international business and to advance the interests of exporters. Today, these two great associations which have helped form the fabric of this country are merging into a new organization to be known as the Alliance of Manufacturers and Exporters Canada.

They bring together their respective strengths and a commitment to build a strong and prosperous Canadian economy. I believe that this combination of export, community and the manufacturing sectors will be very beneficial for our province. Partnerships between the business community and government are needed for us to realize the potential represented by globalization and trade liberalization. This new organization provides us with a strong private sector partner. Madam Speaker, the Department of Industry, Trade and Tourism has been working closely with the CEA for the past year and a number of exciting projects are already underway between Manitoba and the amalgamated CEA and CMA.

* (1335)

I am pleased to tell you that the next annual meeting of the CEA, which includes the Canadian Export Awards, will be held in Winnipeg from October 6 to October 8. Our Premier (Mr. Filmon) will be making the opening lunch keynote address to the delegates who will be attending from all across Canada. This annual meeting

had been booked for Ottawa, but an official from my department attended the last CEA annual convention and, with the help of other Manitoba delegates, convinced the CEA executive to move the location of the event to Winnipeg. There is little doubt that this upcoming annual meeting will be a historic event for the new organization.

The Department of Industry, Trade and Tourism, through Manitoba Trade, has built an excellent relationship with the CEA and together we have recently concluded a review of export-related training needs of small- and medium-size Manitoba companies. One of the goals of our government's trade strategy is to dramatically increase the number of Manitoba exporters. The partnership that we have with the amalgamated CEA and CMA will help us to achieve these goals. Staff of Manitoba Trade and the local chapter executive of the CMA and CEA have already met to begin planning how together we can continue to increase trade and other international business opportunities for Manitoba firms. We look forward to a strong and prosperous relationship with the Alliance of Manufacturers and Exporters Canada.

Madam Speaker, I ask the members of the Legislature to join me in wishing the new organization well. Thank you.

Mr. Tim Sale (Crescentwood): Madam Speaker, I am pleased to respond and add our words of congratulations to the two associations, the Canadian Manufacturers' Association and the Canadian Exporters' Association on their agreement to work together in future.

Madam Speaker, I have not been briefed on this particular decision, but I expect that it, at least in part, reflects the fact that many of the traditional exports from all developed economies have shifted from hard goods to services, and that Manitoba of course is a major exporter of services as well as manufactured goods, so I expect that there may be some recognition of that in this announcement.

I look forward to the work of this association, and to attending the conference in October, and congratulate the minister and the government in being able to persuade the associations to hold their meeting in Winnipeg. This is, obviously, an important component of not only our

economy, but the Canadian economy, and working together is one of the themes that our party has always believed in. We will look forward to working with the new association as we have with the predecessor bodies, and I thank the minister for his statement.

Seniors Month

Hon. Jack Reimer (Minister responsible for Seniors): Madam Speaker, I have a statement for the House.

It gives me great pleasure to invite all my colleagues to join with me in the celebration of June as Seniors Month in the province of Manitoba. Throughout Manitoba, various communities will be hosting events in recognition of the commitment that seniors have made in shaping our great province. Whereas in the past we have chosen to celebrate Seniors Day in the Legislature, our government has made a commitment to take our celebrations outside of the halls and into the communities where they belong.

Through the Manitoba Seniors Directorate, our government will be assisting various groups in establishing activities within their own communities. This year events are scheduled to take place on June 7, with the MSOS Regional Council at the Unicity Mall; on June 10, at Gimli through the New Horizons Senior Centre; on June 13, at the Boissevain curling rink and arena; and June 14, at the Franco-Manitoban Cultural Centre in St. Boniface.

The proclamation of Seniors Month is more than just a time to celebrate. The proclamation of June as Seniors Month also gives all Manitobans an opportunity to recall the immeasurable contribution that seniors have made in shaping our beautiful province.

* (1340)

We do not have to go back a great length in the province's history to recognize that Manitoba seniors consist of a diverse population from a variety of cultural backgrounds and from many regions throughout the world. They have harvested our rich prairie lands, fished our bountiful lakes and worked in building many of our successful businesses that continue to prosper and create opportunities for future generations.

We should all continue to remember the contributions of our seniors and acknowledge the tremendous impact

they have had on all our lives. This month of celebration in Manitoba provides us with the opportunity to let these special Manitobans know how much we appreciate the many contributions they have made over the years and are continuing to make on a daily basis.

Madam Speaker, I would like to conclude by encouraging all members of this House to put politics aside and join with me in honouring the month of June as Seniors Month. Thank you very much.

Mr. Conrad Santos (Broadway): Madam Speaker, in reply to the honourable minister, I would say that there is a great discrepancy between all these words and the action of this government. This is like inviting seniors to their own funeral. The cut on eye examinations from age 16 to 64 itself is evidence that they do not care about seniors' vision, not even for the present, not even for the future. The cut on Pharmacare will put seniors in a very difficult position financially, morally, emotionally, because they cannot afford essential pharmaceutical needs of their bodies. The cut in health care services, in home care services, all these point to the opposite of what this government is saying. Thank you.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to, firstly, draw the attention of all honourable members to the loge to my left where we have with us this afternoon Councillor John Angus, the former member for St. Norbert.

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

Seated in the Speaker's Gallery we have with us today His Honour Eufrazio Mascarinas, the mayor of Tubigon in the province of Bohol, the Philippines; Mr. Noel Mendana, the municipal engineer of the City of Tubigon; His Worship Glenn Carlson, mayor of Portage la Prairie; Mr. Dean Yaremchuk, the director of Economic and Community Development for Portage la Prairie.

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

We also have thirty-two Grade 5 students from Landmark Elementary School under the direction of Mr.

Russ Dirks. This school is located in the constituency of the honourable member for La Verendrye (Mr. Sveinson). And we have 26 students from Greenway School under the direction of Ms. Diane Zack. This school is located in the constituency of the honourable member for St. James (Ms. Mihychuk).

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

* (1345)

ORAL QUESTION PERIOD

Healthy Child Strategy Implementation

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, the report on Manitoba's children clearly documents the close connection between the economy and poverty in children. It further goes on to document the challenges that we have in social, economic and health challenges in our communities to deal with the 60,000 children who are living in poverty here in Manitoba and to deal with some of the health care challenges that those children have in our society.

The report talks of and recommends a number of strategies to deal with early treatment, early prevention programs. Of course, the government, after keeping this report secret for close to a year, released it on March 17 just prior to the election, and then on March 30 in the election campaign the Premier promised to implement a Healthy Child, putting children first program.

Why has this Premier not implemented a Healthy Child strategy and program, and why has he in fact gone backwards on the promises and commitments to our future—that is our children?

Hon. Gary Filmon (Premier): Madam Speaker, the Leader of the Opposition makes the right linkage when he talks about the health of the economy as being the foremost way in which we can build the health of our children and our population. Indeed, that has been the area of major responsibility that we have undertaken, of major effort.

Indeed, all he has to do is look at the forecast of people like the Conference Board of Canada, who in their most

recent report gave the most glowing tribute to the health of Manitoba's economy that we have seen in two decades. It was entitled, Manitoba economy steamrolling ahead. It reflects the fact that we have kept the taxes down in this province, that our job creation created 10,000 additional jobs in 1995. It reflects the fact that in the foreseeable two years the Conference Board expects us to have the second-best growth rate of all 10 provinces in Canada, and it reflects the commitment that we are making—[interjection]

Madam Speaker: Order, please. The honourable Leader of the official opposition.

Mr. Doer: Thank you, Madam Speaker, and of course—

Mr. Filmon: Madam Speaker, I was not finished—

Madam Speaker: I apologize. The honourable First Minister, to complete his response.

Mr. Filmon: So, Madam Speaker, our commitment has been to work on the creation of jobs, economic opportunities and to build our economy stronger. That is the foremost commitment that we can make to solving the problems that have been outlined by the Leader of the Opposition, and that is where we have focused our attentions.

Special Needs Children Program Funding

Mr. Gary Doer (Leader of the Opposition): Hungry children cannot eat forecast, Madam Speaker, and the Conference Board does not provide health programs for children at a preschool age to allow the Premier to fulfill an election promise that he cynically made last year.

I would like the Premier to explain to Manitobans why his government cut some 31 percent out of the special needs programs for children, programs that will affect the programs for kids in language and adaptive skills, early childhood programs. Why have they cut those programs, contrary to his promise to expand those programs for children and expand the preventative programs for our kids as recommended by the Postl report?

Hon. Gary Filmon (Premier): We are not asking that they accept forecasts. Last year our province's economic

growth exceeded the national average. We added 10,000 jobs. We had the highest capital investment in the history of this province at almost \$4 billion with one of the largest increases, second-largest increase in capital investment of any province in Canada. Our export growth was amongst the highest in Canada. Our increase in retail sales was amongst the highest in Canada in every respect, Madam Speaker. We are talking about reality. We are not talking about forecast, so the Leader of the Opposition had better at least brief himself before he stands up to ask a question.

* (1350)

Mr. Doer: The Premier should brief himself in his own words when he promised to enhance programs for children, when he promised to implement the Healthy Child program, a program now that he has not only broken his promise on but he has gone backwards.

Can the Premier explain why we have had over a 25 percent increase in the number of children who are on waiting lists for audiology programs, for early childhood prevention programs? What kind of damage are you going to do to the lifetime of those kids because you cannot keep your word, Mr. Premier?

Mr. Filmon: Madam Speaker, the only damage that is being done has been done by the New Democrats, who while they were in government ran our deficit and debt up to the highest levels ever seen, who tripled the net provincial debt in this province, who now cause us to spend over \$600 million a year on interest on their debt that should be going to services to children and families. Those are the people who ought to take the responsibility because those are the people who are condemning those young children and families to poverty.

Video Lottery Terminals Social Costs

Mr. Gary Doer (Leader of the Opposition): The Premier's shouts will not change his election promise.

I have a new question for the Premier. While the government was cooking the books with the lottery slush fund that they had, they also had in the Healthy Child report, a report on VLTs in rural Manitoba where they talked about the tremendous impact on the nutritional value for children in rural Manitoba. They made strong

statements about—the report indicated a number of children who were left alone and had been impacted in their nutritional levels by massive VLT expansion in rural Manitoba by this government. The Postl report recommends, as part of dealing with this poverty, that the government conduct impact studies and research on the expansion of VLTs and the nutrition and quality of life for children living in poverty.

Has the Premier done that? This report was prepared for him two years ago.

Hon. Gary Filmon (Premier): One of the highest proportions of our children living in poverty is our aboriginal people, Madam Speaker, and this is the person who wanted to create more casinos on reserves so that he could influence more money being spent in these purposes that he says are inappropriate. He is the one who wanted to increase gambling on reserves to in fact further the problem. That was one of his election commitments and he should be ashamed of it.

* (1355)

Gaming Advertising Ban

Mr. Gary Doer (Leader of the Opposition): I assume then that the Premier, who did not answer the question, has not conducted the research on the impact on children.

I want to further ask a question. In the Desjardins report, there is a recommendation to ban lifestyle advertising or political advertising, in the case of this Premier, and we know in the Province of Alberta now that they are proceeding with a ban on advertising. Can the Premier indicate whether the Province of Manitoba will ban advertising in lotteries?

Hon. Eric Stefanson (Minister charged with the administration of The Manitoba Lotteries Corporation Act): Madam Speaker, as the Leader of the Opposition knows, the Desjardins report made a series of recommendations, of which that is one, the issue of dealing with the forms of advertising that can take place here in Manitoba. We will be coming forward shortly with positions on all of the recommendations of the Desjardins committee report, but as the member knows we have had a moratorium in place in terms of both gaming expansion and advertising here in Manitoba,

other than jackpot advertising, which is what Alberta is retaining after their adjustments. So that is one issue we take very seriously that we will be addressing, and I encourage him to wait till we deal with that entire report.

Video Lottery Terminals Community Referendums

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, of course, the government has expanded lottery, VLT and image advertising dramatically over their years in government and one would think that a government would be committed enough to have a response to a report that took months to produce and has been released to the public months ago.

I would like to ask the Premier (Mr. Filmon), Madam Speaker, in light of the fact that the Desjardins committee recommends a plebiscite be allowed in communities to deal with the impact of VLTs, a plebiscite be allowed or a referendum be allowed for communities to decide whether they want to keep the Filmon VLT machines in their own communities, can the Premier indicate today whether they are going to allow communities to vote on this proposal as recommended by the commission, or are they not going to be able to vote?

Hon. Eric Stefanson (Minister charged with the administration of The Manitoba Lotteries Corporation Act): Madam Speaker, once again, that is one of the recommendations from the Desjardins committee. I encourage the Leader of the Opposition to stay tuned, that we will be coming forward with a position on all of the recommendations. We take that report very seriously. It was a report prepared by some 14 Manitobans from all backgrounds, walks of life, regions of our province, and that is one recommendation they have made.

As I have indicated, Madam Speaker, we will be coming forward on a comprehensive basis outlining our position on all of the recommendations of the Desjardins committee report.

Social Assistance Food Allowance

Mr. Doug Martindale (Burrows): Madam Speaker, all indicators and all the experts point to the importance of

adequate nutrition for infants and children, whether it is the Scientific American article that I tabled earlier this session, or the Nutrition and Food Security Network of Winnipeg, or Dr. Sarah Kredentser writing in the newsletter of Winnipeg Harvest or the government's own report, the Postl report, Recommendation No. 32: That food allowances within social assistance programs be increased to allow for adequate nutrition of infants.

I would like to ask the Minister of Family Services or the Premier (Mr. Filmon), what has this government decided to do in order to implement this recommendation or to follow the advice of the experts, including Dr. Fraser Mustard, to end the poverty that 7,000 children in the city of Winnipeg are forced to endure because of the cutbacks of this government?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, I thank my honourable friend for that question. It does allow me to tell Manitobans that we take the issue of child poverty and family poverty very seriously, and that is one of the reasons we have moved ahead with our welfare reform that does talk about employment first and it does speak to, in fact, a job being the best form of social assistance in our province and in our country.

Madam Speaker, we are working very diligently to try to ensure that parents, women with children, are not condemned and committed to a life of poverty on welfare. In fact, the opportunities that are provided through our new initiatives will ensure that parents have jobs, and jobs provide more income and better nutrition and support for children.

Mr. Martindale: I would like to ask this minister, if she believes that she and her government take child poverty seriously, why did they cut the food allowance and other increased incomes for children of municipal assistance by up to 26 percent in the City of Winnipeg? If this is taking it seriously, then what is she going to do to reverse this deplorable situation?

Mrs. Mitchelson: I reject outright the preamble and the question from my honourable friend that indicates that it was our decision to reduce the rates in the City of Winnipeg. There is a City Council that is elected by the citizens of the city of Winnipeg, and they are elected to

govern and to make decisions and that was their decision. It was not our decision.

* (1400)

Mr. Martindale: Madam Speaker, the fact is the city rates are higher than the minimum of the Province of Manitoba, but this rate decrease was forced on them by this province and their policies.

I would like to ask the Minister of Family Services what she is going to do to implement the policies of their government that were promised by the Conservative Party during the 1995 election when they said that they would do something about the health, the well-being, and the overall economic status of families and children. What is she going to do to implement their election promises?

Mrs. Mitchelson: Madam Speaker, we have already started along that path with our welfare reform initiatives that talk about jobs first. I have said many times, and I will repeat again for my honourable friend, that we believe as a government that women and children, families in the province of Manitoba deserve more than a life of poverty on welfare. We are working very proactively and very progressively to try to ensure that employment opportunities are there for those people with the economic initiatives that we have undertaken and the welfare reform initiatives that put employment first.

I want to indicate also that I have had much opportunity to discuss with the community out there, with places like the Andrews Street Family Centre that is doing a wonderful job, with the Community Kitchen that helps women learn how to cook and prepare meals to take home to their children, prepare nutritious meals. Those are the kinds of programs and partnerships that we are looking to develop so that in fact children do not go to bed hungry at night.

Women's Poverty Reduction Strategy

Ms. Diane McGifford (Osborne): Madam Speaker, this government's policies and actions have destroyed any pretence of social and economic equality for Manitoba women. Regressive measures from 1990 to '95 set the stage, while the 1996 prebudget announcements and the budget read as a litany of badly cracked or broken

election promises: cuts in social assistance for single parents, freezing subsidized child care cases, cuts to family disputes, surcharges on the use of Legal Aid, no women chairs of the 10 regional health boards, restructuring health care or laying off workers, and this is a—

Madam Speaker: Order, please. Could I please request that the honourable member for Osborne pose her question now.

Ms. McGifford: I want to ask the Premier how he justifies the deleterious consequences of his government's policies and actions on the economic and social status of women.

Hon. Gary Filmon (Premier): Madam Speaker, for the edification of the member for Osborne who joined the sinking ship in 1995, the fact of the matter is that for most of the decade of the '80s when her party was in office, they tripled the net provincial debt. They quadrupled the amount of money that is spent on interest on the debt. As a result of that, we have \$600 million that is being spent on interest on the debt—most of it accumulated by the Pawley government—that we could and should be spending on programs and supports for people such as she speaks about but is not there thanks to the philosophies and the priorities of the New Democratic Party.

Report Request

Ms. Diane McGifford (Osborne): Madam Speaker, since the Premier has not answered this question, I want to ask him if he will ask his Human Resources Committee of cabinet to prepare analysis on women's poverty and report back to the House.

Hon. Gary Filmon (Premier): Madam Speaker, as we have said on numerous occasions, the best response to issues of poverty is job creation, economic development and opportunity. Last year we added 10,000 jobs in this province, one of the best records in Canada. We continue to have investment increases, \$4 billion last year of capital investment in Manitoba, one of the highest increases of any province in Canada. We continue to have new announcements of additional capital investment, additional job opportunities being announced virtually every month in this province as a result of the

fact that we are creating a climate that is attractive to investment, attractive to economic opportunities, that will therefore also benefit those women who need to have an improvement in their economic status.

Western Premiers' Conference

Ms. Diane McGifford (Osborne): Who, indeed, Madam Speaker—real full-time jobs. Since I understand that next week the Premier will attend the Western Premiers' Conference, will he commit to raise women's poverty, which is once again increasing, with his colleagues at the conference?

Hon. Gary Filmon (Premier): One of the things that I always commit to do when I go to Western Premiers' Conferences or annual Premiers' Conferences is to deal with all of the issues that are of concern to the people of this province, that are of concern to the people of Canada. We do that because we believe that there are issues of concern to all Manitobans, and whether those issues are child poverty or whether those issues are the status of women in our society or whether those issues are general economic trends, national unity or anything else, I will speak out strongly on behalf of all Manitobans.

BFI Landfill Site Cancellation

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Premier.

The city of Winnipeg and the capital region do not require another landfill site. This has, in fact, been pointed out through the Clean Environment Commission which has called upon this government to show some leadership in resolving this particular issue. The City of Winnipeg circulated material and asked for citizens of this city to return to the city—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I am experiencing great difficulty hearing the question that the honourable member for Inkster is posing.

Mr. Lamoureux: Over 16,000 residents in the city of Winnipeg have asked this Premier, in particular 600 from his own riding of Tuxedo, to kill the BFI deal and retract

the licence. Will the Premier make that commitment today?

Hon. Gary Filmon (Premier): Madam Speaker, I note from a very quick review of the issues that were raised in the appeal that I understand was delivered this morning by a representative of the City of Winnipeg, an appeal to an environment licence that has been issued as a result of extensive review by the Clean Environment Commission of all of the various matters of substance that were presented to it by everybody including representatives of the City of Winnipeg, environmentalists and other groups in society, that there is only one of the issues that they raise which is an environmental issue, that principally their concern is a loss of revenue, a loss of revenue that manifests itself because the city has chosen to raise rates beyond those which are justifiable or competitive in order for people to access landfills in this city.

It is no different than their recent bleating about the fact that they had to pay a lot of money to convince a company, Schneider's, who had decided to locate in Manitoba, that they ought to locate in the city of Winnipeg, and so they had to pay them a significant amount of money because their sewer and water rates were not competitive with other jurisdictions and their property taxes were not competitive with other jurisdictions. So, instead, they then had to take taxpayers' money to then give to this company to locate here to overcome those disincentives that they have created by their own economic decisions. This is no different than that. On the other hand, I know that the minister will be very interested in reviewing the application that has been put before him and the appeal to see whether or not there is any substance upon which he can make his decision.

Mr. Lamoureux: I take it from the answer from the Premier that he does not support Schneider's coming to the city of Winnipeg, and that is fine from his perspective.

My question to the Premier is fairly simple and straightforward. BFI is proposing to build a landfill site north of the city of Winnipeg; CEC has suggested that this government should show some leadership, and that is what we are asking the government to do. Will the Premier acknowledge that the city of Winnipeg and the capital region do not require another landfill site to service this area?

Mr. Filmon: Not only do I support Schneider's coming to this province, but it is in fact as a result of the policies and decisions of this government that Schneider's have come to Manitoba. If he needs any further support to that, he can read the press release that Schneider's put out in which they acknowledged the policies of this government as being instrumental in attracting them here.

With respect to the BFI decision that has been the subject of an extensive review by the Clean Environment Commission, hearing dozens of presentations, receiving many written analyses and obviously a great deal of technical and other environmental information that went to the decision, we will review the appeal that has been put forward. But I say this, that the Clean Environment Commission has done a thorough analysis and has made its recommendation. This is not something that should be dealt with lightly based on economic concerns of people such as the member for Inkster.

* (1410)

Mr. Lamoureux: I would ask the Premier what impact he believes this irresponsible, lack-of-leadership government decision to allow BFI to put this landfill site north of Winnipeg is going to have on the relationship between the City of Winnipeg and the provincial government when you cannot even sit down with the city and the capital region to resolve this particular issue? What impact is this going to have on your relations with the City of Winnipeg?

Mr. Filmon: We are willing to sit down with the City of Winnipeg at any time, but when all they want is for us to give them more money, when all they want is for us to enable them to raise more money and not take a look at their responsibility to live within their means and to address their own expenditures—and that is the kind of thing that the member opposite supports. Well, he can support that all he wants, and he will be in opposition for a long time if he supports irresponsible spending and irresponsible economics.

Urban Aboriginal Strategy Status Report

Mr. Eric Robinson (Rupert's Land): My question too is for the First Minister.

The Postl report and also the profile of Manitoba's aboriginal population that was done by the Department of Northern Affairs reaffirmed something we knew already, the dire social conditions that aboriginal people in this city and this province are faced with. I would like to read in part what it says on poverty about aboriginal people: Over half of registered Indian families living on Manitoba's reserves live in poverty. In Winnipeg alone in the inner city, seven out of 10 aboriginal households live in poverty.

We have heard for the last eight years now about an urban aboriginal strategy to address this and other issues. I would like to ask the First Minister what action his government is doing on the status on the initiative of an urban aboriginal strategy.

Hon. Gary Filmon (Premier): With due respect, the quote that he refers to refers to aboriginals living on reserve, and the fact of the matter is that is the sole constitutional responsibility of the federal government. We have argued in the past that in circumstances, for instance, in which the federal government used to have responsibility for transfer of funds to the provincial government to cost-share social costs of aboriginals who moved off reserve and moved into the urban areas—they pulled out of it.

It is costing us \$23 million a year that we have lost as a result of the federal government's withdrawal from support for aboriginals living off reserve. I would ask that he support us in our efforts to try and convince the federal government that this is not the way to go, that they are not doing their responsibility constitutionally either for aboriginals who are living on reserve or for aboriginals who are living off reserve.

Mr. Robinson: Madam Speaker, certainly the Premier will have my support, but on the other hand, this government must commit itself to establishing a partnership with both First Nations and the federal government to develop a dialogue and a realistic approach in addressing these long-standing issues. I would like to ask this Premier whether or not he will commit his government to pursue this initiative.

Mr. Filmon: Madam Speaker, absolutely. That is why this government, as a first ever in this province—was not done by members opposite when they were in

government—have entered into agreements that allow the First Nations of this province to collect and keep the taxes that they generate in gasoline and cigarettes and, in fact, entered into an agreement that is turning over almost \$30 million to the First Nations of this province for back taxes that were collected that we are now turning back to them.

This province has entered into gaming agreements with First Nations that are providing millions of dollars of additional revenue that they never had before directly to the bands who have entered into gaming agreements with us. This government has been in the process of settling long-standing issues with respect to northern flooding, turning over hundreds of millions of dollars directly to the aboriginals in the First Nations of this province, giving them an economic base and security that they have never had before. This government will continue to work co-operatively with everybody in this province, including our First Nations, to ensure that we operate fairly and that we address the issues that face them.

Education System Funding Formula

Ms. Jean Friesen (Wolseley): Madam Speaker, in a classroom of 30 students in the inner city of Winnipeg, 25 of those students would come from homes where poverty is deep and where the parents are unemployed. It means the children are hungry, their attention span is limited, their physical health is poor and hope is a very scarce commodity.

I want to ask the Minister of Education to tell the House why she knowingly chose to take away \$75 of grant support from every one of those children in order to add \$230 worth of support to every child in the private, exclusive schools of Manitoba.

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I think the member knows that what she said is incorrectly put, to put it mildly. The member knows that we have over the course of our time in government increased funding to education from \$660 million to \$745 million, that we have put in the Children and Youth Secretariat that is seeing money being directed from Health into Education to deal with certain kinds of special needs. The member knows as well that we have a massive transfer cut from Ottawa and we have the

interest on the debt, which the equivalent cut in education is equivalent to about seven days worth of interest on the debt that her party left us.

The member also knows that the agreement we have entered into with the independent schools saves the taxpayers of this province some \$8 million a year, and I do not think that she would want us to have to take another \$8 million out of the system away from those very students. While she does obviously want us to do that, that seems to be contradictive to her question.

Ms. Friesen: Madam Speaker, would the minister recognize that, because in 1995 the unemployment rates for parents of children in inner-city schools have increased in amounts ranging from 4 percent to 7 percent, whatever jobs the Premier is talking about are not going to the inner city, that we have a serious deteriorating situation? Will she table any plan that she has prepared to deal with what is a tragic situation facing those parents, those children and those teachers?

Mrs. McIntosh: Madam Speaker, every division has trustees, and I would like to indicate that one of the biggest problems trustees have identified, the biggest problem bar none, is the escalating cost of wages in their school divisions.

The member is fully aware it is a people industry, the cost of wages should be the biggest expense, but it has become far bigger than trustees have been able to manage. It has been said, and I have not done the calculation, that if the average teacher's salary of \$51,000 were, in fact, \$50,000, that 2 percent would be eradicated. Boards and teachers together can choose to negotiate as to what their wage increases will be. Boards and teachers together have come to settlements. We have been recently talking about trying to assist the boards in having their ability to pay at least considered as one of the arguments that is allowed to be heard in front of an arbitrator. I believe the member has that document; there is no need to table it.

* (1420)

Education System Child Poverty

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, my question is for the Minister of Education.

There is a strong and clearly proven association between a student's standard of living and their level of academic achievement. We know more and more schools are forced to provide the basic needs for their students, evidenced by Kelvin High School's food bank.

Will the minister admit that the failure of her government's social policies, as reflected in the child poverty rate, is the major reason for this new role for our educational system?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, the member draws erroneous conclusions from her observations.

I would indicate that we are extremely concerned about situations where children, students of all ages, require assistance over and above the actual learning experience. The Department of Education is mandated to provide education and through the years, particularly when the members opposite were in government, that was the only role of the Department of Education.

We have been seeing things come into the schools to assist in ways that were never there to assist when the opposition was government and we have done something more: We have started to look at the child as a whole child that should not be chopped up into little pieces and dealt with by this department, this department, this department, 15 caseworkers, et cetera. So we now have the Department of Education and Training, the Department of Justice, the Department of Health, the Department of Family Services coming together to coordinate activities so the situation she identified that they never addressed we can now address and are beginning to address, Madam Speaker.

Standards Tests

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, my supplementary question to the Minister of Education: She is talking about the whole child, and I ask her, will she assure this House that when her department's standards tests are reported, they will provide indicators on nutrition, health, shelter conditions as well as academic indicators to provide the true assessment of the whole child?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, in attempting to prepare the whole child for a society, that child upon graduation, now an adult, has to go out into the world and be judged according to the world's standards, and we do no whole child a favour if we bring all standards down rather than try to raise the child up.

We will be working with additional incentives in the schools, with additional help in the schools to ensure that children are able to be lifted up, and we think that is important. The assessments will provide profiles on each child for each family and for each teacher, so that teachers will be able to use those tools of assessment as diagnostic tools to help them move the child on to the next stage of learning, knowing in their analysis that the child has a solid foundation and a proper prerequisite for the next level of learning. We think that is very important for the child.

Manitoba Public Insurance Corporation Audit Committee

Mr. Jim Maloway (Elmwood): Madam Speaker, my question is to the Premier and concerns the audit committee at the MPIC and his role in loading it with former Tory candidates and a business associate. On June 14, 1991, Mr. Peter Wintemute, a long-time business associate of the Premier, was appointed by him and the minister to the board of directors of MPIC where he served as chairman of the audit committee plus on the board's executive.

I would like to ask the Premier, what role did Mr. Wintemute play in the determination of the provision for outstanding tort losses as of March 1, 1994, and what was the amount of the provisions for losses as of that date?

Hon. Gary Filmon (Premier): Madam Speaker, my understanding is that all of the decisions that have been made were in accordance with the recommendations of the actuaries, and those decisions were simply taken by the board and translated into information that was presented to the Public Utilities Board. I have no information that anything else was done.

Mr. Maloway: I would like to ask the First Minister, when did Mr. Wintemute and other audit committee

members learn of the extent of the losses? When did they do that?

Mr. Filmon: Madam Speaker, I have no information on that. I suggest the member ask that at committee when MPIC is being reviewed.

Mr. Maloway: My final question to the Premier is this: What role did Mr. Wintemute and the audit committee play in preparing the corporation's submission to the Public Utilities Board three months later on June 10, 1994, asking for rate reductions in time for the 1995 election?

Mr. Filmon: Madam Speaker, I think that would be an excellent question to ask the MPIC executive and the minister responsible when they go to committee.

Madam Speaker: Time for Oral Questions has expired.

Speaker's Rulings

Madam Speaker: I have two rulings for the House.

A point of order was raised on May 15, 1996, by the honourable member for St. Johns (Mr. Mackintosh) about remarks which he attributed to the honourable Minister of Government Services (Mr. Pallister). The honourable member in raising his point of order alleged that the minister had remarked that the member for Thompson (Mr. Ashton) was a baldfaced liar.

I took the matter under advisement as I had told the House at the time that it was very difficult to hear any comments due to the amount of noise in the Chamber. Having reviewed Hansard and having listened to the audio tape, I am reporting to the House that there is no indication of words spoken from his seat by the honourable Minister of Government Services and therefore there is no point of order.

Once again, I would ask and urge members on both sides of the House to use care in the words they choose to use in this Chamber both when they have the floor and when they are speaking from their seat.

* * *

Madam Speaker: I have a second ruling for the House. I took under advisement a matter of privilege raised on

May 27 by the honourable member for Osborne (Ms. McGifford) about the actions of the Minister of Justice (Mrs. Vodrey). The motion put forward by the member for Osborne read: That this House do censure the Minister of Justice for a breach of privileges of its members in the matter of making deliberately misleading, inaccurate statements about the release of sex offenders in the wake of the Headingley riot and that this matter be referred to the Standing Committee on Privileges and Elections.

I believe a ruling of Speaker Phillips parallels this case, and I would like to refer to portions of that ruling which Speaker Phillips gave on June 3, 1987: "A member raising a matter of privilege which charges that another member has deliberately misled the House must support his or her charge with proof of intent."

* (1430)

I have reviewed with care the submission of the honourable member for Osborne, and I do not believe that she has constructed a prima facie case of privilege, that is, she has not provided evidence that the Minister of Justice deliberately misinformed or misled this House.

Speaker Fox on March 30, 1972, noted in a ruling that "Allegations of misjudgement, mismanagement or maladministration on the part of a minister in the performance of ministerial duties does not come within the purview of parliamentary privilege."

While I understand that the issue of early release of prisoners is a sensitive one, with people having strongly held views, I believe that the honourable member for Osborne's issue is really a dispute over the facts, and the appendices to our rules book clearly states that such a matter does not fulfill the conditions of parliamentary privilege.

I must therefore rule the motion of the honourable member for Osborne out of order.

Mr. Doug Martindale (Deputy Opposition House Leader): As acting House leader, I rise to challenge your ruling.

Voice Vote

Madam Speaker: The ruling of the Chair has been challenged. The question before the House is, shall the

ruling of the Chair be sustained? All those in favour of sustaining the ruling of the Chair, please say yea.

Some Honourable Members: Yea.

Madam Speaker: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Speaker: In my opinion, the Yeas have it.

Formal Vote

Mr. Martindale: A counted vote, Madam Speaker.

Madam Speaker: A recorded vote has been requested. Call in the members.

The question before the House is, shall the ruling of the Chair be sustained.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Derkach, Downey, Driedger, Dyck, Ernst, Filmon, Findlay, Gilleshammer, Helwer, Laurendeau, McAlpine, McCrae, McIntosh, Mitchelson, Newman, Pallister, Pitura, Praznik, Radcliffe, Render, Rocan, Stefanson, Sveinson, Toews, Tweed.

Nays

Barrett, Cerilli, Chomiak, Dewar, Doer, Evans (Brandon East), Evans (Interlake), Friesen, Jennissen, Kowalski, Lathlin, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Reid, Robinson, Sale, Santos, Struthers.

Mr. Clerk (William Remnant): Yeas 25, Nays 21.

Madam Speaker: The ruling of the Chair is accordingly sustained.

Mr. George Hickes (Point Douglas): I was paired with the Minister of Housing (Mr. Reimer). Had I not been, I would have voted against the motion.

Introduction of Guests

Madam Speaker: I would like to draw the attention of all honourable members to the public gallery where we have with us this afternoon twenty Grades 4, 5 and 6 students from Greenland School under the direction of Mrs. Martha Penner. This school is located in the constituency of the honourable member for La Verendrye (Mr. Sveinson).

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

MEMBERS' STATEMENTS

Youth Crime Parental Responsibility

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, two days ago, the honourable Minister of Justice (Mrs. Vodrey) introduced legislation designed to increase parental responsibility for the actions of their children.

Our government has repeatedly asked the federal government to toughen up the Young Offenders Act and with little success. We believe that, in light of the fact that today's youth are engaging in criminal activity to the extent that they are, change is required. After all, we live in a world of change and for us to pretend that today's youth are no different than they were a generation or two ago would be highly naive.

At the same time, we believe that parents must also assume a greater responsibility for what their children do. This was not only an election promise of this government, it was referenced in the throne speech, and we can no longer perpetuate the notion of a society devoid of responsibility. As a parent, you have an obligation to ensure that your children, your child, is contributing to the betterment of our society and not to its demise.

You have heard me speak and commend the many good youths we have in our province. Somehow we have to elevate these youths as role models for those who choose a life of crime and violence, unlike the opposition members who support disruption and disrespect, as they showed in the House today.

Madam Speaker, the legislation which I referenced is the first of its kind in Canada, and I am proud to be part of a government that is progressive in its actions against criminals regardless of their ages. As such, this legislation is groundbreaking and something to be proud of.

Imagine then, if you will, my surprise to read what the opposition Justice critic had to say in yesterday's paper. He said, and I quote: "This is at best just a raindrop on fire."

How disappointing it is to read words like this from members opposite who, while they formed the government, implemented no such progressive legislation. If our legislation is at best just a raindrop, then Manitobans will be ecstatic that we took them out of the barren wasteland that the members opposite left them in. Applause and accolades to the Minister of Justice. Thank you, Madam Speaker.

Women's March Against Poverty

Ms. Diane McGifford (Osborne): The National Women's March Against Poverty, sponsored by the National Action Committee on the Status of Women and the Canadian Labour Congress, has stopped in Winnipeg as it crosses Canada, raising awareness about the issue of women in poverty. The marchers are calling on the federal government to live up to its commitments on national child care, universal health care and social programs, and a job strategy that includes full-time stable employment for women.

My caucus has a long history of commitment to child care, quality universal services and employment equity. We have seen an erosion of these ideals under the federal Liberals and the Filmon Tories to the extent that it has had a great impact on the incomes of women and the quality of life for children in this province.

The recession of the early 1990s and the ideology of deficit reduction through social program cuts has had a serious effect on Manitoba women. It culminated with the creation of the Canada Health and Social Transfer federally and the Tory version of balanced budget legislation provincially. These two policy initiatives fundamentally changed the universality of social

programs while at the same time layoffs, cutbacks and user fees made women more dependent on those programs.

Single parents living on social allowance, the poorest of Manitoba women, have experienced a drop of 6.9 percent in benefits since 1992, 2.7 percent of which came as a result of this year's provincial government. The numbers of adults and children who are using food banks have also increased dramatically.

Today my caucus joins our voices with the women who are travelling across Canada, and we call on our provincial government to do the same. As well, we congratulate NAC and the CLC on their initiative and struggle for social justice and send our good wishes to all marchers. Thank you, Madam Speaker.

Morden Kinsmen Club 1996 Kinsmen Community Service Award

Mr. Peter Dyck (Pembina): On June 7, the Morden Kinsmen Club will pay special recognition to one of Morden's most deserving and worthy citizens. On that day Abe Thiessen will be presented with the 1996 Morden Kinsmen community service award.

Mr. Thiessen is an individual who has dedicated a lifetime towards helping others and the task of building a stronger community. He has demonstrated his compassion for those who are less fortunate through his nearly 40-year affiliation with the Association for Community Living.

He has shown his commitment to the young people of our province by acting as a church youth leader, a volunteer with the boys' club and a Sunday school teacher. Mr. Thiessen even found time this spring to help build sets for the Morden Collegiate drama, *Alice in Wonderland*.

Recently, he has turned some of his attention towards helping the seniors in the community of Morden through the Morden Services to Seniors as chair of the seniors mediation program. In 1992, he has also found time to become a chair of Morden Friendship & Senior Services Activities Centre and was a key part of the development of the new facility.

Madam Speaker, people of all ages owe thanks to Mr. Thiessen for the devotion he has continually shown to the town of Morden and its citizens. I consider myself fortunate to count him as a friend and I am thankful for the example that he has set for each one of us.

We are each given a gift when we come to this earth and it is our responsibility to make the most of it for the benefit of God and his creations. I feel confident in saying that the gift Abe received was one of compassion, caring and giving. It seems equally clear that he is putting that gift to its intended use. I have often said in this House that the spirit of community and giving is alive and well in the constituency of Pembina. Mr. Thiessen is certainly a worthy example of the richness of that spirit.

On behalf of all members of this House, I would like to extend congratulations to Mr. Thiessen on this notable achievement. Thank you.

* (1540)

Speaker's Ruling Challenge

Mr. Kevin Lamoureux (Inkster): Madam Speaker, actually I wanted to comment on the bell-ringing process. I believe to the best of my knowledge, this is the first time where I was not present for an actual vote in over eight years. The reason why is that I am not too sure—I agree with the New Democrats when they call into question the competence of the Minister of Justice (Mrs. Vodrey) and so does the member for St. Boniface (Mr. Gaudry), and as the member for The Maples (Mr. Kowalski) illustrated in voting with the New Democrats on this particular issue. But I have to question at times why it is that this particular tactic was being used. We have Bill 35, a bill which we were prepared to pass and on which the New Democrats had adjourned debate, which would in fact see pimps, if you like, put on a child registry, something that could have been very positive being done in placement of the bells ringing.

I do not want to impute at length in terms of motives, but when we sat around as a caucus to discuss this the thought crossed our minds if, in fact, this is a way in which the New Democrats would challenge again more so the authority of the Speaker. Over the last number of

days we have seen the New Democratic Party not accept you as the Speaker of this Chamber and rather have chosen to do what they can to discredit you in an attempt for whatever other reasons they might have—[interjection] It is not reflecting on the Chair at all, to the member for Point Douglas (Mr. Hickes), but one gets somewhat tired with some of the tactics that are in fact being used. [interjection] My apologies to the member for Point Douglas, the member for Burrows (Mr. Martindale).

Madam Speaker, there should be no doubt in the minds of members of this Chamber that we too do question the competence of the Minister of Justice. We also question the integrity of the New Democrats.

Nellie McClung Status of Women

Ms. Becky Barrett (Wellington): Madam Speaker, 1996 is the 80th anniversary of the winning of the vote for Manitoba women. Nellie McClung, who was an educator, suffragist, reformer, legislator, author and mother was instrumental in gaining that fundamental right for women.

She spent many of her formative years in Manitoba, first in the Souris Valley and then Winnipeg. She was an effective speaker who won audiences and her points with humorous arguments. She played an important role in laying the groundwork for winning the vote for Manitoba women although, unfortunately, she was in the province of Alberta when that vote finally was won for the women of Manitoba.

However, Nellie McClung did not rest on her laurels. She continued throughout her long life to work for women's suffrage, dower rights, factory safety legislation and many other reforms. She was a member of the Canadian Authors Association, on the CBC's first board of governors and a delegate to the League of Nations.

The causes Nellie McClung spent her life addressing are all unfortunately still with us. Women are still underrepresented in the halls of political power. Women are still faced with the effects of patriarchy, sexism and racism in issues such as employment ghettos where in Canada today women still only make 70 percent of what men do. Women are still prime targets for provincial and federal program cutbacks. Women's health research is

still funded at approximately only 4 percent of that for men. Women still work in unhealthy environments—when they can get a job. Women are still doing the majority of the world's work and receiving virtually no recognition for that work.

I urge all members of the Manitoba Legislature to celebrate the life and victories of Nellie McClung through renewed efforts to carry on her work to the benefit of all of us.

Committee Change

Mr. George Hicke (Point Douglas): I move, seconded by the member for Broadway (Mr. Santos), that the composition of the Standing Committee on Privileges and Elections be amended as follows: Burrows (Mr. Martindale) for Thompson (Mr. Ashton); Osborne (Ms. McGifford) for Swan River (Ms. Wowchuk) for Tuesday, June 4, for 10 a.m.

Motion agreed to.

ORDERS OF THE DAY

House Business

Hon. Jim Ernst (Government House Leader): Madam Speaker, for this afternoon the Committee of Supply will sit only in two sections not three, and I would like to seek leave to amend the Estimates sequence so that this afternoon in the Chamber the committee will give consideration to the Estimates of Sport and, if concluded, followed by the Department of Culture, Heritage and Citizenship; in Room 255, the Estimates of Government Services followed by the Estimates of the Department of Industry, Trade and Tourism.

Madam Speaker: For information of the House, this afternoon the Committee of Supply will sit in only two sections, not three. Secondly, is there leave to amend the Estimates sequence so that this afternoon in the Chamber the Estimates of Sport be considered first and, if completed, followed by the Estimates of Culture, Heritage and Citizenship? Leave? [agreed]

Also, by leave, an amendment to the Estimates sequence so that this afternoon, in the Committee of

Supply in Room 255, the Estimates of Government Services to be considered and, if completed, followed by the Estimates of the Department of Industry, Trade and Tourism. Leave? [agreed]

To repeat, the third section of Committee of Supply will not meet this afternoon.

Mr. Ernst: Madam Speaker, for tomorrow in the Chamber, the Estimates of Government Services presumed to be completed today, we will only deal with the Department of Northern and Native Affairs.

Madam Speaker: Just for clarification purposes, the information of the House, if the Estimates of the Government Services are completed this afternoon, the Chamber Estimates tomorrow morning will be Northern and Native Affairs, and in Room 255, Industry, Trade and Tourism. Sorry, for tomorrow not just tomorrow morning?

Mr. Ernst: No, for tomorrow.

Madam Speaker: For tomorrow, thank you.

Mr. Ernst: Madam Speaker, would you call for second readings, Bills 56, 57, 52, 53, 33 and 45. Following that, would you call Bill 35 in second reading.

SECOND READINGS

Bill 56—The Manitoba Investment Pool Authority Act

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Downey), that Bill 56, The Manitoba Investment Pool Authority Act (Loi sur l'Office manitobain de mise en commun des placements) be now read a second time and be referred to a committee of this House.

Motion presented.

* (1550)

Mr. Stefanson: Madam Speaker, this bill is intended to provide an investment facility which will permit

municipalities, universities, school divisions and health facilities—actually the MUSH sector—to pool their money and improve their rates of return. The Manitoba Investment Pool Authority Act will authorize the Manitoba Association of Urban Municipalities and the Union of Manitoba Municipalities to operate the investment pools. The pools will enable UMM and MAUM members and other members of the MUSH sector to combine smaller amounts of money into a larger fund to earn big money rates. Individual municipalities and other entities in the MUSH sector usually cannot accumulate large enough amounts of money to obtain the higher rates of return which bigger blocks of money can command. By combining the smaller amounts into a larger pool, a better interest rate can be obtained. A pool also offers the advantage of management by a professional investment manager. The actions of the investment manager will be overseen by a board of directors controlled by MAUM and UMM, and which also may contain representatives of other investors in the MUSH sector.

The first investment pool to be created under the new legislation will be a short-term pool managed by Great-West Life. At some point in the future, it is anticipated that intermediate and long-term investment pools might be established for the purpose of investing, seeking funds and reserve. The legislation provides for investments of a relatively low-risk nature. It is expected that the greater return on investments will be obtained through the pooling effect and the use of professional investment managers and advisers.

When the bill reaches committee stage, I will be prepared to review the bill on a detailed basis and provide the rationale for the wording of the individual parts of the bill. I encourage all members of the Legislature to support this important piece of legislation. Thank you.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 56, The Manitoba Investment Pool Authority Act.

Mr. Daryl Reid (Transcona): Madam Speaker, I move, seconded by the member for Radisson (Ms. Cerilli), that debate be adjourned.

Motion agreed to.

Bill 57—The Public Sector Compensation Disclosure Act

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I move, seconded by the Minister of Labour (Mr. Toews), that Bill 57, The Public Sector Compensation Disclosure Act (Loi sur la divulgation de la rémunération dans le secteur public), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Stefanson: I am pleased to introduce The Public Sector Compensation Disclosure Act. This legislation represents another component of the strong accountability framework our government is establishing in the public sector. The purpose of this legislation is to increase the financial accountability of public sector institutions and organizations funded by Manitoba taxpayers by requiring greater disclosure of how public monies are expended.

Under this legislation, annual compensation for individuals in the broad public sector who receive \$50,000 or more will be disclosed. This legislation will apply to, and I list the following: the government of Manitoba; various government agencies and Crown corporations; health facilities, including hospitals and personal care homes; school divisions, universities and colleges; Child and Family Services agencies; municipal governments, including the City of Winnipeg; and any other nonprofit organization that receives public sector funding in any fiscal year that totals at least (a) either \$500,000, or (b) \$200,000, if the funding represents 50 percent or more of the organization's total annual revenue.

The legislation also requires disclosure of annual payments in excess of \$50,000 to persons providing legal services under the Legal Aid program and to persons providing insured services under The Health Services Insurance Act. These disclosure requirements will be effective for every fiscal year ending on or after March 31, 1996. For example, the government of Manitoba will be required to provide this information for its 1995-96 fiscal year which ended on March 31, 1996, whereas the City of Winnipeg, for example, will be required to disclose this information for its fiscal year ending December 31, 1996. The legislation will require

disclosure within six months of the end of a fiscal year with a longer reporting period for the initial report.

The bill outlines optional reporting methods as well as specifies the type of information to be disclosed. The legislation also provides a penalty for failing to comply by allowing government to withhold up to 15 percent of the annual amount payable by the government to that organization.

Madam Speaker, The Public Sector Compensation Disclosure Act is yet another example of our government's commitment to improving management and accountability within the public sector. This legislation provides Manitoba taxpayers with the information they require to hold their publicly funded organizations more accountable for the use of their hard-earned tax dollars.

When the bill reaches the committee stage, I will be pleased to provide more detailed explanations on a clause-by-clause basis, and I certainly recommend this bill to the members of this House.

Mr. Daryl Reid (Transcona): I move, seconded by the member for The Pas (Mr. Lathlin), that debate be adjourned.

Motion agreed to.

Bill 52—The York Factory First Nation Northern Flood Implementation Agreement Act

Hon. Darren Praznik (Minister responsible for Native Affairs): I would move, seconded by the honourable Deputy Premier that Bill 52, The York Factory First Nation Northern Flood Implementation Agreement Act; Loi sur l'accord de mise en oeuvre de la première nation de York Factory relatif à la convention sur la submersion de terres du Nord manitobain, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Praznik: Madam Speaker, this afternoon, I am bringing for second reading two bills to the House that are exactly the same: One for York Factory First Nation settlement agreement and the other for the Nelson House

First Nation Northern Flood Implementation Agreement, so my remarks this afternoon on this particular bill apply to both. Consequently, there is no need for me to speak a second time when I introduce that bill.

Some Honourable Members: Oh, oh.

Mr. Praznik: I know I disappoint my colleagues with that, but I want to save them the misery of hearing me have to speak twice.

Madam Speaker, both of these pieces of legislation are the same, in essence, as the legislation that was passed last year by this Assembly with respect to the Split Lake First Nation and their comprehensive settlement arrangement. These particular acts are required to give effect to the Northern Flood Implementation Agreement between the governments of Canada and Manitoba, Manitoba Hydro and the respective First Nations.

The agreement requires that both Manitoba and Canada each recommend to their Legislature, or respective Parliament, an act to ensure that the agreement is given effect. The agreement contemplates legislation requiring members of the respective First Nation to advance claims under their respective implementation agreement rather than under the Northern Flood Agreement.

This legislation is based on the provisions of the respective implementation settlements with the York Landing First Nation and with the Nelson House First Nation, and it is intended to give effect to those particular agreements. The legislation is substantially similar to the Split Lake Cree Northern Flood Implementation Agreement which was assented to on November 3, 1995.

I think if members examine the bill, as I am sure they will, they will find that the significant or substantive portion is found on page 3. In essence, it simply means that any claims that arise under the Northern Flood Agreement that was signed in the 1970s, which provided for a claim-by-claim basis of settlement, that any of those claims are now to be governed and handled by the implementation agreement which is a comprehensive agreement.

The dollars that are being flowed under these comprehensive agreements to the First Nations are based on the assumption that they will deal with the damage and

issues arising from the flooding of their communities with their respective members and organizations. If we did not bring forward this legislation for these implementation agreements, quite frankly, the only other option in law would have every single member of the First Nation now, past and present to be signatories to the agreement and that is just logistically impossible. So this legislation to be passed, we would hope, in this Assembly and in the Parliament of Canada gives effect to the comprehensive agreements. That is the gist of the legislation, and I know members may have some particular questions that I will be glad to take at the appropriate time in committee.

I recommend these bills to the House. As I have said, they are necessary to complete the Northern Flood Comprehensive Agreements with both the York Landing and the Nelson House First Nations. I look forward, on an optimistic note, to be bringing forward similar legislation next year for both the Cross Lake and the Norway House First Nations when we conclude comprehensive agreements with both of those. Thank you very much, Madam Speaker.

Mr. Daryl Reid (Transcona): I move, seconded by the member for The Pas (Mr. Lathlin), that debate be adjourned.

Motion agreed to.

Bill 53—The Nelson House First Nation Northern Flood Implementation Agreement Act

Hon. Darren Praznik (Minister responsible for Native Affairs): Madam Speaker, I would move again, seconded by the Deputy Premier (Mr. Downey), that Bill 53, The Nelson House First Nation Northern Flood Implementation Agreement Act; Loi sur l'accord de mise en oeuvre de la première nation de Nelson House relatif à la convention sur la submersion de terres du Nord manitobain, be now read a second time and be referred to a committee of this House.

* (1600)

Madam Speaker: It has been moved by the honourable Minister of Native Affairs, seconded by the Deputy Premier, that Bill 53, The Nelson House First Nation Northern Flood Implementation Agreement Act (Loi sur

'accord de mise en oeuvre de la première nation de Nelson House relatif à la convention sur la submersion de terres du Nord manitobain), be now read a second time and be referred to a committee of this House.

Mr. Daryl Reid (Transcona): I move, seconded by the member for The Pas (Mr. Lathlin), that debate be adjourned.

Motion agreed to.

Bill 33—The Education Administration Amendment Act

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Ernst), that Bill 33, The Education Administration Amendment Act; Loi modifiant la Loi sur l'administration scolaire, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. McIntosh: Madam Speaker, in keeping with the government's commitment for the revitalization and renewal of Manitoba's education system for current and future generations of students, many new initiatives and changes in the priority areas of educational standards and evaluation, school effectiveness, parental and community involvement, teacher education, distance education and technology have been addressed and are continually being addressed by my department.

Setting provincial direction for education while enabling schools and their communities to make decisions that are considered best for the learning requirements of their students has been the pivotal focus behind educational renewal. My department is fully committed to providing greater decision making for schools and to establishing clearly defined and meaningful roles and responsibilities for parents, students and educators so that sound decisions can be made that directly affect students.

The fundamental roles and responsibilities of all the partners in the educational system must be defined and clarified in order to enhance shared responsibilities for schools and to ensure accountability of process. Partnerships between parents, educators and the

community must be strengthened and sustained, and standards need to be enhanced to ensure that all students in Manitoba can read, write, think, collaborate and compute at a high level.

Setting educational standards and policies related to school achievement and ensuring that information on student achievement is available to facilitate improvement through the co-operative efforts of students, parents and educators will indeed reinforce the importance of shared responsibility and accountability amongst the partners.

To that end, as outlined in *Renewing Education: New Directions*, legislative amendments to both *The Education Administration Act* and *The Public Schools Act* have been prepared for consideration of the House to improve upon the partnership of those working together in renewing education.

Central to ensuring the accountability of process within the education system and to enhancing shared responsibility among the educational partners is the Minister of Education and Training.

An Honourable Member: A fine woman at that.

Mrs. McIntosh: I thank the minister for that fine compliment and for the cheering that accompanies it.

The bill before you will expand upon or clarify the powers of the Minister of Education and Training to establish courses of study including setting the amount of instructional time and to authorize programs and instructional materials for use in public or private schools. Furthermore, the minister may release information relating to aggregate pupil achievement and the effectiveness of programs in public or private schools. This will enhance accountability and provide schools with a benchmark as to whether they are reaching their potential and achieving their educational goals.

In the area of student achievement and evaluation, the minister may, by regulation, prescribe the methods and procedures for the assessment and evaluation of any aspect of student achievement and the effectiveness of programs. This will ensure, Madam Speaker, that effective measurement and reporting of student achievement on provincial standards and on school-based

evaluation contribute to improving the quality of our children's education. To ensure that schools are responsive and accountable to parents in the community, the minister may make regulations concerning information that school boards are required to provide to parents and community members, including the times, form and manner in which this information is to be provided. The minister may also make a regulation on the type and procedures for release of information on student achievement which must be provided to the public by local school boards. This will benefit parents when they are considering the school which they wish to enroll their children in and provide schools with measurements of their strengths and weaknesses in student achievement and programming.

As a follow-up to guidelines recently released on school plans, the bill will allow the minister to make regulations to set out in law what shall constitute school plans. School plans provide a statement of the goals which inspire a school, the objectives which it strives to meet, and the goals it hopes to reach. These plans give educators, parents and students a road map indicating where the school is and where it hopes to be.

With those few remarks, Madam Speaker, I commend the bill to the House and thank the members for their attention.

Mr. Daryl Reid (Transcona): I move, seconded by the member for The Pas (Mr. Lathlin), that debate be adjourned.

Motion agreed to.

Bill 45—The Consumer Protection Amendment Act

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): I move, seconded by the Minister of Education (Mrs. McIntosh), that Bill 45, *The Consumer Protection Amendment Act*; *Loi modifiant la Loi sur la protection du consommateur*, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Ernst: Madam Speaker, this bill is intended to harmonize some of the direct selling provisions of our consumer protection legislation with those of other

Canadian jurisdictions. Most members will recall that in 1995, the federal government, the provinces and territories reached an agreement on internal trade. As part of the agreement, we agreed to harmonization in a number of areas. This bill reflects the amendments to The Consumer Protection Act needed to bring Manitoba's direct selling provisions in line with commitments made under the agreement.

* (1610)

Without going into the changes point by point, I would like to say that they concern the cooling-off period for direct sales, cancellation provisions and the contents of written contracts. I am happy to say that these amendments will result in a win-win for both business and the consumer. The changes will make it easier for businesses to operate in more than one province. They will also make possible cost savings such as for forms and in staff training.

At the same time, they will increase consumer protection to the highest level in the country. Harmonization to the highest standard means no province will have to reduce its level of protection, a point agreed to in the Internal Trade Agreement. In the course of harmonizing the legislation, several businesses, as well as business and consumer groups in Manitoba and other provinces, were invited to respond to the harmonization proposals.

A number of national bodies, such as The Retail Council of Canada, the Canadian Federation of Independent Business were also contacted. The overall response from business and consumer groups was very favourable. In making these changes, Manitoba becomes one of the first provinces to adopt the harmonized provisions and honour the commitment made in the Internal Trade Agreement.

So, Madam Speaker, with those brief comments I commend the bill to the House.

Mr. Daryl Reid (Transcona): I move, seconded by the member for The Pas (Mr. Lathlin), that debate be adjourned.

Motion agreed to.

DEBATE ON SECOND READINGS

Bill 35—The Child and Family Services Amendment Act

Madam Speaker: To resume second reading of Bill 35, The Child and Family Services Amendment Act (Loi modifiant la Loi sur les services à l'enfant et à la famille), on the proposed motion of the honourable Minister of Family Services (Mrs. Mitchelson), standing in the name of the honourable member for Transcona (Mr. Reid). Is there leave to permit the bill to remain standing?

An Honourable Member: No.

Madam Speaker: No, leave has been denied.

Mr. Gord Mackintosh (St. Johns): It is important that this kind of legislation be dealt with expeditiously, although we certainly will have to look very carefully at the bill as proposed by the government. This bill in no small way, as a result of information that came to our attention about the inadequacies of the Child Abuse Registry in particular, the absurdity that the Child Abuse Registry would list those, I think suspected is too mild of a word, but those who have not been proven in a court of law to have been child abusers, but ignoring and leaving off the list those convicted beyond a reasonable doubt in a court of law of either sexual interference or sexual assault of a child, the ultimate child abuse, Madam Speaker.

It was our concern that despite the rhetoric and the puffery, I would suggest, of the Minister of Justice and the work that was supposedly done to deal more effectively with sex offenders in Manitoba, this gap, this huge gap was not discovered and dealt with.

So, as a result of that discovery, we raised questions in this Legislature going back to December of 1995 and continued to raise the serious question in the public forum. So we are pleased that the government has responded and, indeed, if it had not been indicated that they would respond, we were certainly prepared to bring in legislation on our own and try and get the support of the government for its passage.

I also note that the legislation deals with other matters and bringing within the definition of child abuse the soliciting of minors for the purpose of prostitution. So I

guess when we look at our list here, this is not our list of course, this is the list of the outstanding, unfulfilled election promises on crime, Madam Speaker, we can add to the list of three that we know have been at least partially fulfilled, at least one more from this list of 33. So I think we have a little ways to go yet, but we look forward, of course, to this list of outstanding promises, 33 in number, to become significantly shorter.

I do not know what this government is waiting for. There are, under this government, a record number of victims of crime, and it is critical that the child victims be protected. Indeed, how do you protect a victim? Well you prevent victimization in the first place; hopefully, this bill will do that. We will examine it carefully to ensure that the change in the definition to child abuse indeed covers those convicted of pedophilia.

We are also concerned nonetheless that this bill may not go far enough and that it does require one to be having proved guilty or having pled guilty to sexual assault or sexual interference, and we still have some questions as to whether or not the bill should go further. We are concerned that sometimes there are plea bargains that take place, and particularly under this government we notice the extent of plea bargaining and the difficulty that might have when trying to define whether someone is actually a pedophile or not. It may be that one can be defined as a pedophile, while respecting the rights of that individual, without having to have the prerequisite of being found guilty or pleading guilty. So we will look at that, and we will want to consider that very carefully.

This change to the law will be important for those employers, particularly at schools and child care centres which do access the Child Abuse Registry. With those comments, Madam Speaker, the member for Burrows I believe has some comments.

Mr. Doug Martindale (Burrows): I am pleased to get an opportunity to speak however briefly to Bill 35, The Child and Family Services Amendment Act. We have requested that this go to committee early next week and be passed early next week. We hope that some members of the public will choose to appear to comment on this because it is an important amendment.

We support this amendment because it protects children, especially children in schools, day care centres

and, as the minister pointed out, also in other locations where employers are responsible for children. A number of those come to mind, for example, places like Rossbrook House, Winnipeg Boys and Girls Club and many other organizations that work with children in our community. I know that these employers make use of the Child Abuse Registry and frequently make this a condition of employment, that the applicant has to sign that they acknowledge that their name will be checked with the Child Abuse Registry as a kind of screening process before they will be hired.

This amendment penalizes pedophiles, procurers of prostitutes and users of child prostitutes, another part of the bill that we support. In the past it seems that when the police were cracking down on prostitution that the targets of their attention or their sweeps were the prostitutes themselves. It is a good idea to target the users instead, because this certainly will penalize the users. Having your name on an abuse registry is really a serious consequence of having been convicted in court.

* (1620)

In a general way, this bill attacks those who victimize the users of child prostitutes and that is a very serious issue and I think a growing issue in our community and it is one that has been spreading into the north end. Fifteen years ago, this activity was not visible on the streets in the north end and it is now very visible, because it has spread from an industrial area to a residential neighbourhood and it is of great concern to the residents of the Lord Selkirk development and adjoining streets.

In fact, if one wants an education, well, you can go down at ten o'clock in the morning and see the child prostitutes standing on the street. But if you go down in the evening, there is a considerable amount of traffic on streets like King Street and Flora Avenue of johns cruising the neighbourhood. It is very unsettling to see the young age of the prostitutes and also to see the large number of customers who are on the prowl in that neighbourhood, and I think on the prowl is an appropriate way of describing the activity that they are engaged in. They really are victimizing very young children, in many cases.

So with those few remarks, we look forward to this bill going to committee at an early time next week and

coming back for early passage during this session. We do have new rules under which we are trying to only introduce bills in the spring session and have them go to committee and pass them in the fall. However, there is an exception whereby with consent of government and opposition and where there is either a legitimate need or an emergency, we can pass bills sooner and that is what we are doing in this case. We are making an exception at the request of the Minister of Family Services (Mrs. Mitchelson) and I know she appreciates our co-operation. Thank you, Madam Speaker.

Madam Speaker: Is the House ready for the question? The motion before the House is second reading of Bill 35. All those in favour of the motion.

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

House Business

Hon. James Downey (Deputy Premier): Madam Speaker, the House leader is here to make the next motion.

Hon. Jim Ernst (Government House Leader): Madam Speaker, given the passage of Bill 35, I will refer it to Committee on Law Amendments for Monday evening at 7 p.m. in Room 255.

Madam Speaker: For the information of the House, this bill has been referred to the Standing Committee on Law Amendments on Monday, Room 255, at 7 p.m.

Mr. Ernst: I move, seconded by the honourable Deputy Premier (Mr. Downey), that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to, and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty, with the honourable member for La Verendrye (Mr. Sveinson) in the Chair for the Departments of Government Services and Industry, Trade and Tourism; and the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Sport.

COMMITTEE OF SUPPLY (Concurrent Sections)

GOVERNMENT SERVICES

Mr. Deputy Chairperson (Ben Sveinson): Order, please. Will this section of Committee of Supply sitting in Room 255 please come to order. The committee will continue with the consideration of the Estimates of the Department of Government Services.

When the committee last met it had been considering item 8.4.(a) Accommodation Development (1) Salaries and Employee Benefits \$2,009,200, on page 68 of the Main Estimates book. Shall the item pass? Pass.

8.4.(a)(2) Other Expenditures \$717,700—pass; (3) Less: Recoverable from other appropriations (\$475,000)—pass.

8.4.(b) Workshop/Renovations (1) Salaries, Wages and Employee Benefits \$1,965,600—pass; (2) Other Expenditures \$247,800—pass; (3) Workshop Projects \$2,575,000—pass; (4) Less: Recoverable from other appropriations (\$4,788,400)—pass.

Resolution 8.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,251,900 for Government Services, Accommodation Development, for the fiscal year ending the 31st day of March, 1997.

Item 5. Land Value Appraisal Commission (a) Salaries and Employee Benefits \$79,600—pass; (b) Other Expenditures \$64,600—pass; (c) Less: Recoverable from other appropriations (\$57,400)—pass.

RESOLUTION 8.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$86,800 for Government Services, Land Value Appraisal Commission, for the fiscal year ending the 31st day of March, 1997.

Item 6. Disaster Assistance (a) Emergency Measures Organization (1) Salaries and Employee Benefits \$591,700—pass; (2) Other Expenditures \$253,200—pass.

6.(b) Disaster Assistance Board (1) Salaries and Employee Benefits \$118,800—pass; (2) Other Expenditures \$37,200—pass.

RESOLUTION 8.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,000,900 for Government Services, Disaster Assistance, for the fiscal year ending the 31st day of March, 1997.

Item 7. Expenditures Related to Capital (a) Capital Projects \$13,562,300—pass; (b) Departmental Capital \$249,900—pass.

RESOLUTION 8.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$13,812,200 for Government Services, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1997.

Item 8.1. (a) Minister's Salary.

We do not have any staff present, so we will just go right into it.

* (1630)

Mr. Clif Evans (Interlake): I was under the impression that when we were coming back to Government Services to complete, that the minister would be present to answer a few questions under Minister's Salary.

Mr. Deputy Chairperson: First of all, the honourable member for the Interlake can ask the questions. The honourable Deputy Premier (Mr. Downey) has come in.

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Chairman, maybe to be helpful, I think if the member is prepared to list his questions, we will assure him that the answers will be provided to him ASAP.

Mr. Clif Evans: Due to the circumstances of today in Estimates, I was hoping that the minister and I could have a tete-a-tete for a few minutes, so that I could go on my way and do my constituency work like I was supposed to.

Mr. Deputy Chairperson: We do have the Minister of Government Services present now if the honourable member for the Interlake has some questions or comments.

Mr. Clif Evans: I want to thank the minister for the time to come back and discuss an issue with me that we

have discussed. As the minister is aware, I had approached him, and a letter was sent out dated May 10 to fishermen, to all fishing associations denying funds for the loss of net losses and buoys for the 1995 claim. Has the minister received further information and considered this situation?

Hon. Brian Pallister (Minister of Government Services): We discussed this issue this morning. The member for Dauphin (Mr. Struthers) raised it and I will repeat what I said to him, that the information that was provided to me by the board—and in response to the member's requests, I was able to get that information actually just today—but the information was that the board had ruled those claims as not being eligible for cost-sharing because principally, I gather, there is no such coverage available for recurring damages or losses that are a normal risk of doing business.

I am sorry I do not have the detailed documents with me, but I believe the member's specific situation that he was referring to was in regard to Jackhead, Fisher River and Dauphin River. Each had had claims in previous years. My impression was that the board made their decision on the basis of a couple of things. Certainly, the key one, according to a representative the board I spoke with, was that it has never been the policy of the Disaster Assistance Board to provide ongoing compensation on an annual, semi-annual basis or on a regular basis for business people who incur losses on a recurring basis. It seemed to be the principal reason that this claim was turned down.

What I advised the member for Dauphin though to do was to alert the member for the Interlake to the appeal process to make sure that it was utilized in this case if it was felt justifiable to do that.

Mr. Clif Evans: I do not have '94 details here, but I do have '93, '92, '91. There are a few claims here in locations that have made claims to the board that are repetitious due to the reason being a storm. The three communities that have applied, I believe Jackhead did apply last year in '94, did receive. That was one of the first times that I understand they had and after a tremendous period of waiting for approval on it. This year they have again had to apply because of a storm, and the same storm that occurred did affect all those three communities being all within that Lake Winnipeg area

that the storm had occurred. It affected, I believe, 20-plus to 30 fishermen. My understanding that the losses, even though it may not seem like a great amount to us, not being fishermen, but it is a great amount of loss to these fishermen. Now they will have to find some other assistance to be able to purchase nets to go out and perform their livelihoods, which is fishing.

I can appreciate the fact that if there was some sort of notice given prior to, in writing, that this may occur—what the May 10 letter indicates—then I can appreciate and understand that notice had been given. But in talking to the three communities, there was no notice given that a decision like this for 1995 would be brought forward. If the department, the board and the minister want to change the situation, change the resource that is available and has been available since 1986, then perhaps the better way to go would have been to of course let all the fishermen know that changes would be occurring and say to them that because of the changes, et cetera, we will honour the 1995 claims, and we will be making changes to the disaster relief board criteria.

I know that the Disaster Board has attempted to make it much easier for fishermen to apply for claims and has asked them for specifics to be able to get the financing and to get the support. But there really was not anything prior to the May 10 letter that indicated that such a change and such a decision would be made. So I am basically appealing to the minister to—if the board is going to change policy or change the way that the disaster assistance policy is going to be handled—that perhaps some further notification or prior notification would be provided, and I basically appeal to the department and the minister to allow for these claims for 1995 for the fishermen and make it known what the policy will be in the future to them.

Mr. Pallister: I guess a couple of points. First of all, it has never been, to my understanding, a policy of the Disaster Assistance Board to cover recurring claims that are a normal course of doing business. The member makes the point that notice should be given in advance of that. Well, the reality is that if a given fisherman makes a claim for the first time that does not necessarily qualify him for coverage, it does not guarantee that he gets compensation. This is not designed to be sort of a replenishment or a way to remove the risks of doing normal business.

The reality is also that if an individual or a reserve claims for the second time then that does not necessarily mean, because the circumstances have to be considered, that it would be disqualified. As the member knows, I think in a couple of the examples he raises, the reserves were given compensation on more than one occasion. The reality is when the situation occurs on a recurring basis, then it does become a consideration that the Disaster Assistance Board has to weigh in its consideration of the claim and the details around the claim. That, I gather, is the prime thrust of what the Disaster Assistance Board based their decision to not proceed with this claim on.

As the member and I have discussed, I think that we both share some concern that the fact that there is always a tendency—and I will speak not from the fisherman's perspective but I grew up on a farm, and the member made the point before that this may not seem like a big amount of money to us, it certainly does represent, I am sure, a considerable amount of money put at risk by these individuals. Having grown up on a small farm in rural Manitoba, I appreciate very much that capital is put at risk in the normal course of running a business.

* (1640)

The reality is whether it be farmer, shoe store owners or fishermen, in the normal course of managing a business, decisions are made to put resources at risk. Those decisions are not always underwritten by fellow taxpayers, nor should they be. In this particular instance, I think that the concerns that I have expressed to the member openly in our discussions are also that by having a program in place, sometimes we discourage intelligent management practices. Sometimes we encourage people to put things at risk that they should not be putting at risk. When nets are lost and buoys are lost on a regular basis over a long period of time by a variety of bands and individuals, then that is pretty strong and compelling evidence that we are causing people to take risks that are not intelligent ones and that normally would not be taken in the course of day-to-day operations of a business where people were responsible for their own resources and responsible for replenishing them if they were lost.

I do not think we want to concern ourselves too much with the statement concerning notice, because the reality is recurring claims have never been covered. It was never the intention of this program to cover recurring claims.

So ultimately we always knew, should have known, that once claims became recurring, they would not be covered. To suggest that because someone was covered in the past, the first or second occurrence of a claim, that they should always be covered for it is at odds with the guidelines themselves, which say that when a claim situation recurs over a period of time, it is not to be covered because it is in the normal course of the business risk that an individual exposes themselves to.

Mr. Clif Evans: I want to say, I certainly appreciate the fact that the fishermen do take the opportunity to go out whenever first ice is gone and it is available. I know that Lake Winnipeg and Lake Manitoba are not exactly the most kind bodies of water when it comes to fishing and to the fishermen themselves. I can appreciate the fact that constantly recurring claims of the same nature over and over and over again have to be addressed and say, we can only go so far with this.

I look back from '93 and I go back one, two, three, four, five, six years. I see one community—one, two, three, four, five times; storm, storm, storm, ice breakup, storm, storm. My communities that have applied are not on this list to '93. If they are reoccurring, they are reoccurring only from last year and this year. I would again hope that perhaps—and if the appeal process is what the minister says these fishermen have to go through, I guess I will pass that on to them. But what I am saying to the minister is, I do not feel it is justified this time around for my communities to have to perhaps take it on the chin for not getting their claims subsidized if the policy of the department is saying well, for reoccurring claims, when in fact reoccurring claims have been paid in the past over and over again for the same reasons.

So I would hope the minister would look at that and perhaps come up with some sort of a solution for these fishermen. Fishing is around the corner. I certainly do not want to see 20, 30 or 40 fishermen in total in these communities not be able to go out and maintain their livelihoods without equipment. Perhaps the message has to be sent that way.

Mr. Deputy Chairperson: Item 8.1.(a) Minister's Salary \$25,200—pass.

Resolution 8.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,449,100 for

Government Services, Administration, for the fiscal year ending 31st day of March, 1997.

This completes the Estimates of Government Services.

INDUSTRY, TRADE AND TOURISM

Mr. Deputy Chairperson (Ben Sveinson): This section of the Committee of Supply sitting in Room 255 will now begin consideration of the Estimates for Industry, Trade and Tourism.

It seems that we have a few minutes to wait.

Does the honourable Minister responsible for Industry, Trade and Tourism have an opening statement?

Hon. James Downey (Minister of Industry, Trade and Tourism): Yes, I have, Mr. Chairman.

Mr. Chairman, I, first of all, want to acknowledge the work of the Department of Industry, Trade and Tourism in preparation of the Estimates and the work that they have done over the past, not only many months, but over the past several years. I have some prepared notes which I will refer to at this particular time.

Mr. Chairman, I am pleased to introduce the 1996-97 Estimates for the Department of Industry, Trade and Tourism. I also want to acknowledge support that I have had from my colleagues in both cabinet and caucus in some of the major initiatives that we have been able to proceed with as a government. I want to, as well, acknowledge that Manitoba is in excellent economic state, and investors both within our province and outside are showing their confidence in Manitoba by investing in our future.

We have worked hard to create a strong, supportive environment for the creation of new wealth and industries. We are proud of our quality of life in Manitoba, and we know that our ability to sustain this priceless quality, as well as to create jobs and provide vital social services depends on a strong economy, and we are confident that our efforts are succeeding.

I would like to mention some of the strong indicators of Manitoba's economic performance. First, Mr. Chairman, I want to mention trade. Last year, our world

exports grew to a record level of \$5.44 billion, up 18 percent. We were the third amongst the provinces and above the national average. Our performance was led by strong gains in sales to our largest trading partners, the United States, Japan and China. In particular, we should note Manitoba's trade with United States which went up by some 21 percent, the second best amongst the provinces. Exports of our manufactured goods accounted for most of the increase led by transportation equipment, primary metals, machinery and paper products, again, products that have value added to them, particularly in the manufacturing sector. In fact, Manitoba's exports to the U.S. have increased by 124 percent since 1990, the best increase of any province and well above the national increase of 86 percent. Just think, a 124 percent increase since 1990 in one of our major markets.

I am pleased to add, Mr. Chairman, that our trade performance in general, especially with the U.S.A. continue to shine in the first three months of 1996, with an increase in exports of 17.3 percent over the same quarter in 1995. The national average was 2.1 percent.

* (1650)

Mr. Chairman, my department is committed to enhancing this phenomenal trade performance. In 1996-97 the department will increase its expenditures on trade related activities by close to \$1 million. We will focus on and increase our efforts to expand Manitoba's trade with nations around the world. An international Business Services unit will provide information services and export training and awareness. Funding for the Trade Assistance Program which helps small and medium-sized firms to access new export markets will increase.

Turning to jobs, Mr. Chairman, in 1995, Manitoba employment grew by 10,000 jobs or 2 percent over the 1994 level, fourth amongst the provinces and better than the national average of 1.6 percentage points. We made gains in the important sectors of manufacturing, mining, forestry, agriculture, business services, transportation and communication. I think it is important to note at this particular time how important it is for Manitoba to have a healthy resource-based industry, clearly an indication—and we can refer to it as we go through the Estimates—of some of the very positive expenditures and investments that are made by the people within Manitoba, but also outside investment as they see

opportunities develop in the environment which has been created here in Manitoba.

Our gains were 2.7 percent in the private sector, nearly all in full-time jobs, and our total growth has exceeded the national average in two of the past three years. Our unemployment dropped by 10,000 in 1995, the best improvement of any province and more than double the national improvement.

Mr. Chairman, according to Statistics Canada, our real GDP growth in 1995 of 2.5 percent was above the national average and third best among the provinces. Several prominent economic forecasters have forecasted strong growth for the Manitoba economy. For example, the Conference Board of Canada forecasts real growth of 2.3 percent in 1996, third best among the provinces and better than the national average of 1.9 percent. This is the second year in a row that we have performed better than the national average. In fact, five of the seven forecasters project Manitoba's real domestic growth will be at or above the average in 1996.

Last year our manufacturing shipments grew by 11 percent, the best annual increase since 1981. This growth continued into this year with a growth of 7.9 percent over the same 1995 period reported in the first quarter, second best amongst the provinces. The Conference Board expects after-tax personal disposable income per capita in Manitoba for 1995 to be up by \$535 over 1994. This is an increase of 3.3 percentage points, second best in Canada and above the national average. The increased forecast for 1996 is \$447 or 2.7 percentage points, also second best amongst the provinces. I think it is important to emphasize that again. Imagine, 1995 will be up over \$535 over 1994 and 1996 over \$447 of disposable income per capita in Manitoba.

Our retail sales are doing well. In the first quarter of 1996, the growth was 7.6 percentage points over the same period in 1995, more than double the national average and fourth best among the provinces. In the whole year 1995, the increase was 5.6 percent, second among the provinces and more than twice the national average.

In recent years we have been changing the operating priorities of the department. Instead of the department directly operating programs, we have been shifting to

facilitating and acting as a partner in programs provided by third parties. This change in emphasis is in line with the 1994 report of the task force on capital markets which recommended the private sector, government, and the community should work together to expand capital markets in the province in order to facilitate the growth of business and jobs.

I want to at this time again acknowledge the hard work and effort of the task force on capital markets, the hard work and effort which they have put forward. I believe that we will be able to further confirm this, but I believe that almost all, if not all, of the recommendations have been fulfilled or are very close to being fulfilled from the work that those individuals did on behalf of the Province of Manitoba.

I would like to mention a number of programs that will be operated in partnership with the private sector in 1996-97. The Business Start program is a loan-guaranteed program to assist Manitoba entrepreneurs who are setting up new businesses. Loans up to \$10,000 are available and are administered by participating financial institutions. Business training and counselling are integral parts of this program. In 1995-96, this program assisted with 90 business start-ups and the creation of about 200 jobs.

The Manitoba Business Expansion Fund will provide rapidly expanding businesses with higher risk working capital loans to expand their operations. Loans are delivered through commercial banks as incremental loans over and above a borrower's existing credit lines. We will contribute some \$2.5 million to this fund over five years, Mr. Chairman, and we expect that this will lever some \$43 million in commercial loans, the target loan range is \$10,000 to \$150,000. I think we should emphasize that again, that \$2.5 million is expected to lever some \$43 million in commercial loans in the \$10,000 to \$150,000 range. We expect this initiative to close the gap in funding working capital for expanding small businesses. The program may be stacked on top of the federal business improvement loan program to enable small businesses to qualify for a combined \$400,000 in financing.

In addition, Mr. Chairman, these loans will be provided cost effectively by the lending institutions. We expect that about 450 businesses will be assisted and

over 900 to 2,000 jobs created during the five-year life of the program.

Mr. Chairman, the Department of Industry, Trade and Tourism has been a catalyst in the formation of the new Manitoba Capital Fund. This fund will tap private capital pools and pension funds to address subordinated debt needs in the range of some \$250,000 to \$1.5 million. The fund has raised some \$25 million from the province, Canadian Imperial Bank of Commerce, Civil Service Superannuation fund, Workers Compensation Board, and Manitoba Public Insurance Corporation fund. We expect this fund to provide substantial benefits to Manitobans.

First, an important new source of capital will be created for small- and medium-sized businesses to enable them to expand and create new jobs. Indeed, as many as 1,000 jobs may be created during the seven years of the program. It will strengthen Manitoba's capital markets by filling a void for subordinated debt financing in the form of subordinated debt loans. This ranks between conventional secured bank lending and equity. Also because of the nature of this form of financing, all investments will be for incremental economic activity. Because the Manitoba Capital Fund effectively transfers some of the operation of provincial financial programs to privately managed funds, administrative costs are reduced and the leverage of government support is maximized. The fund will complement the successful Vision Capital and Crocus Investment funds which are other initiatives of this government.

Mr. Chairman, I would further like to add that I would hope the members of the opposition and other members of the Legislature would help to encourage other funds, other retirement funds, to be part of this program because I believe, in principle, that the monies generated in this province to some degree, it would be very helpful to see them reinvested in these types of programs. I see an affirmative nod from the opposition critic that it is, in fact, those retirement funds that will help those people who have retired, help create jobs for their children and their grandchildren, and we believe that there is a direct linkage here that would be very helpful to help grow the economy, and I would appreciate support from the members opposite in encouraging some of their investments.

* (1700)

Mr. Tim Sale (Crescentwood): Without interrupting the minister's right to continue, I would be glad to endorse those remarks in terms of capital from retirement funds in particular. The minister may not realize this, but this was an integral portion of our 1995 platform in the provincial election, and one that is very important to us. We are glad to see the government getting around to implementing our platform.

Mr. Downey: It never troubles me, Mr. Chairman, to have the support of the opposition. As I said, this came from the Capital Markets Task Force, and I am pleased that the members of the opposition would like to attach themselves to good policy, and that is always important.

Mr. Chairman, I would like to mention yet another example of a program in partnership with the private sector. The Toronto-Dominion Manitoba fund—it will provide new and existing small businesses with Venture Capital loans up to \$50,000 without the typical personal guarantees and security required under normal bank financing guidelines. This fund will fill the need to assist in the formation of new businesses, and enable our business sector to develop their ideas and products in Manitoba. We estimate it will lever an estimated \$2 million in loans and make more capital available to Manitoba businesses. The fund will be open to all Manitoba-based businesses engaged in development, processing and manufacturing, with particular emphasis on tourism, high-tech and export-oriented firms, as well as information technology and knowledge-based industries.

I believe this is a good pilot project, and I am sure that we will see some major successes flow from it. Mr. Chairman, improving access to capital in co-operation with the private sector will be an ongoing priority of the Department of Industry, Trade and Tourism.

Turning to the Agri-Food sector, the past year was, I think, one of an outstanding performance. This sector has been on the upswing for a couple of years. We expected the signing of the new gas and world trade organization agreements, plus the elimination of subsidies under the Western Grain Transportation Act to fuel the industry in the next few years. One may say that I could be referred to as maybe being supportive of the

loss of the subsidy and the movement of grain out of western Canada. I would like to add that I am not particularly happy about the loss of the subsidy. What I am unhappy about is the fact that over the last 10 years we have spent some close to \$10 billion supporting the two national railways with federal government money, money which, I believe, should have been paid directly to the producers so that they could have equipped themselves to be part of the changes that have to take place.

We have spent that money nationally, and I do not believe the rail system is working any better today than it was prior to the spending of that money. But the money is gone. So I am not happy the subsidy is gone; I am just unhappy with the way in which it was, in fact, taken away from the western Canadian industry in the manner of such short notice, but the manner which they had lost out on it as a farm community. I believe it was their subsidy, and they did not get the full benefits as they should have.

Mr. Chairman, the announcement last week of the location of the J. M. Schneider's new \$40-million hog slaughtering and processing plant in Winnipeg highlights both Agri-Food's successes in the past year and the outlook for the future. This modern plant will quadruple Schneider's processing capacity in Manitoba. By next spring, the company will have a \$17 million, 100,000 square foot cutting and processing plant, creating 325 new jobs. Depending on market growth, the second phase will see construction of a \$23 million, 120,000 square foot slaughter and chill operation, increasing plant employment to some 500 people.

The Schneider's decision to build this plant reflects their confidence in the quality of hogs produced in Manitoba, producers' ability to respond innovatively to the needs of the world's markets, and our support in establishing a goal of doubling our hog production to some four million-plus hogs for commercial marketing by the year 2000.

Mr. Chairman, the McCain Foods has begun expansion of their plant in Portage la Prairie. This is a capital expenditure of some \$75 million in two phases. By the end of 1996, they will have doubled the physical size of their plant, adding at least 120 production jobs to the existing 280 full-time positions. The Portage plant will be the most modern in McCain's worldwide operations.

We are proud that Portage was chosen for this project because of its location, the quality of its raw potatoes, availability of irrigation, and the quality of the workforce. The additional potato line is expected to more than double production capacity to more than 350 million pounds of french fries a year. This will generate an additional 17,000 acres of potatoes, or double the plant's current supply, an estimated addition of some \$25 million in farm gate value in Manitoba potato growers.

Mr. Chairman, the \$18-and-a-half million expansion of Nestle-Simplot—and I have to say that that name has changed as of today, and my colleague the member for Turtle Mountain (Mr. Tweed), who is with us today, was out at that ceremony, where we will now see the Nestle-Simplot plant be called Mid-west Food Products Inc. So that is a major change by that company and will now be referred to as Mid-west Food Products Inc. I am pleased that my colleague was able to be there and participate in that activity, expansion done entirely by the private-sector results for that company's ability to produce quality french fries for McDonald's restaurants in the U.S. and other worldwide places. Canadian Agra Corporation of Kincardine, Ontario, has announced it will build and is building currently the canola crushing plant as the first phase of a sum \$200-million integrated food processing operation in Ste. Agathe. The \$55-million canola plant is scheduled to go into operation in late 1996, and we will have some 45 full-time jobs.

I am delighted to announce that my department is actively participating in matters relating to the Winnipeg International Airport development. Before I get into that, Mr. Chairman, could you tell me how much time I have left?

Mr. Deputy Chairperson: Eleven minutes.

Mr. Downey: Mr. Chairman, just in addition to that, as it relates to the development in agriculture, I would hope the member for Brandon East (Mr. Leonard Evans), when he makes reference to what is happening in Manitoba and his negative attitude, would take a look at what is happening in his own backyard where we see Simplot is investing some \$200 million on their own, and they have another joint venture with a company out of the U.S., adding \$33 million. In fact, at the peak season this year there will be over 800 construction workers in the Brandon area because of that major Simplot

development. Tremendous employment opportunities, not only for the people of Brandon but will draw from all over Manitoba and probably western Canada.

The Winnipeg International Airport development, Mr. Chairman, or the Winnipeg Airports Authority, is expected to take over the responsibility for airport operations early next year. This will remove federal restrictions and facilitate related industrial development.

We are optimistic that Winnport Logistics will begin an air cargo service to and from Asia and Europe early next year. This will produce many benefits, including increased truck traffic to and from the U.S., activity in a new industrial park proposed for northwest Winnipeg and Rosser and significantly improved transportation services for Manitoba exporters. My department has an observer on the Winnipeg Winnport board and is participating in the advisory committee for the airport area plan.

Mr. Chairman, I would like to move to some other matters concerning the structure of the Department of Industry, Trade and Tourism. This is a transition year as the Economic Innovation and Technology Council diverts its governance and responsibility for managing the Industrial Technology Centre and the National Agri-Food Technology Centre. In addition, a new course has been set—

Mr. Sale: The minister is a wonderful reader but I just missed that last sentence, and I wonder if he would be willing to repeat it.

Mr. Downey: Yes, Mr. Chairman, providing that I get the opportunity to finish my notes. With all these interruptions, I do not want that taken from my time.

Mr. Sale: Mr. Chairman, I have no problem with the minister finishing. If he requires a few extra minutes, I have no problem with that at all, as long as it does not turn into a few extra hours.

Mr. Deputy Chairperson: If I might ask all members to refer their comments to the Chair, and if you raise your hand or give me a nod, I will acknowledge you.

Mr. Downey: I thank you for that, Mr. Chairman, and I will repeat it. This is a transition year as the Economic

Innovation and Technology Council diverts its governance responsibility for managing the Industrial Technology Centre and the National Agri-Food Technology Centre.

In addition, a new course has been set for the Environmental Sciences Centre to position it for a more business-like operation. Since April 1, ITC and NAFTC have been two of the government's special operating agencies reporting to my department and the Department of Rural Development, respectively.

ITC provides a full range of technical services to Manitoba companies in various industrial sectors and also to departments and agencies of federal, provincial and municipal governments. Clients vary in size from start-up entrepreneurs and existing small companies to large corporations seeking specific complementary technical assistance. ITC is also a partner with the National Research Council in the Industrial Research Assistance Program.

SOA status will give the centre the flexibility and power to pursue its goals of becoming more self-sufficient. One of its main objectives is to increase fee-for-service revenues and reduce its reliance on provincial funding. We are working to establish a public-private partnership to operate the Environmental Sciences Centre. This partnership is expected to help to further develop a competitive entrepreneurial focus for ESC as it continues to provide its technical services and analyzing water, waste water and biological samples.

* (1710)

I would like to turn to Tourism, where my staff have been very active in promoting the attractions, heritage and wide range of recreational activities awaiting visitors to Manitoba. Our efforts, particularly in nearby American states, are generating a lot of interest in Manitoba, and I am very pleased that more Americans, as well as Manitobans, are choosing Manitoba as their travel destination. Toll-free inquiries in 1996 increased by 37 percent over 1994. Our Information Centre registrations also increased by 3.8 percent. My staff answered a total of 158,000 inquiries generated by phone calls through our direct marketing promotions and through Information Centre registrations. Overnight arrivals at Customs in Manitoba by U.S. residents in

1995 increased by 2 percent over 1994. The total number of residents of other countries visiting Manitoba in 1995 was estimated at 65,000, up 5 percent over 1994. Re-entries from the U.S. by Canadian residents through Manitoba border crossings were down 9 percent in 1995, compared with '94.

The Winnipeg hotel occupancy rate in 1995 increased 7 percentage points over '94. The '95 rural Manitoba/Saskatchewan occupancy rate was also up by 7 percentage points. The Tourism staff are working closely with many partners in the industry to initiate and support a number of key projects. These include the development of a tourism strategy to support the targets of the framework for economic growth document, co-operative market planning with the tourism alliance for western and northern Canada, co-operative marketing with the Canadian tourism commission support of the Pan American Games to be hosted in Winnipeg in 1999.

Mr. Chairman, the 1999 Pan American Games are an exciting opportunity for all Manitobans to showcase our province. I am proud of the efforts of both the government and Pan American Games Society and the private sector to prepare for this great event. We are working with the society to capitalize on business development opportunities arising from the games and have developed the Pan American Games economic development initiative to support the games and related opportunities.

The department's executive director of Tourism is leading this initiative. The potential for tourism development has been identified as a key area of the initiative. Plans include such key things as product development opportunities, accommodation enhancements and infrastructure upgrading. Much of our thrust is based on the belief that growth in the north-south trade and tourism will generate important benefits for our province. This complements the larger efforts of the department to increase trade and opportunities south of the border.

Mr. Chairman, our efforts to keep taxes down, reduce Manitoba's debt, achieve and maintain a balanced budget and work as partners with business, instead of as a break on our initiative, have produced an economy that is well positioned to take Manitoba into a prosperous future in the next century. We look forward to the continued challenge of an opening up of Manitoba to the world in

sending out Manitoba's message, all-Manitoba message, to our trading partners about the opportunities available in our province.

I am extremely pleased to introduce the department's Estimates, and, in my conclusion, I would like to, as well, make an announcement and produce a press release for the first time for the member. If I have the opportunity to read this into the record, I will: Business loans surpass job creation targets—again, important information. Manitoba government loans for business expansion have created hundreds of jobs, Industry, Trade and Tourism Minister Downey has indicated—and this is referring to the press release. The annual job audit for the Manitoba Industrial Opportunities Program, known as MIOP, showed businesses assisted by the program created a total of 1,875 jobs by the end of 1995, 837 more than contracted under the original loan agreement schedules. The results of the audit confirmed that Manitoba businesses are ready and willing to create jobs.

I think it is important to note, this is an audit which we have had done. I think the aim of the program is to encourage and lever greater investments; \$71 million of MIOP investment has created some \$257 million in private capital investment. The benefits are something like, \$1 that has been invested by the province or expended by the province has generated a \$4 return for the people of Manitoba. It is a program that is working extremely well. The success rate of the people who were involved in this program has been excellent.

I just want to say, Mr. Chairman, I want to again acknowledge the work of the Department of Industry, Trade and Tourism across the board for their hard work and efforts in all the initiatives that have been put forward on behalf of the government, and I look forward to the debate that will ensue in the Estimates process.

I will table this press release. Thank you.

Mr. Deputy Chairperson: We thank the minister for those comments. Does the opposition critic, the honourable member for Crescentwood, have an opening statement?

Mr. Sale: Mr. Chairperson, I will put a few remarks on the record. I want to, first of all, acknowledge and be very clear that I think that there are some good programs in the department, particularly in the area of capital

leverage and in the extension of a much wider variety of Venture Capital and Venture Capital-like funds.

I think that over the last few years, the Canadian financial system has begun to recognize that its previously pretty hidebound approach to Venture Capital has strangled many promising smaller businesses, particularly, sole proprietorships that are beginning to start and cannot provide the kind of security for capital that has traditionally been required by pretty well all financial authorities of governments as well as banks. So I am pleased. I think the minister knows that I have supported the department's efforts to make a wider variety of Venture Capital arrangements available.

Let me say, as well, that I think it is important to be frank and direct in relation to what is happening in all developed nations' economies and, in particular, in the Canadian, and in this case, the Manitoba economy. There is a great struggle going on to reinvent our economies. The economy of 1996 is barely comparable to 1976, only 20 years ago. One looking back 20 years prior to that, to 1956, would see very few clear evolutionary patterns that were evident in 1956. We simply did not know what was going to happen to developed economies in terms of the explosion in the microelectronics field, the globalization of capital, in the development of service industries and in the tremendous development of value-added products. I suppose the clearest example for us in Manitoba are value-added agricultural products, but value-added products in general, I do not think anybody foresaw very clearly what was happening.

Now most economies in Canada and in developed nations have been struggling very hard with the trends that are evident in terms of job loss and job creation. We have had to run, as has every province in Canada, very, very hard just to stand still. I think it would be quite a bit more helpful to the public understanding of what is going on in our economy if the minister and the government were more forthright about the reality that many, many companies and individuals in Manitoba have made tremendous strides in replacing job loss in what are sometimes called smokestack industries but traditional industrial sectors.

With new jobs, there are all sorts of structural problems with those jobs. Many of them are part time,

quite a number are not high wage, they are modest wage or low wage. We know that the emerging economy is one in which people have very little job security. That is something that troubles families, worries families greatly. I think any of us who are in urban areas—I know the minister is from a rural area, but I am sure he is familiar with the anxiety in those areas as well. Many of us who canvass regularly know that the biggest single anxiety that people of working age have is, where will my job be next year? Will I still have this job or will it be another job? If I have another job, will it be anything like the quality of the job that I have got now? Perhaps, it will be better, but in many cases, the fear is that it will be worse.

* (1720)

I would just recall for the minister that well over 2,000 workers in CNR in Transcona have lost their jobs in the last five years, that those were good jobs, good wages and very, very few of them have found equivalent jobs. Most of them have found work, but the work has been of a substantially less secure nature at a lower wage.

I draw to the minister's attention something which I am sure he already knows, but the minister persists in putting on the record incorrect information or, perhaps at best, partial information about employment. I remind the minister that his department, Bureau of Statistics, issues a monthly report. If I go back to April 1994, just two years ago now, our seasonally adjusted workforce was 568,000; April '95, it was 565,000 people; April '96, 565,000 people. So there has been a very slight, probably statistically insignificant, shrinkage in our labour force. The Canadian labour force during that period of time has grown from 14,800,000 to 15,100,000. Not huge growth, but in the order of 300,000 growth.

If we look at the actual employment in the months in question, in April 1995, 512,000 people were employed in Manitoba. It does not much matter if you go to seasonally adjusted or not, it does not change the number at all. This year, in April '96, 513,000 employed. So the minister is partially correct that in the middle of 1995 there was growth and employment, but by the fall and winter of 1995 that had all disappeared. We were back to where we were a year before. So I think it would be considerably more helpful if the minister would perhaps simply put on the record that the government has been

able to assist Manitoba businesses to create a number of jobs and that the job-creation rate has approximated the job-loss rate, and so we are running very hard and we are standing still. That is maybe not a bad achievement in the kind of economy that we are in.

But, when the minister tells Manitobans that there are 10,000 more jobs, and the Manitobans that I meet at the door and that he meets at the door still have sons, daughters, relatives, friends and neighbours who cannot find work, the result of that is a loss of credibility. A loss of credibility for the government and a loss of credibility for governments in general, whether it is this government or any other. I think that this minister knows probably better than any of us in this room that governments' credibility has been sorely tested over the last generation. It does not help that, when partial or less-than-accurate information is continually put out for the public's consumption, the public begins to say, well, this is interesting, but my experience and my neighbour's experience and, in fact, the numbers do not bear this out. So, in a sense, the emperor begins to be seen as having very few clothes on. That does not help government; it does not help Manitobans.

I would challenge the minister to be either more forthright or at least more complete in the information that is put forward. I point out that in April of '95 there were 46,000 unemployed; April of '96, there are 46,000 Manitobans unemployed. It is no change at all. If you go to seasonally adjusted numbers, it is the same, 42,000 in '95, 42,000 in '96. The unemployment rate is the same. Is that because the labour force has expanded? No, it has not. Actually, the participation rate has shrunk slightly; again, statistically insignificant probably, but a slight shrinkage of 0.2 percent. It is not a labour force change; it is not a participation rate change. In fact, we have created a number of jobs in 1995-96, and we have lost a number of jobs in 1995-96. The net effect has been a wash, not an improvement.

I would also like to put on the record that the employment growth record of this government has been very, very modest at best. During the years in which the NDP government of Mr. Pawley was in power, Manitoba employment grew at about four-fifths of the Canadian rate. During the Conservative years, Manitoba has grown at about one-third of the Canadian rate in overall employment growth, so not only was Manitoba's

employment growth rate higher during the NDP years in government, but it was also closer to the Canadian average rate. We were both below the average rate, but the experience in Manitoba has been that it was substantially below during the Filmon years and only slightly below during the Pawley years.

If we go to actual jobs, Mr. Chairperson, during the years 1981 to '87 Manitoba realized 35,000 new jobs. The source of this number is Historical Labour Force Studies, Catalogue 71201 Annual, Statistics Canada 1995 issue. During the Conservative years 1988-1995, only 14,000 jobs were created. Now, those were tough years, and I have already put on the record that I think that all Canadian provinces have had to struggle during this very major structural adjustment to our economy, but for the minister to pretend that somehow the job creation record is different than that reported by Statistics Canada or the Manitoba Bureau of Statistics is not helpful to the record.

On average, during the NDP years 5,833 jobs were created. During the Conservative years 1,750 new jobs were realized on average. These data are available. I believe they were tabled in the House by our Finance critic, the member for Brandon, the Honourable Len Evans who is himself a statistician and of course worked for the Manitoba Bureau and for Statistics Canada at some points in the past. I would emphasize to the minister that I do not think this is about scoring points; this is about helping Manitobans to understand the structural changes that are going on in their economy, being with them as they recognize that they are running very hard to stand still, that in fact we still have an unacceptably high rate of unemployment.

If I might draw the minister's attention in fact to one of the things that government has been very proud of in Manitoba is the youth unemployment rate. Well, the youth unemployment rate year-to-date average both sexes is up January to April '96 over January to April '95. For 15- to 24-year olds both sexes, it is 15.1 percent now. It was 13.8 percent a year ago in that same period of time. So again, it would be helpful I think if we talked about the real world and then talked about what the government was doing to deal with that, rather than pretending the real world is different than it is and thereby inviting people to disbelieve government because of the reality of their own experiences.

In relation to trade data, Manitoba's export performance has been very strong, and there is nothing but celebration to have about that. I think that is a very, very good record; however, the net trade balance remains to be something of concern to us all. We have a negative trade balance of approximately \$650 million which means in effect that we are shipping \$650 million out of Manitoba each year to deal with that trade balance, we are buying more than we are selling.

* (1730)

In the case of the United States, the minister makes a strong case that exports to the United States have grown strongly, and indeed that is correct, exports grew by approximately 21 percent in my most recent data which is the end of 1995. But we still have a trade imbalance with the United States that is very, very significant. A trade imbalance last year was in the order of \$1.280 billion for the year which means again that in relation to that particular trade sector, we are shipping \$1.2 billion dollars to the United States from our very hard-earned income.

Mr. Deputy Chairperson: Order, please. I interrupt the proceedings of the committee. When we resume the proceedings, the member for Crescentwood will have 16 minutes remaining, if he wishes, on his opening statement.

The time being 5:30 p.m., the committee will recess until 9 a.m. tomorrow (Friday). Committee rise.

SPORT

Mr. Chairperson (Marcel Laurendeau): 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 Sport.

Does the honourable Minister of Sport have an opening statement?

Hon. Jim Ernst (Minister responsible for Sport): No.

Mr. Chairperson: I thank the minister for that. Does the official opposition critic, the honourable member for Radisson, have an opening comment?

Ms. Marianne Cerilli (Radisson): I will just make a very brief comment highlighting some of the areas that I am going to focus on because we do not have very much time once again, but I want to put on the record my very real and deep concern about the direction that this government is going with respect to the health and physical education curriculum and programs in the public school system and, indeed, for all schools in the province of Manitoba.

This is one of the areas that I want to ask the minister questions about, given his background and given the sport policy that is part of his responsibility. I am very concerned that, sitting around the cabinet table, given the Youth Secretariat, this government has backtracked on its commitment prior to the election to maintain physical activity as an important part of the school day for children.

I think that this is going to have a huge impact on sport and I think that the minister will have to agree that, if we go forward with the policy to reduce the activity time, whether it be by 40 percent or 25 percent, it is going to have an impact on the staffing levels of physical education teachers in the school system, and this is going to have a direct impact on the skill development of students in class. It is going to have an impact on intramural programs. It is going to have an impact on extracurricular competitive sports through the school system which will, in turn, have an impact on the amateur sport development programs throughout the province, on official development, on the volunteer coaching development, and, I would think, on every aspect because the physical educational professionals in the province play such an important role.

There is a very real concern that there will be fewer of them employed in the school system given the decision of the government to make it less of a requirement to have physical educators teaching in the area of physical education. We know that there are some school divisions, Portage la Prairie being one, I believe Beausejour another, where they are moving away from having physical education professionals teaching physical education. The requirement to have part of physical education become health education is going to make it easier for school divisions to have other teachers besides physical education teachers teaching phys ed. This is going to also have implications for safety and for the

quality of the kind of programming that kids are going to receive. So that is one of the issues that I am very concerned about.

The other thing that I am going to delve into is the whole transition to the new Sport Manitoba agency with the provincial government. It has been a couple of years since this was first introduced, and now it is implemented. I have a number of issues that I want to address with respect to the functioning and the priorities, I guess you could say, of Sport Manitoba, and I, hopefully, will get time to touch on the Pan Am Games and a few other issues in the time that we have.

So with that I will conclude my opening statement, and we can get right into questions.

Mr. Chairperson: I thank the critic of the official opposition. At this time we would invite the minister's staff to enter the Chamber.

The honourable minister would like to introduce his staff present.

Mr. Ernst: The staff present today is Mr. Jim Berry, who is the Director of Community Support Services, and since the implementation of Sport Manitoba, as there are no staff of the provincial government anymore, we have Mr. Berry who does the administrative side of things for the sport function amongst many other things for the government.

Mr. Chairperson: We are on item 28.1. Sport (a) Sport Manitoba \$10,260,000.

Ms. Cerilli: Maybe I will start off by asking a question related to both Sport Manitoba and the curriculum changes vis-à-vis physical education and health education, and I want to ask the minister to explain the position of Sport Manitoba regarding the reduction in physical activity time in phys ed classes in our schools.

* (1630)

I know that at the Forum 3 there was a representative of Sport Manitoba who did express concern at that public forum, outlining some of the concerns that I just did in my opening statement, that it would have an impact on sport. So I am wondering if the minister could tell us what position either has been communicated to him or if he is aware that there has been some discussion of this

with the Sport Manitoba groups or at the board level about the implications that this is going to have on amateur sport in the province.

Mr. Ernst: Mr. Chairman, the Sport Manitoba board has not communicated anything to me, either verbally or in writing with respect to physical education issues, nor am I responsible for those. The Minister of Education (Mrs. McIntosh) is responsible for the physical education aspects of things, and while sport certainly has an interest, it is the responsibility of the Department of Education to deal with physical education, not the Department of Sport.

Ms. Cerilli: I am wondering if the minister would clarify two things. Was the decision regarding physical education a cabinet decision? Did that kind of proposal of major curriculum changes come to cabinet, first of all, and, secondly, was the minister not at the forum when the representative from Sport Manitoba made the comments about the impact that this is going to have on amateur sport?

Mr. Ernst: Mr. Chairman, to answer the last question first, no, I was not present at the time that the member raised the issue.

With respect to how—I quite frankly do not remember whether it came to cabinet or whether it was a decision made directly within the Department of Education. There was collaboration and discussion about it. I raised the issue of our commitment under the sport policy for quality physical education. The minister indicated, and I support—and I think basically the phys ed teachers also support the issue that physical education is not simply running around the gymnasium or running around the playing field.

Physical education is considerably more than that, and the responsibility, I think, of physical education teachers will evolve ultimately through the new curriculum into attempting to instill in students a lifelong desire for active living, a lifelong desire to be physically active and to respect and understand the benefits that they get out of being physically active, whether that has to do with sport or some other kind of activity.

The fact of the matter is, it is not good enough anymore. Phys ed teachers have told me they understand

that and that they have some work to do themselves with respect to ensuring that once students leave the school system, they still have that understanding, and, hopefully, they will have the desire to want to continue with physical activity long after they have left school and understand and respect the benefits they get out of physical activity throughout their entire life, not just during the few years that they spend in the K-12 system.

Ms. Cerilli: I hope the minister is not suggesting that running around the gym is all that occurs now in physical education in schools in Manitoba, because that is not, and there is a lot of time and effort that goes into trying to create a fair, an interesting, a participatory environment where young people can develop skills, sports skills, so that they can indeed, as the minister is saying, leave high school with the propensity to participate in physical activity. I wonder if the minister would agree that the way to do that is to have some skill development in sports, that you are not very likely to go swimming if you cannot swim. You are not very likely to play tennis if you cannot indeed swing a racquet, and I am wondering if the minister will agree that it takes attention and activity time in physical education to develop those skills so that people are more likely to participate outside of the school day, and if this is not going to negatively affect the ability for schools to develop that kind of propensity in students.

The other thing that I cannot accept—and I would encourage the minister to consider carefully his comments that phys ed teachers are accepting this, because I have gone through this with the Minister of Education (Mrs. McIntosh). I can assure you that I have numbers of letters, and I have received additional letters from individual teachers, as well as from the Physical Education Teachers' Association that they do not support this. They figure they have to perhaps go along with it because the government has a majority and they have no choice, but they do not see, and neither do I, and neither do we in the NDP, how it is going to help anyone's health or physical activity to take away phys ed time to teach health. I would encourage the minister to tell me if he agrees with that, and I would support having more health education in high schools.

I would support what he has said about encouraging young people, as the Minister of Education has said, to have more attention so that they learn the benefits of

physical activity in what they are doing, and I know many phys ed teachers include that in their curriculum and their classes already, but I think to suggest that taking away physical activity time to accomplish that is the best way to go. I think it would be much better to have that attended to in additional time, and I am quite concerned that that additional time was first of all eroded when the government removed health education as a required course in the core curriculum. So the minister and the government are contradicting themselves. If they think that health education is so important, why did they remove it as a required course from the kindergarten to Grade 8 level?

So there is, I think, a misguided attempt here to make more room in the school day, and I want the minister also to comment on the number of studies that I have referenced in Question Period. I have studies from the Women's Directorate, for example, of this government that have shown that girls participating in phys ed right through to Grade 12 see all sorts of benefits, everything from increased likelihood of going on in education after Grade 12 to less likelihood of unplanned pregnancies. We have studies from the—I just want to find out who did some of these. I referenced 49 studies anyway, and one of the key points is that they not only speak to the health benefits, but also that increased physical activity benefits academic learning, because it benefits healthy self-esteem and concentration, the ability to stay focused and not get into discipline problems.

So what I am suggesting is that the minister could have a lot of support to take to cabinet and to take forward to the Minister of Education (Mrs. McIntosh) to support his Sport policy, which has the very good recommendation there of encouraging mandatory physical education from kindergarten to Grade 12. The back-to-basics approach that the Minister of Education is trying to take in having more time for math and other core subjects, there is no research that is going to support that. All the research points to having healthy, active kids as support for academic improvement.

I am very concerned that the minister has said he supports this move and agrees that the way to go is to take physical activity time away from kids not only at the high school, but right on down to kindergarten when kids, I think, have a difficult enough time of sedentary classroom requirements and they need time to be active.

We know that there has been a 50 percent increase in obesity. I think 40 percent of all kids under 10 are obese, and we have to have some public policy that is going to address that. This, Mr. Minister, is going in the wrong direction.

So maybe you can respond to some of those issues I have raised in terms of the studies that support increased physical activity, some of the government's own studies, The Health of Manitoba's Children is the other one I was thinking of. Also, the whole issue of taking away physical activity time to teach health is like defeating the purpose.

* (1640)

Mr. Ernst: Well, there were 20 or 30 questions elicited by the member, and I am going to try and remember at least some of them. First of all, let me say that, with respect to whether physical education teachers agree or do not agree with what I said earlier, in my office sat the members of the executive of the physical education teachers supervisors group as well as the Physical Education Teachers' Association, and concurred with that statement. Now, the member may have letters from other people. They may not be what their executive members said, but they sat at my office and said that, so I can only go on the basis of what they told me.

With respect to the question of health as being taught on some physical activity time, there may be a gross misunderstanding somewhere along the way, but the intent, I believe, and I believe that is also the intent of the Department of Education, is to, as I said earlier, try and instill in people a lifelong interest in physical activity, to learn the benefits of that physical activity, not necessarily to teach the historic type of health curriculum, but under the new phys ed curriculum to include as part of that some understanding by the students of the benefits they get from doing the physical activity.

If they understand that, Mr. Chair, then hopefully that will carry with them for their life after they leave school, which is a considerably longer period of time than the time they actually are in school.

With respect to the physical activity, yes, I agree with the member. It is important to learn those skills, the motor skills that are associated with it, the skills

associated with individual sports, and the more proficient they are at it, very likely the more they will enjoy it. But the fact of the matter is it is a much broader situation than simply just learning certain skills; it is that understanding of the lifelong benefits of physical education, or physical activity rather, that I think needs to be instilled. I had concurrence with that from the Phys Ed Teachers Association executive and the phys ed supervisors association executive, who sat in my office as we discussed this for some considerable period of time on at least two occasions. So it may not be the be-all and end-all, but I think progress is being made.

The fact that the Department of Education now is going to employ a full-time phys ed co-ordinator, something that was done away with a couple of years ago, I think is important. I have approached the minister with respect to continuing the grant to the Phys Ed Teachers Association for them to continue with their work, and I am hopeful that the minister will see fit to be able to continue that because I think it is important. Perhaps without blowing my horn too much, I was instrumental in having that done in the first place, to have a contract taken with the Phys Ed Teachers Association in order to continue and to do some of the good work that they have been doing over the last period of time. That is with the former Minister of Education.

As I say, it may not be everything that everybody wants. I think it is a good start. I think that the new curriculum will go a long way to defining what people mean in terms of the so-called academic portions of the phys ed program that attempt to instill into people an understanding of what the benefits are of physical activity and why they should continue it for the rest of their life, not just while they are in school. It is not just an opportunity to get out of the classroom, not just an opportunity to avoid doing academic work, but rather to understand that there are significant health benefits.

Ultimately, everyone will be a winner in that, Mr. Chair. First and foremost, of course, will be the individual. If they learn and understand that physical activity, sustained over their lifetime, is something that ought to be done because it is good for them, and they can not only learn to enjoy the time they spend at that but know of the benefits of doing that, I think they are much better off in terms of their own health for the rest of their life.

Certainly, the Department of Health and the hospital system, the medical system that we have in this country, will be better off because we will have less people accessing the system for a wide variety of ailments that might well be prevented by virtue of the fact that they are physically active over their lifetime. Society in general will be better off because we will have a much healthier population, a more active population, ready to do the kinds of things and that activity will transfer into the volunteer community into a host of other benefits that accrue to society as a whole.

Mr. Chair, I do not disagree with the member; I am not sure of what she has said. I guess it is a matter of degree, a matter of what focus you want to take. I do not subscribe entirely 100 percent to the fact that the only benefit coming from a new phys ed curriculum that deals with both aspects, both the physical, actual activity and accruing benefits, that hopefully the students will learn. I think that the latter part plays a role, certainly a significant role, in the long-term development and long-term health of people and is something that ought to be pursued.

So as I say, I do not necessarily disagree with much of what she said, but I think at the same time we hopefully can see some considerable benefit from the academic portions of the phys ed program which will hopefully instill in that student the benefit for the rest of their life.

Ms. Cerilli: There are a number of things I want to pick up from what the minister has said. Is the minister aware that the Minister of Education has given the superintendents and principals a directive March the 22nd that for this year, until the new curriculum comes in, phys ed teachers are supposed to be integrating community health, social emotional well-being, safety, dental health, nutrition and family life, life skills, drug awareness and mental well-being into the physical education class? Is the minister aware of that?

Mr. Ernst: No.

Ms. Cerilli: This is part of the reason I have been asking questions of the Minister of Education in Question Period about this. Because what has happened is in the meantime, until we get the new curriculum, this directive has gone out, not to phys ed teachers but to the principals and superintendents who are now doing the hiring and doing the scheduling for next year.

What my concern is, is before we get the new curriculum we are going to have this erosion of the people in the schools that are going to be qualified to teach physical education, and I know that there has been correspondence exchanged that suggests that there are actually going to be 75 percent physical activity in the new curriculum, and not as this document says only 60 percent physical activity. So I am wondering if the minister could—

* (1650)

Point of Order

Mr. Ernst: This is all very interesting and I would be prepared to have some discussion about it, but I think the member is really overlapping into the Department of Education. I am not privy to all of the things that go out of the Minister of Education's office, nor am I responsible, Mr. Chairman. Well, as I say, it is all very interesting and it may have some relevance, I think that portion of it has well been covered in the last few minutes and that to continue on with letters from the minister to the schools and what portion of time and so on is going to occur is not relevant to the Estimates of my responsibility, nor can I respond appropriately because I am not aware of all the things that the Minister of Education (Mrs. McIntosh) has said or done or written or anything else.

Mr. Chairperson: Order, please. I have been listening very intently to the line of questioning that the member for Radisson (Ms. Cerilli) has been posing. Her line of questioning has been posed towards your opinion, or are you aware of within the area of Sport, even though it did come under a different category, under Education. The minister does have the option of not answering the question, but only under Question Period would she be going within the rules of relevancy. As long as she is dealing or asking your opinion within this line of questioning, she would be relevant to this line. So the honourable minister did not have a point of order.

* * *

Ms. Cerilli: Basically, given all of that information for the minister, and I appreciate that he was honest and said that he was not aware. There is different information that is going to the physical education professionals and to the

superintendents and the principals. What I am wanting the Minister for Sport to do is bring forward his concerns as the Sport minister, as the former Minister for Fitness, that this is going to have a serious effect on the future of sport and on the future fitness of children and youth, and that in the short term the confusion and the scheduling and hiring of physical education professionals is going to be compromised.

So I am asking if you will have another discussion on this with the Minister of Education (Mrs. McIntosh). What I have asked specifically is for her to send out all the same information to all the people in the school system, that if the intent is eventually to have a curriculum with 75 percent physical activity time, that information should go this year now to all the principals and the superintendents, and that has not occurred, and that is what I am concerned about, they are hiring and they are scheduling now for the coming year.

I will give the minister a chance to respond to that before I carry on.

Mr. Ernst: Okay.

Ms. Cerilli: I am wondering if you will also agree, given that the Department of Education first of all eliminated health education as a required course, kindergarten to Grade 8, and some people think that making that an option is simply so that there is less of a likelihood that certain topics that are controversial in schools will not have to be taught—drugs, sexuality, all those things that are taught in the health curriculum, kindergarten to Grade 8—that some people think that is the reason behind moving away from mandatory health education.

Regardless of that, because the minister had said what he thought the intent of it was; it was to have students understand why they are doing physical activity, but perhaps it is a different reason. But then the real issue, and the point I want to make is, given that they have reduced health education, will the minister not agree that it does not make sense to reduce physical activity time to teach some of those health topics, especially some of the health topics that are being included in physical education, and would he not discuss that as well with the Minister of Education, that there are serious implications this is going to have on the future fitness and ability for sport participation?

Mr. Ernst: The member can surmise all she wants as to the motivations of people and so on. I am sure she has covered all of this with the Minister of Education during her Estimates. My understanding of the issue is, as I have said before, that if you teach children in the school system the benefits of being active, what it does to their body, how it develops their body, how it prolongs the life of their body and how it will prevent susceptibility to illnesses in the future, it will make their life much more pleasant over its entirety, I see nothing wrong with that.

In fact, I think that is a major benefit of teaching those portions of health to the students as part of a phys ed program. I think they will get more out of that ultimately over their total lifespan than they will out of pure physical activity. I think they will get more benefit because they will be able to carry that thought, those precepts, that information, that benefit that regular physical activity over their lifetime will benefit them much, much more than simply another 10 or 15 minutes of physical activity time while they are in the school system. That, in the overall scheme of things is pretty small.

The benefit they get out of the education portion of that or the academic, if you like, education portion of that will carry with them for the rest of their lives. If they accept it, understand it and believe in it, then that physical activity time over the rest of their lives will be much, much more beneficial to them in the overall scheme of things.

Ms. Cerilli: I am wondering if the minister is familiar with the term "experiential education" and if the minister would not agree that especially with sport skill development, that repetition is an important component and that if we are serious about teaching to the whole child in our school system, that phys ed activity is one of the few times in the day when they get some attention to their physical being, and it is an opportunity to learn by doing.

I know that a lot of the phys ed teachers are going to struggle to find ways of teaching some of the topics that are going to be introduced into phys ed, the health topics. They are going to find ways of teaching those in an active way. I am concerned by what the minister is saying, that he would not acknowledge that experiencing activity and fitness is a better way of learning it, rather than just

learning about it in a book-learning fashion or in a nonexperiential way.

I am not going to spend too much time on that anymore, but the minister can respond to that because I know that the teachers are going to try and find ways of teaching some of the health topics in an active way and in an experiential way.

The other thing I want to ask the minister specifically, though, is how he justifies this policy direction from cabinet vis-à-vis the very clear policy statement on sport that I believe was developed when he was the minister and how he can justify that the sport policy is so easily disregarded. As I understand it, one of the reasons for moving to the Sport Manitoba concept was to try and ensure that this sport policy that was developed under this minister would be more adhered to by the different funded sport agencies in the province.

I would like some explanation of how we can have a sport policy that says one thing, specifically saying that there should be a connection between sport and education, specifically saying that there should be encouragement for physical education from kindergarten to Grade 12—it talks about some of the things that I did, the importance of the development of sport leadership through the schools—and then on the other hand we have a government do exactly the opposite and reduce physical education time in the schools.

Mr. Ernst: I do not agree with the member that the only way of learning about fitness and active living is to do it, and certainly that is the way it is being done in current circumstances in many cases. I do not believe that just simply going into the gym for basketball practice or something along that line is the only way. It is not the only way. The member knows it is not the only way.

* (1700)

If you combine with that some—and how you do it, of course, is a different matter. You can well teach, for instance, the benefits of aerobics, to stop in the middle of an aerobic activity and say, check your heartbeat; check your lung capacity; what has it done to you, what do you think is happening to your body when you are doing this? I mean, there are a number of different ways, and I am not a phys ed teacher. I do not have the training. I do not have the experience that many of those professionals do,

and I support the work that the professionals do in the system.

Mr. Chair, they told me when I met with them that, yes, they would have to find different ways of dealing with those issues because they thought they were important, as well. Hopefully, out of the fact that you have the phys ed co-ordinator now in the Department of Education, and hopefully that as the new curriculum is developed, over time, those things will work their way into the system and that they will be beneficial to the student.

Really, I mean, the bottom line is, why are you there? Why do you have physical education at all? It is for the student. The student needs to benefit. The student needs to benefit in more than one way. The student needs to benefit in as many ways as possible, and by writing that kind of curriculum—whether the Minister of Education (Mrs. McIntosh) has said this or that or the other thing, I do not know. I am not privy to all of the things that go in and out of the Minister of Education's office or whether what the member says is even factual. It may be; it may not be. I do not know.

With respect to the sport policy itself, Mr. Chairman, that is certainly the objective. The objective has not been reached. We have further work to do. You know, and quite frankly that policy was developed in 1990. We are now six years later, and sometimes there are tradeoffs, particularly in the education system, where you need to spend a certain amount, perhaps more, time devoted to certain types of subjects. I mean, the student that graduates needs to be healthy, needs to have a healthy body, needs to have a proper attitude, but also needs to have some other skills in order to compete in the world, and that competition is getting tougher and tougher.

I do not want to go into all the other benefits of the blueprint for Education and the kind of benefits that come from enhanced curriculum. This is really not the time or place for it, but it is a goal. The policy was a goal. If it is achieved or achievable, or if there is a tradeoff somewhere along the line, that is the way things go, and it may have to be that ultimately the policy will have to be changed to meet the objectives and goals of other policies with the government.

Ms. Cerilli: I am going to table a document and send it over to the minister for his information. It is called, The

Evidence Behind Quality Daily Physical Education, Facts and Support. It was developed in March 1995, and it is a compendium of 49 studies which demonstrate the benefits of fitness and physical activity in the schools and for kids, young people. I am hoping that the minister will realize that the direction that he is supporting the government in going, in terms of education, is not only in violation of his policy, and I just want to remind the minister that it says, one of their objectives was to communicate to all members of the education system the value of sport within education in developing leadership, character and healthy lifestyles and that they have not set a very good example in this.

Also, the main point is that the direction that they are going with teaching more of the same, math and English and science and social studies, is not going to improve the academic performance of young people, that there has not been any research put forward in the Department of Education that is going to support that. Here is the research that supports more phys ed and activity time in education is going to have kids perform better. So, you know, I do not know if the minister has any studies that he is aware of that would contradict that, but I am concerned that the curriculum direction is misguided. I am disappointed to hear that the minister is supporting it.

Anyway, I want to move on to deal a little bit with Sport Manitoba. Maybe just to start off with some questions about the hiring of the CEO for Sport Manitoba. I have had some concerns expressed to me that this seems to be taking an awfully long time. The official launch of Sport Manitoba was the beginning of this fiscal year, as I understand it, April 1, 1996, and I do not recall when exactly the notice was in the paper for the position, but could the minister explain why this is taking so long; how many people have been short-listed; if we are at that stage yet, how many are being interviewed; and when we can expect the CEO position to be filled?

Mr. Ernst: I think the advertisement went in the paper in February, early February. The closing date was around mid-March or thereabouts. I think there were 170 applications for the position. I know that I spoke with the chair of the board not long ago with regard to this, and he indicated that they were attempting to arrange interviews with some of the people, although the qualities that they were looking for in a CEO of Sport Manitoba were not readily evident in the applications of many of

the people that filed them. Their view was that it required certain unique qualifications, and I know that—I am not directly involved in it, of course. The board of Sport Manitoba has a responsibility and is, in fact, conducting this search, but I know that when the Manitoba Sports Federation sought out a CEO for their organization, or whatever they call it, executive director, I guess, they had the same problem trying to find somebody with that right combination of skills that were necessary. But it is their responsibility. They will carry on and deal with it, and, ultimately, they will make a decision.

Ms. Cerilli: So we do not know when we are likely to have someone in that position? Do they have a target date? Do they now have a group of people short-listed that they think have the desirable qualifications? What are these qualifications that we are looking for that are not forthcoming?

Mr. Ernst: Mr. Chairman, I do not know exactly all of the details of what they are specifically looking for, nor do I know who or how many are short-listed. That is their responsibility, and they will conduct it. Overall, I am trying to take a fairly hands-off approach to the operation of Sport Manitoba. We charged 15 people with the responsibility of running Sport Manitoba organization. I think it is somewhat untoward for the minister to try and go in and micro-manage activities that are going on within the board and the operation of Sport Manitoba. So they are given pretty much free rein in terms of what they are doing, and if ultimately they do not perform, then, at least for those that are appointed by the government, we will seek other people to try and do a better job, but for the moment they have pretty much free rein, and I am reasonably confident that they will do the right job.

Ms. Cerilli: With regard to the staff that had been with the Sport Directorate that are now with Sport Manitoba, they previously were part of a collective agreement with the MGEU, I understand, and now they no longer are part of a collective agreement. I am wondering if the minister can describe the changes that occurred for those employees and how that occurred, how their salaries and benefits changed.

Mr. Ernst: Without going into a lot of detail, the individual employee that went from the Sport Directorate

to Sport Manitoba would not notice any difference. The salary levels, the benefits, the pension arrangements, I believe, they are continuing under the superannuation. For those who were government employees before were permitted to remain in the government pension plan, so that they would have no change. They will continue to make the same contributions and so on, and Sport Manitoba will make a contribution on their behalf.

* (1710)

The only area that might be a little bit different is in terms of vacations. I think the board of Sport Manitoba did not quite agree with the former vacation entitlements, but I do not think it is material, and certainly nobody has said anything to me about any concern over anything related to the transfer, how they are paid, what they are paid and what benefits they have. As far as I am aware, they are all quite satisfied.

Ms. Cerilli: I am just looking at the time, and I know I am going to have to move along quickly.

On a different area then, one of the concerns I have raised before with the minister, given Sport Manitoba, is that the sports are now expected to have a maximum of 25 percent, I understand it, of the funding that comes to them to go to administration. If that is incorrect, if I am misunderstanding that, maybe the minister can correct me, but I have had concerns expressed to me by sports that it is going to be difficult for them, because one director for a sport can perform a variety of duties that would be managerial, in the development area of their sport programs, in the elite area of their sport programs, and it is very difficult for them to know how much of their time goes towards strictly administrative.

So I am wondering how it is that the minister and Sport Manitoba have devised to oversee this. I mean, I look at the way that Sport Manitoba has broken down its organizational functions, and I can see that they have separated their finance administration from their sport programming, and, well, I will ask some questions about that in a minute, but just in terms of the sports, I have also been told that already there are some sports that have moved out of the building, that they have decided that it is going to be better for them to be outside of the building, and I think one of them, they are operating out of their home, the sport director's home. I have raised the

concern that the sports are worried that the way the money is going to flow is going to force them to have one director for a number of sports and that this is going to have a direct impact on the kinds of organizational work that can go on for the different sports.

When I look at the salary levels that have continued for the CEOs, or whether I should call them COs, for the directors, the staff people in the different sports, these are people who are earning, even after eight years of employment, less than \$35,000 a year. So they are not high-paid people, but, if they are going to have to manage more than two sports, especially, the impact, I am concerned, on the sports is going to be very serious.

I would ask the minister to clarify what his intention is with this limit of 25 percent on administration, if I am, in fact, understanding that correctly.

Mr. Ernst: I am, Mr. Chairman, not familiar with the 25 percent that the member refers to. Now, that may well be some position taken by the board of Sport Manitoba in a recent time. I am not aware of it.

In the funding agreement between Sport Manitoba and the government, there is a requirement that Sport Manitoba not spend more than 15 percent on administration. That is a carry-over from the same clause that was contained in the agreement with the Manitoba Sports Federation, who, in this agreement, is a successor to that. Generally speaking, the intent, function, in Sport Manitoba is to be as least interventionist as possible with respect to how individual sports operate.

In the past and continuing for this year, the Manitoba Sports Federation had a policy of providing salary support whether they wanted it or not. As a matter of fact, I am aware of one case where in fact it was attempted to be forced upon a particular sport, and to tell them—this sport did not have an executive director, and the Manitoba Sports Federation was encouraging them, very dramatically, to do that because they had money in their budget for that.

Again, it is up to the board of Sport Manitoba to decide, but I suspect what will happen in the future is that there will not be specific money set aside for salary support. There will be money allocated to sport and individual sport, based upon a variety of activities. If

they choose to spend it on hiring staff, that is their choice. If several of them decide that they should perhaps reduce the amount of staff that they have and join forces with another sport or two, that is their choice, but they will have an allocation of money based upon probably a certain—again, I am only speculating. Ultimately, the board of Sport Manitoba will have to make these decisions. I am not going to tell them how to do it, but I suspect that, ultimately, what will happen is that there will an allocation for program development, there will be probably some for elite athletes, and there may be a base grant of some kind for operating, but ultimately Sport will decide how they spend their money.

We did notice during the transition period when we examined all the sports that some of them have an inordinately high administrative cost. Some of that is corrected by the fact that the way they kept their books was not necessarily the most appropriate way in terms of allocation of time so that if somebody earning \$35,000 a year was executive director but did a bunch of other things they should be allocating portions of their time and of course portions of their salary then to those other things not to the job of the executive director administrator.

In fact much of that I think will be cleaned up because what is going to be required is that each sport is going to have to have an annual game plan to bring forward, and they will have to identify in there what they are going to spend their money on, how they are going to do it, what their programs are, what their development programs are, what their elite programs are, what their championship requirements are and so on.

This is not going to happen overnight. It is going to be an evolutionary process, and I suspect it will still take two or three years or more before some kind of system finally evolves out of the operation. But it is certainly not going to happen overnight, and for this year of course there is no change.

* (1720)

Ms. Cerilli: I think I want to ask a few questions about the bingo allocations. One of the other concerns that has been made is that—well, two things—the money is going to be reduced that can go to administration. As I understood, that is one of the purposes of going to Sport Manitoba is they want to make sure that more money is

going to go to athletes and coaches, okay. As I have just suggested, we are not quite sure how that is going to mean.

There is also a concern though that the amount of money raised through bingos for Sport is being reduced, that what is happening in the casinos is that less people are playing bingo because they are playing the slot machines and the VLTs, and that now they are going to staffing the bingos with Lottery staff, and that the Sports are having to provide less and less volunteers. The Sports are concerned that these two trends are going to mean that there is going to be less money available through bingos.

The other concern is if there is sort of a push being made that they do more independent fundraising, private sector fundraising, I am wondering if built into the Sport Manitoba structure there is any support to help the volunteer boards and the Sports organize corporate or other private fundraising. So I guess that is another sort of multipronged question, but I am just trying to get at the picture. I think that we are changing the picture for funding in the Sports, and the people that I have talked to feel that there is more of a push made, that they should be doing more fundraising on their own.

If that is the case, I am concerned that there be something built into Sport Manitoba that is going to provide the necessary training, help with making appeals and presentations to corporations to help organize fundraising plans, that kind of thing. I am wondering if that is going to happen through Sport Manitoba.

Mr. Ernst: Firstly, with respect to the question on bingos, the funding agreement between the government and Sport Manitoba has exactly the same number of bingos that they had before, and the dollar values for payment under those bingos is the same and will remain the same for the balance of the agreement.

So, for the next five years, there will not be any change. There are fixed values for bingos. I forget just exactly the names of them and so on; there are three different categories of bingo. There are three price structures. They have been the same for the last couple of years, and they are contained in the funding agreement between the province and Sport Manitoba at those numbers. That

agreement runs for five years unless it is terminated for one reason or another.

With respect to marketing, I think it is in the individual sport's best interest to try and seek out as much funding as it can from whatever source, not simply rely on the government to provide that. I would guess that, in the case of hockey, for instance, the government might provide, or Sport Manitoba might provide, 20 percent of the revenue that hockey gets. It gets a lot of revenue from other sources, but there is marketing staff that came from the former Manitoba Sports Federation.

I think over time that could well become the major focus within the supports available to individual sport through the Sport Manitoba model. That assistance for the kinds of things that the member raises—an excellent idea, and it ought to be pursued. I am sure that the board at Sport Manitoba will consider that, given that there is some availability at the moment. There is at least one staffperson who is involved in that activity, perhaps more.

Ms. Cerilli: Maybe I was not clear enough. As I understand it, from what the minister has said, it is that the total amount of money from bingos has not been reduced, but what I have is a concern expressed to me that the number of bingos that are being allocated to the sports, to a number of the sports, has been reduced, so that a given sport organization may have had 25 bingos last year and that this year they only got 20.

I do not understand, then, if there is change in just internally with which sports are getting more bingos and how that is working, but if there is no plan then to have the total number of bingos reduced for sport.

Mr. Ernst: The total number has not changed; the dollar value has not changed for sport. Now, individually, individual sports might have had a change for some reason or other, but the total allocation and the total amount of money have not changed.

There may be some reason, I would not suspect that there would be many because I think they are following the same funding pattern as last year, but in the overall scheme of things there are the same number of bingo days and the same value, so the total amount of money is not reduced.

Ms. Cerilli: Back to sort of the structure with Sport Manitoba, I am wondering if there will be plans or provisions for members from the different sports to meet and if that is maybe something they could initiate of their own volition. But let us say, all the executive directors wanted to meet on a regular basis or all the presidents of the different sports to meet on a regular basis, if anything like that is planned, because, again, it has been expressed to me that there is some sense that this may be a good structure, a good way for them to make plans and develop and compare notes. I am wondering if that is something that is being considered.

Mr. Ernst: I know that individual sports are quite free to meet on their own, and executive directors meet every day in the building there. There are meetings of all different kinds for a variety of purposes, many of them just informal discussions on a variety of problems that they have to deal with, but there is nothing prohibiting that. There is a provision for annual sport congress for all the sports to get together once a year to discuss issues related to sport. But again, over time, things will evolve that I think will be beneficial over—you know, people have lots of initiative.

Ms. Cerilli: One more question in terms of Sport Manitoba and I will lump it in with one question on the

Pan Am Games plans. In terms of Sport Manitoba, I just want to clarify the total number of staff that will be working, and in terms of the Pan Am Games I am wondering if the Facilities Development Fund, the \$20 million that is to be spent in facilities development, I am wondering if all the facilities sites have been selected and if all of the agreements have been made for the plans for all of the facilities, and if I can get that listing given to me.

Mr. Ernst: I am not 100 percent sure of the number of staff. I think it is 28, but I could be wrong. The other end of it, the facilities plan is not finalized yet, and I am expecting that by the end of June. I have requested them to do that, so I am hopeful that it will arrive on time.

Mr. Chairperson: The hour being 5:30 p.m., this committee is recessed until 9 a.m.

Ms. Cerilli: I am wondering if there would be leave to go past 5:30 so that we could complete the Estimates and pass the items on Sport.

Mr. Chairperson: Order, please. That will not be possible. We are not on Friday rules right now, and it is only when we are on Friday rules that this committee can extend its sitting time. So the hour being 5:30 p.m., this committee is recessed until 9 a.m. tomorrow (Friday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 30, 1996

CONTENTS

ROUTINE PROCEEDINGS		Oral Questions	
Presenting Petitions		Healthy Child Strategy Doer; Filmon	3006
Teachers—Collective Bargaining and Compensation Review Kowalski	3003	Special Needs Children Doer; Filmon	3006
Home Care Services Maloway	3003	Video Lottery Terminals Doer; Filmon	3007
Santos	3003	Doer; Stefanson	3008
Barrett	3003	Gaming Doer; Stefanson	3007
Reading and Receiving Petitions		Social Assistance Martindale; Mitchelson	3008
Seasonal Camping Fees Lathlin	3003	Women's Poverty McGifford; Filmon	3009
Presenting Reports by Standing and Special Committees		BFI Landfill Site Lamoureux; Filmon	3010
Committee of Supply Laurendeau	3003	Urban Aboriginal Strategy Robinson; Filmon	3011
Tabling of Reports		Education System Friesen; McIntosh	3012
1996-97 Departmental Expenditure Estimates for Manitoba Community Support Program; 1996-97 Departmental Expenditure Estimates for Canada-Manitoba Infrastructure Works Program Stefanson	3003	Mihychuk; McIntosh	3012
		Manitoba Public Insurance Corporation Maloway; Filmon	3013
Ministerial Statements		Speaker's Rulings Dacquay	3014
Alliance of Manufacturers and Exporters of Canada Downey	3004	Members' Statements	
Sale	3004	Youth Crime Parental Responsibility McAlpine	3015
Seniors Month Reimer	3005	Women's March Against Poverty McGifford	3016
Santos	3005		

Morden Kinsmen Club 1996 Kinsmen Community Service Award Dyck	3016	Bill 53, Nelson House First Nation Northern Flood Implementation Agreement Act Praznik	3021
Speaker's Ruling Challenge Lamoureux	3017	Bill 33, Education Administration Amendment Act McIntosh	3021
Nellie McClung Status of Women Barrett	3017	Bill 45, Consumer Protection Amendment Act Ernst	3022

ORDERS OF THE DAY

Second Readings

Bill 56, Manitoba Investment Pool Authority Act Stefanson	3018	Bill 35, Child and Family Services Amendment Act Mackintosh Martindale	3023 3024
Bill 57, Public Sector Compensation Disclosure Act Stefanson	3019	Committee of Supply Government Services	3025
Bill 52, York Factory First Nation Northern Flood Implementation Agreement Act Praznik	3020	Industry Trade and Tourism Sport	3028 3036