



Second Session - Thirty-Sixth Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS  
(Hansard)**

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The Honourable Louise M. Dacquay  
Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

**Members, Constituencies and Political Affiliation**

<b>Name</b>	<b>Constituency</b>	<b>Party</b>
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, June 6, 1996

The House met at 1:30 p.m.

*PRAYERS*

**MATTER OF PRIVILEGE**

**Document Tabling**

**Hon. Brian Pallister (Minister of Government Services):** Madam Speaker, I rise on a question of privilege which I will follow with a substantive motion.

**Madam Speaker:** The honourable member for Portage la Prairie, on a point of privilege.

**Mr. Pallister:** Madam Speaker, Beauchesne's 6th Edition, Citation 27, states in part that questions of privilege ought to rarely come up in our House and that when they do, they are serious matters. The matter I raise today, I consider to be a very serious matter.

My question of privilege deals with the question asked by the honourable member for Elmwood (Mr. Maloway) in yesterday's Question Period and the document which he tabled at that time. I am raising this matter at the earliest opportunity, as I had to await Hansard in order to ascertain the accuracy of the statements made by the honourable member.

In this question of privilege, I will attempt to show that the honourable member for Elmwood deliberately misled the House yesterday. The honourable member for Elmwood posed the following supplementary question yesterday: "I would like to table copies of the annual report of Fleet Vehicles Agency Advisory Board, 1994-95, and I would like to ask the minister to explain to us why the original copy of the annual report given to us had both of these people listed as members. Could he explain that, and why the report was changed?"

Following this question, the honourable member tabled a document. The document tabled by the honourable member is indeed not from the 1994-1995 annual report of the Fleet Vehicles Agency. Madam Speaker, I submit for your consideration, the said annual report in its

entirety. As you and honourable members will be able to see, this document tabled by the honourable member does not exist. Further, a Special Operating Agency Fleet Vehicles Advisory Board has two and only two private sector representatives, and I will also table ministerial letters which are public documents relating to the appointments of those members of the advisory board.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. The honourable member for Portage la Prairie and the honourable Minister of Government Services has not completed his statement.

**Mr. Pallister:** As you, Madam Speaker, and honourable members will see, the people which the honourable member is so concerned about do not now nor have they ever been appointed to the Special Operating Agency Advisory Board.

Madam Speaker, Beauchesne's Fifth Edition, Citation 362, states: "It is the Member's duty to ascertain the truth of any statement before he brings it to the attention of Parliament." The documents which I have just tabled are all public documents. They are available to the honourable member and to his staff. By not availing himself and reviewing these documents, by not comparing the piece of paper he tabled yesterday with the documents readily available to the public, he clearly shows that he did not attempt to ascertain the truth about this matter before raising it in this House. That is his responsibility. That is his duty.

The document tabled by the honourable member for Elmwood (Mr. Maloway) has no clear identifying marks as to its origin. Therefore, the admissibility and legality of this document is in question. In fact, it differs obviously and significantly in format and in font from the documents which comprise the annual reports tabled by my department.

\* (1335)

I would refer you, Madam Speaker, to a ruling by Mr. Speaker Graham given on April 10, 1981, and by Mr. Speaker Rocan on November 14, 1988, in which both Speakers have ruled that documents, quote, that are unsigned and unidentified are incomplete documents and cannot be considered to be properly before the House.

Given the information I tabled earlier, clearly the document tabled by the honourable member for Elmwood is a fabrication. Erskine May in the 21st Edition states on page 118, It is a contempt to present, or cause to be presented, in either House or to a committee, forged, falsified or fabricated documents with the intent to deceive, Madam Speaker, in keeping with Madam Speaker Phillips's ruling of June 3, 1987, wherein she stated, 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. The documentation presented, I believe, proves this. Further, I would draw your attention to the last statement made by the honourable member wherein he states, quote: Could he explain that, and why the report was changed.

The aspersion made by the honourable member for Elmwood is that I, as an elected official, as a member of the Legislature, caused, or had influenced, another unnamed source to alter or misrepresent information being tabled in this House. Madam Speaker, I would refer you to the appendix of our rules headed Matter of Privilege, where it states: "Libels upon members and aspersions upon them in relation to Parliament and interference of any kind with their official duties are breaches of the privileges of the members."

The thought that I, or any of my colleagues, would alter documents and then table these altered documents in the Legislature, clearly casts aspersions about the integrity of every single member of this House. In light of the evidence presented, I feel that my rights and privileges as a private member have been violated.

I would offer the member the opportunity to rise and admit his misstatements today in the House. Failing that, I challenge him to produce the nonexistent annual report to which he referred yesterday and which yesterday he claimed was in his possession, and failing that, I move, seconded by the member for Turtle Mountain (Mr.

Tweed), that this matter be referred to the Standing Committee on Privileges and Elections.

**Mr. Steve Ashton (Opposition House Leader):** Madam Speaker, I am really looking forward to the comments from the government House leader (Mr. Ernst) on this particular document because one of the issues that arose in regard to this particular matter and one of the sources of our concerns and our questions was the quote from the government House leader in his capacity as the Minister responsible for Consumer and Corporate Affairs, who said: "I can more easily demonstrate it, I guess, with respect to the Fleet Vehicles Operating Agency which has people from the automotive industry sitting on that as members of the board."

Madam Speaker, I believe it is going to be very interesting because the Government Services minister—not the government House leader, I want to clear up that confusion—the Government Services minister I think may have to get involved with some discussions about that particular matter because our member raised a question in the House based on the comments in Hansard, June 7, 1995, and also in regard to the obvious discrepancy from the minister who, by the way, took five questions before he even answered the question, who was admonished by you on a number of occasions before he denied that there ever was any representation from the auto industry on this particular board.

Now, Madam Speaker, I want to indicate, too, that I am somewhat concerned with the Government Services minister who took the opportunity to do what he cannot do in any other way—to make a number of comments about the member for Elmwood (Mr. Maloway) which are unparliamentary, talking about deliberately misleading, forging, fraudulent documents, et cetera, and I find it unfortunate that the minister would use the matter of privilege to do that. He could have stated his case without using terms, all of which are unparliamentary.

But, you know, Madam Speaker, I think the Minister of Government Services (Mr. Pallister) fundamentally misunderstands the role of this Legislature. It is for members to bring to this Legislature questions, and in this case, questions based on comments by a minister of the government whom we have a lot of respect for and whose credibility I think is unquestioned, the government House leader (Mr. Ernst). When we asked the question,

we know the government House leader was not misleading the House on June 7, 1995, and we were faced with an obvious discrepancy.

\* (1340)

Madam Speaker, I find it interesting that in his comments, the Minister of Government Services talked about finalized documents. It is interesting because we have raised concerns about the Treasury Board document in regard to home care, which for some period of time the government again tried to deny the existence of. We have seen numerous cases where we have seen documents such as Treasury Board documents or draft documents that have later been altered. That is obviously something that is a standard, or denied in the case of the Minister of Health (Mr. McCrae).

Madam Speaker, I do not understand what the Government Services minister is saying, that the final document does not have any reference to Mr. Bob Kozminski—pardon me, Robert Kozminski, the CEO of Keystone Ford Sales and Jack MacIver, president of Midway Chrysler Plymouth. If the minister would have listened in Question Period, he was asked at what point in time were these two members on the board or any other members of the auto industry—we are relying again on the government House leader's comments as well as the information that was brought forward—what time were they taken off.

Madam Speaker, simply because, in a final document issued by this minister, those names no longer appear, it does not mean that they were not part of this process before. The government House leader admitted again, and I will read it again for the Government Services minister. I do not know how he could misunderstand the statement that there are automotive industry people sitting on the Fleet Vehicles Operating Agency—Hansard, June 7, 1995.

Now, our member raised the question for a very good reason, and that is to determine whether there was any potential influence from those individuals being on either as members of the industry generally or individuals. In fact, we will be very interested, I am sure, in Question Period to hear from the Minister of Government Services if any of these individuals and particularly Mr. Robert Kozminski, who is well known to the Conservative Party

as a major fundraiser for that party, whether indeed Mr. Kozminski has had any further involvement in the Fleet Vehicles situation. In fact, I can guarantee the Minister of Government Services, we will be asking that question. Perhaps he would like to get that information to help clear up that particular matter as well.

What we clearly have here is not a matter of privilege. The member knows that. What we have in this particular case is a minister who five times refused to answer questions, who has been asked questions based on Hansard and based on a document that was given to our caucus which we indicated very clearly was different from the final document. Madam Speaker, there are documents that are changed all the time.

The minister protests too much. We were only asking questions to find out what is happening. This is not a matter of privilege; it is an attempt by the minister who has refused repeatedly to answer questions on this issue. It is an attempt by this minister to cast aspersions on a member of the opposition who was doing nothing more than doing his job.

I would suggest to the Minister of Government Services (Mr. Pallister), whom I believe has shown in many ways a real contempt for this House, who refuses on a repeated basis to answer our questions, who makes condescending statements such as he talked about yesterday, talking about bottom feeders, I would suggest that he talk to many of the members of this House, including members on his side who have some experience with the legislative process and understand that there are 57 members of the Legislature. The other 56 have a job to do, and that includes asking questions of government ministers, including the Minister of Government Services. If he has a hard time answering those questions or giving straight answers, he should perhaps resolve that with himself and understand that in this Legislature we are all honourable members. The member for Elmwood (Mr. Maloway) is an honourable member. He is doing his job as a member of the Legislature and let us get on with the business of the House.

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, we take this issue quite seriously. We look at it from a perspective that we have information that is provided one day, other information is provided another day, and what is important here is that we have—some might classify it

as a dispute over the facts. I think that it is likely raised a little bit higher than that in the sense that we have documents that have been tabled from the government minister, from the opposition critic, and what is important is in terms of the integrity of all the MLAs that sit inside this Chamber. What I see is the questioning of the integrity of members.

\* (1345)

From our perspective, we listened to yesterday's Question Period as the member for Elmwood (Mr. Maloway) posed the question and provided a tabled document, which definitely left the impression that the government was being less than truthful, that there were in fact car dealers who were sitting on this particular agency. Madam Speaker, then we find out from the minister who says, no, that is not in fact the case, that the annual report does not say that there were dealers who were on it.

The question that I have—and I think that many Manitobans would have—is that someone is clearly wrong, and what makes it maybe a matter of privilege is the fact that there is a questioning of integrity of MLAs that is being put forward. For example, the document that was tabled and which I received a copy of, I took it as a direct copy of an annual report. Was it or was it not? People who were watching Videon would have had the same impression that I would have had. We have the minister who is saying, this is the annual report as I tabled. Was it or was it not?

Again, what makes it more than a dispute over the facts is that we are talking about documents that are being tabled and information is valuable to all sides of this House. We have to rely that that information that is being provided is in fact accurate. Sitting back watching the New Democrats and the government fight over this particular issue, we want to know in terms of, well, which information is in fact accurate. I think that is something which we hope ultimately will be resolved, and ultimately we will get an apology from the Minister of Government Services (Mr. Pallister) or the member for Elmwood (Mr. Maloway), but someone is definitely intentionally calling into question the integrity of MLAs and is in fact misleading this House.

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, the issue today here is a question, as raised by the Minister of Government Services, that relates to a document that was tabled yesterday and certain words surrounding that document.

Two days ago, I believe, the question was asked of the Minister of Government Services, how many automobile dealers sit on the board of the Fleet Vehicles Agency and how many, I believe, are from your constituency. The minister stood up and answered that question. The question was no, there were no automotive dealers sitting on the Fleet Vehicles Agency. Subsequent to that, the member for Elmwood (Mr. Maloway) tabled a document here yesterday in the House indicating that in fact two people were purported to be members of the Fleet Vehicles Agency, and that document, as the member for Inkster (Mr. Lamoureux) has indicated, would tend to lead one to believe that in fact this was an excerpt from a report.

The question of privilege now is, is it or is it not an excerpt of that report? The Minister of Government Services has indicated it is not and has tabled certain other documents. The member for Elmwood claimed to have that report, so it is fairly now up to you to rule. If the member for Elmwood has the report, let him table it now, let him prove his case. If it is not, let him stand up, withdraw and apologize, and if not, then the matter of privilege should proceed forward, but clearly aspersions have been left on the integrity of members of the House that are clearly a matter of privilege and ought to be addressed in a very immediate and clear way.

**Madam Speaker:** Order, please. I will put the motion on the record if I have the co-operation of all honourable members.

It has been moved by the honourable member for Portage la Prairie (Mr. Pallister), seconded by the honourable member for Turtle Mountain (Mr. Tweed), that this matter be referred to the Standing Committee on Privileges and Elections.

I thank all honourable members for their advice. As everyone knows, a matter of privilege is a very serious matter, and I will take the matter under advisement so that I can carefully research the documents that have been

tabled today and bring a ruling back to the Chamber at a later point.

## ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

#### Teachers—Collective Bargaining and Compensation Review

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, I beg to present the petition of Wayne Bradshaw, Hazel Hewitt, Wanda Austin and others urging the Minister of Education (Mrs. McIntosh) to recognize the true value of teachers and reject the recommendations made in the May 1996 paper entitled a report of the Teacher Collective Bargaining and Compensation Review Committee.

**Mr. Neil Gaudry (St. Boniface):** Madam Speaker, I beg to present the petition of Murray Schneider, Marlene Wylychenko, Jeff Milan and others urging the Minister of Education to recognize the true value of teachers and reject the recommendations made in the May 1996 paper entitled a report of the Teacher Collective Bargaining and Compensation Review Committee.

\* (1350)

**Mr. Gary Kowalski (The Maples):** Madam Speaker, I beg to present the petition of L. Risbey, H. Wroblewski, J. Bilowus and others urging the Minister of Education to recognize the true value of teachers and reject the recommendations made in the May 1996 paper entitled a report of the Teacher Collective Bargaining and Compensation Review Committee.

#### Home Care Services

**Mr. Stan Struthers (Dauphin):** Madam Speaker, I beg to present the petition of Russ Panagapko, Trudi Gunia, Eleanor Crozier and others requesting the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

#### Native Addictions Council of Manitoba Inc.

**Mr. Eric Robinson (Rupert's Island):** Madam Speaker, I beg to present the petition of Steve Courchene, Robert Flett, Arnold Fontaine and others requesting that the revised Statutes of Manitoba entitled The Native Alcoholism Council of Manitoba Incorporation Act be amended to reflect the change in name to the Native Addictions Council of Manitoba Inc., a change to the head office location, the number of members of the board of directors and amendment to the quorum required.

#### Pharmacare

**Mr. Doug Martindale (Burrows):** Madam Speaker, I beg to present the petition of Earl Mauro, Doris Mauro, Leona Peluso and others requesting the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to cut Pharmacare in 1996.

### READING AND RECEIVING PETITIONS

#### Teachers—Collective Bargaining and Compensation Review

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

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*THAT the May 1996 report of the Collective Bargaining and Compensation Review Committee is a direct attack on the collective rights of all teachers and consequently will negatively affect the quality of education in Manitoba; and*

*THAT by pursuing the direction and recommendations suggested by this report teachers will be stripped of any powers they have with regard to collective bargaining; and*

*THAT teachers by educating our youth to compete successfully in the knowledge based economy of the 1990s are generators of wealth; and*

*THAT any changes to the teachers' compensation process only be undertaken with the idea of improving the present system and not by attacking teachers' ability to bargain.*

*WHEREFORE your petitioners humbly pray 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

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

**An Honourable Member:** Yes.

**Madam Speaker:** Yes. The Clerk will read.

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

*THAT on at least six occasions during the 1995 provincial election, the Premier promised not to cut health services; and*

*THAT on December 16, 1995, a plan to privatize home care services was presented to Treasury Board; and*

*THAT this plan calls for the complete divestiture of all service delivery to nongovernment organizations, mainly private for-profit companies as well as the implementation of a user-pay system of home care; and*

*THAT previous cuts to the Home Care program have resulted in services being cut and people's health being compromised; and*

*THAT thousands of caring front-line service providers will lose their jobs as a result of this change; and*

*THAT profit has no place in the provision of vital health services.*

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.

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

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*THAT on at least six occasions during the 1995 provincial election, the Premier promised not to cut health services; and*

*THAT on December 16, 1995, a plan to privatize home care services was presented to Treasury Board; and*

*THAT this plan calls for the complete divestiture of all service delivery to nongovernment organizations, mainly private for-profit companies as well as the implementation of a user-pay system of home care; and*

*THAT previous cuts to the Home Care program have resulted in services being cut and people's health being compromised; and*

*THAT thousands of caring front-line service providers will lose their jobs as a result of this change; and*

*THAT profit has no place in the provision of vital health services.*

*WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Premier (Mr. Filmon) and the Minister of Health (Mr. McCrae) to consider reversing their plan to privatize home care services.*

### Teachers—Collective Bargaining and Compensation Review

**Madam Speaker:** I have reviewed the petition of the honourable member for St. Boniface (Mr. Gaudry). It

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

**Some Honourable Members:** Dispense.

**Madam Speaker:** Dispense.

*THAT the May 1996 report of the Collective Bargaining and Compensation Review Committee is a direct attack on the collective rights of all teachers and consequently will negatively affect the quality of education in Manitoba; and*

*THAT by pursuing the direction and recommendations suggested by this report teachers will be stripped of any powers they have with regard to collective bargaining; and*

*THAT teachers by educating our youth to compete successfully in the knowledge based economy of the 1990s are generators of wealth; and*

*THAT any changes to the teachers' compensation process only be undertaken with the idea of improving the present system and not by attacking teachers' ability to bargain.*

*WHEREFORE your petitioners humbly pray 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.*

#### **PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES**

##### **Standing Committee on Privileges and Elections Second Report**

**Mr. Jack Penner (Chairperson of the Standing Committee on Privileges and Elections):** Madam Speaker, I wish to present the Second Report of the Standing Committee on Privileges and Elections.

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*Your Standing Committee on Privileges and Elections presents the following as its Second Report.*

*Your committee met on Tuesday, June 4, 1996, at 2:45 p.m. in Room 255 of the Legislative Assembly to consider the report and recommendations of the Judicial Compensation Committee and to review the operation of the Children's Advocate section of The Child and Family Services Act.*

*At that meeting, your committee elected Mr. Dyck as its Vice-Chairperson.*

*Your committee adopted at its June 4, 1996, meeting the following recommendations:*

#### **MOTION:**

*THAT this committee recommend that the Judicial Compensation Committee report be referred to another sitting of this committee to be called as expeditiously as possible, and that the Provincial Court Judges be permitted to make a presentation at the sitting of the committee as they see fit and the committee shall advise of the meeting.*

#### **MOTION:**

*THAT the Committee on Privileges and Elections recommend to the House that this committee hold public hearings, including outside Winnipeg, on the Children's Advocate section of The Child and Family Services Act and report to the Legislature no later than the last day of the fall session of the Second Session of the 36th Legislature.*

**Mr. Penner:** Madam Speaker, I move, seconded by the honourable member for St. Norbert (Mr. Laurendeau), that the report of the committee be received.

**Motion agreed to.**

#### **Committee of Supply**

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

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

**Motion agreed to.**

### Standing Committee on Law Amendments Second Report

**Mr. David Newman (Chairperson of the Standing Committee on Law Amendments):** I beg to present the Second Report of the Committee on Law Amendments, by leave.

**Madam Speaker:** Does the honourable member for Riel have leave? [agreed]

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*Your Standing Committee on Law Amendments presents the following as its Second Report.*

*Your committee met on Wednesday, June 5, 1996, at 7:30 p.m. in Room 255 of the Legislative Building to consider Bills referred.*

*Your committee heard representation on bills as follows:*

*Bill 69—The Real Estate Brokers Amendment Act; Loi modifiant la Loi sur les courtiers en immeubles  
Cliff Palmer and David Deleeuw Winnipeg Real Estate Board*

*Your committee has considered:*

*Bill 7—The Medical Amendment Act; Loi modifiant la Loi médicale*

*Bill 69—The Real Estate Brokers Amendment Act; Loi modifiant la Loi sur les courtiers en immeubles*

*Bill 74—The Court of Queen's Bench Amendment Act; Loi modifiant la Loi sur la Cour du Banc de la Reine*

*and has agreed to report the same without amendment.*

**Mr. Newman:** I move, seconded by the honourable member for River Heights (Mr. Radcliffe), that the report of the committee be received.

**Motion agreed to.**

### TABLING OF REPORTS

**Hon. Gary Filmon (Premier):** Madam Speaker, I would like to table copies of the communique issued by the Western Premiers' Conference yesterday at Dawson City, Yukon.

### MINISTERIAL STATEMENTS

#### Manitoba's Export House

**Hon. James Downey (Minister of Industry, Trade and Tourism):** I have a statement for the House.

I thought it was appropriate to end this part of the session with some positive information for the House and the people of Manitoba.

In July of 1995, a number of key Manitoba building product manufacturers and related industries developed the concept of building a house for the Winter Cities convention which would assist them in promoting their products to export countries like Japan but which could also be utilized for delegations visiting throughout the year. These Manitoba companies were just beginning to export prefabricated houses to Japan, and this project was viewed as an opportunity to increase their exports.

The Export Building Products Initiative of Manitoba, as this group is now known, has completed construction of a 1,900 square foot model home to showcase Manitoba and other western Canadian products, service and expertise. The Export House is a co-operative effort of Manitoba's burgeoning building product manufacturers who see a very large and lucrative overseas market where housing technologies have been slow to emerge.

\* (1400)

The Export House was built at a cost of approximately \$400,000, of which support was provided from Manitoba Trade and Western Economic Diversification. Manitoba Government Services provided a temporary site on a

provincial parking lot. Approximately 40 Manitoba western Canadian companies supplied goods, services and additional funding.

The Export House was officially opened for the 7th International Winter Cities Conference held in Winnipeg from February 9 to 13. The house is located in the government parking lot across from the Convention Centre and will remain there until the close of the Pan American Games which are to be held in Winnipeg in the summer of 1999. The house is being used to showcase Canadian-made and particularly Manitoba-made building products for visiting trade delegations. It will also be open during the Home Expressions Show and other similar events held at the Convention Centre.

Since its opening in February of 1996, over 12,000 visitors have been through the house, including over 20 trade missions, the majority of which have been from Japan. There have been two requests to build identical homes in Japan to showcase Manitoba and the Canadian prefabricated house building products. The Export House has been such a success that the provinces of Alberta and British Columbia are planning to copy this initiative.

Since September of 1995, initiative member exports to Japan of prefabricated housing and building products have exceeded \$8 million. Initiative members have also started exporting products and services to Germany, United Arab Emirates, Saudi Arabia, Korea and Taiwan. As well, 12 initiative members will be exhibiting at Kobe Interhome Show in Japan in September.

Madam Speaker, the Export House has been featured in over a dozen foreign and domestic publications since it has been open. An added benefit for the construction of the Export House in downtown Winnipeg has been to increase export awareness among other Manitoba companies which are not currently exporting. We have also seen an increase in the number of visiting trade delegations to Manitoba who are primarily coming to visit the Export House. A major benefit of this initiative has been to bring together the various building product companies into one cohesive group to work co-operatively to secure additional export markets.

Madam Speaker, I would ask members to join me in congratulating the Export Building Products Initiative on

behalf of all Manitobans because it is a very innovative and successful concept. Thank you.

**Mr. Tim Sale (Crescentwood):** Madam Speaker, I am pleased to join in congratulating the Export Building Products Initiative which the minister has referred to in his press release. I have visited the home and it is an impressive showcase for Manitoba in its capabilities in the building products industry. It is also I think interesting to note that exports have gone to two of the hottest countries in the world, as well as some colder countries, proving that if you can keep it warm in the winter, you can keep it cool in the summer. So I think this is a very worthwhile initiative on the part of the export companies and Manitoba manufacturers concerned.

A problem, though, is that Manitoba had last year the worst record it has had in 40 years in housing starts. We can afford to apparently build very expensive houses to showcase our exports, but we are having difficulty providing housing for average Manitobans. In the 1980s, Madam Speaker, we had housing starts in excess of 6,000—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. I am experiencing difficulty hearing the honourable member for Crescentwood.

**Mr. Sale:** Thank you, Madam Speaker.

Madam Speaker, our concern is that our exports be strong but that our domestic housing industry be equally strong and provide housing for low income, moderate income and all Manitobans in affordable and stable and safe neighbourhoods. I hope the government will turn their attention to those concerns, as well as supporting these very worthwhile initiatives in the export industry.

### 1996 Community Round Table Report

**Hon. Leonard Derkach (Minister of Rural Development):** Madam Speaker, I have a brief statement for the House along with the tabling. It gives me great pleasure today to table the 1996 report of Manitoba's community round tables.

Since 1991, the Community Choices program of the department has provided rural communities and municipalities with the opportunity to establish round tables so they may begin planning their future. I am happy to report that there are currently 71 community round tables that have been established, involving more than 130 municipalities. In the meantime, some 59 community round tables have progressed to the point where they have identified vision statements outlining the direction in which they would like to see their communities grow.

For its part, my department has provided round tables with grants totalling \$230,000 towards the development of their vision statements. The report which I am tabling today offers a positive glimpse of how quickly and confidently communities are moving forward. The report contains the vision statements, goals, community accomplishments and proposed future actions of the round tables.

I encourage all members of the Legislature to read the round table report since it is a true insight into the creative and innovative spirit of rural Manitobans who have joined together to strengthen their communities. I would also like to offer my sincere thanks and my congratulations to all rural Manitobans involved in the round tables who are contributing to the growing optimism and success we are witnessing throughout rural Manitoba. Thank you.

**Mr. Clif Evans (Interlake):** I wish to acknowledge the minister's statement. I, too, here on this side of the House and members on our side wish to also offer our sincere thanks and congratulations to the many rural Manitobans who have been involved in round tables in the past little while and who will continue to be involved.

Round tables, as the minister has indicated, have provided communities with an incentive to develop their vision, and hopefully, through the round table discussions and all the necessary work that has to be done in rural Manitoba, we will soon see through the round tables discussions the vision of jobs, jobs that this government now has taken away from rural Manitobans, MTS being one of them.

Rural Manitobans are saying what is needed in rural Manitoba through the round tables, and I support them to

continue to tell this government what the real vision of rural Manitoba is, is jobs, jobs, jobs.

## TABLING OF REPORTS

**Hon. Eric Stefanson (Minister of Finance):** I am pleased to table the Quarterly Report for the Manitoba Telephone System for the first quarter, 1996.

## Introduction of Guests

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us today visitors from Port-of-Spain, Trinidad, here on an environmental management initiative between Port-of-Spain and Manitoba Environment, Dr. Daniel Chang, public health medical officer; Mr. Sayad Ali, chief public health inspector; Mr. Derek Cadet, chief building inspector; and Mr. Ricardo Revenales, senior work supervisor.

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

We had a number of schools in the public gallery this afternoon, and in the interest, I think, of recognizing them and being a little uncertain as to which ones remain, I will quickly identify them even though they may already have departed.

We have twenty-four Grade 12 students from Maples Collegiate under the direction of Mr. Gord Boyko. This school is located in the constituency of the honourable member for The Maples (Mr. Kowalski).

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

We also had students here from Elmdale School in the constituency of the honourable Minister of Natural Resources (Mr. Driedger), and forty-nine Grade 5 students from Souris School. This school is located in the constituency of the honourable member for Turtle Mountain (Mr. Tweed).

\* (1410)

## ORAL QUESTION PERIOD

### Health Sciences Centre Capital Projects

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

On March 16, 1995, the Minister of Health (Mr. McCrae) made commitments for capital expenditure for the health care system, a pre-election promise which included \$113 million for the Health Sciences Centre. On March 22, the first election promise made by the Premier of the province, the Leader of the Conservative Party, was to promise both jobs and health capital, and the Premier again promised to produce \$113 million for the Health Sciences Centre.

Will the Premier now overrule his Minister of Health and proceed with his election promise to proceed with capital expenditures in our health care system as he promised in the 1995 election?

**Hon. Gary Filmon (Premier):** Madam Speaker, I know that this question has been very well responded to in previous Question Periods by the Minister of Health, but the Leader of the Opposition is running out of material, so this is one of these. He believes, of course, in recycling. We wish that he would believe in reducing, rather than just recycling.

In any case, the fact of the matter is that, even although the Leader of the Opposition may not be aware, we have had a reduction of some \$220 million of transfer payments from Ottawa over a two-year period. In addition to that, the Department of Health is in the process of reviewing the configuration of the resources within the urban hospital system, the seven hospitals that service greater Winnipeg and the communities and beyond, and during that period of time it would be inappropriate to proceed with major capital commitments until decisions are made as to the final distribution of resources and services and functions within that system.

### Regional Health Boards Elected Boards

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, of course, the Premier has not always been in

the Chamber to answer those questions, but I guess that is out of order so I withdraw that statement. I withdraw the statement, but I did leak a document on May 13 and I thought the Premier would like to answer a question about his own promise and his own word to the people of Manitoba made some 30 days after the federal budget was produced, but this retroactive rationalization of breaking the Premier's word I guess is typical of the Premier's integrity in terms of keeping his own word to the people of this province.

I would like to ask a further question to the Premier. The government announced that when the Rural Advisory Committee reported on rural boards, the government was very positive about the report. The Minister of Health (Mr. McCrae) has indicated that the legislation on rural health boards follows the report. The report recommends mandatory election of rural and northern health boards in the process and legislation. I would like to ask the Premier, will he now overrule his Minister of Health and provide rural and northern Manitobans the opportunity to elect the rural and northern health reps, as indicated to many members of rural and northern Manitoba?

**Hon. Gary Filmon (Premier):** Madam Speaker, we know and understand the level of integrity that the member opposite brings to this Chamber each and every day. We do not have to comment on it because it is a level that most people would not aspire to, I can tell you.

I want to just indicate that one of the principles of any democratic process is that those who make decisions and recommendations with respect to expenditure of dollars should be responsible for raising those dollars. With respect to any group that gives advice to government about how the dollars ought to be spent, I think that they should also be in a position of taking responsibility for raising those dollars. Clearly, that responsibility rests with the government that is duly elected by the public, and those are the circumstances that we have to consider. That is a fundamental principle of democracy.

### Healthy Child Strategy Implementation

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, one of the other fundamental principles of democracy is a promise made should be a promise kept. All I was asking the Premier to do was keep his promise.

I asked him a further question on rural and northern health, and obviously he has not given much thought to that either, regrettably, in this Chamber.

A further question. The Premier also promised in the election campaign under the Healthy Child program to implement a number of proposals. In the Postl report, it reports that regrettably aboriginal children make up one-half of the beds at the Children's Hospital for 10 percent of the population. The report goes on to document a number of areas of provincial and federal responsibilities in terms of health care, a fact which was noted in the Premier's promise of March 30, 1995, to implement an aboriginal health strategy for the aboriginal children.

I would like to ask the Premier, why has he broken that promise and when will he get on with the Healthy Child strategy for aboriginal children, instead of fed bashing?

**Hon. James McCrae (Minister of Health):** If the honourable Leader of the Opposition would take the time to learn what is going on in health in Manitoba, he would learn that his critic for Health and I discussed at length the Postl report and the government's response to it and all the many, many activities that we are undertaking in furtherance of the Postl report, because we recognize, as the honourable Leader of the Opposition does, that aboriginal health issues are health issues for the whole country in Canada and in Manitoba especially. Dr. Postl's report points that out, and we have been making numerous efforts to address aboriginal health care concerns from the time of conception on.

#### **Mathias Colomb First Nation Health Concerns**

**Mr. Gerard Jennissen (Flin Flon):** Madam Speaker, my questions are also for the Minister of Health.

Before the election, this government promised to give aboriginal health concerns a high priority. As this minister knows, there are a number of serious health issues at Pukatawagan ranging from contaminated water to outbreaks of tuberculosis and contaminated soil under both the school and the nursing station and far beyond.

What action has the minister taken since last November when the Mathias Colomb health authority wrote to the

minister concerning the contamination at the nursing station?

**Hon. James McCrae (Minister of Health):** Madam Speaker, the honourable member knows full well that the aboriginal issues at Pukatawagan are issues between the band and the Government of Canada, but notwithstanding that, his predecessor, Mr. Jerry Storie, when he was a member of this House, raised a question respecting the water supply at Pukatawagan, and we, through Dr. Guilfoyle's office, raised the level of attention with respect to that matter. The federal government responded very quickly without really knowing what it was responding to. But it did anyway, and offered to spend millions and millions of dollars on the water supply situation there. There are other issues that come forward when they respect the public health. Our department has an involvement but the ultimate responsibility rests with the Government of Canada, and the honourable member knows that.

**Mr. Jennissen:** Would the minister and the Premier (Mr. Filmon) be prepared to go north with me at a mutually agreed-upon time to dialogue with members of the Mathias Colomb First Nation and examine first-hand the pollution and health issues at Pukatawagan?

**Mr. McCrae:** We have played an appropriate role in the past and whatever our role will be in the future will also be an appropriate one, recognizing the extent to which we have jurisdiction in these areas and the extent to which the jurisdiction rests with the federal government.

\* (1420)

#### **Mathias Colomb First Nation Health Concerns**

**Mr. Eric Robinson (Rupert's Land):** Madam Speaker, a couple of days ago we had an opportunity to meet with Chief Caribou, the elders and members of his community concerning some of the issues that were raised by my colleague the member for Flin Flon.

I would like to ask the Minister of Health what the status of the soil and air testing is at Pukatawagan and, as well, what role the province is playing in this particular investigation.

**Hon. James McCrae (Minister of Health):** I told the honourable member for Flin Flon the other day that I would be getting information for him, and I will check on that this afternoon.

**Mr. Robinson:** Considering that the people at Mathias Colomb First Nation are also Manitobans and, as well, regarded as Canadians, I would like to ask the Minister of Health if he will consider initiating a working relationship with the national government on a formal basis to protect the health needs of these people at Pukatawagan.

**Mr. McCrae:** There are various ways by which we can develop working relationships, and where we can do that, we will.

#### **Fishing Industry Boundary Lines—Lake Winnipeg**

**Mr. Stan Struthers (Dauphin):** My questions are for the Minister of Natural Resources.

Less than a year ago this minister promised to establish fairness in the commercial fishing rules on Lake Winnipeg. After wasting \$50,000 on a study which he promptly dismissed, he now supports the maintenance of an uneven playing field.

Why has this minister completely ignored the concerns of the north basin fishermen, such as the boundary lines?

**Hon. Albert Driedger (Minister of Natural Resources):** The member is right. We commissioned a study for the Lake Winnipeg commercial fishery because of the many problems that were evident there. When the report came in, it was distributed to all the interested commercial groups. I met with them. There was no agreement between all the groups as to what should be implemented. I challenged them for two weeks to see whether there was some unity in terms of how we would resolve some of the issues. They did not reach an agreement. As a result of that, I told them that failing that they would have some understanding among themselves that I would make some pertinent decisions related to the sustainability of the fishing industry in the lake, and I did that.

**Mr. Struthers:** Instead of hiring more consultants, will the minister bring representatives of all Lake Winnipeg commercial fishermen together and negotiate a long-term solution to the concerns of the north base fishermen before the situation worsens?

**Mr. Driedger:** Exactly what the member is asking has already taken place. I had everybody in Room 230, representatives from every group were there. We discussed it. Subsequent to that, there were more meetings that have been held. I have also indicated, because of the two decisions that basically I have implemented, I would be prepared to continue working with them to resolve this over a long period of time. However, I have to say that it takes co-operation of everybody to make a good policy, and we will be working towards that.

#### **Crown Corporations Privatization**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Premier. One thing has become very abundantly clear this session, the government has taken a hard turn to the right. We have seen the privatization of home care services, which is going to see a deterioration of the quality of home care services—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. The honourable member for Inkster, to pose a question.

**Mr. Lamoureux:** One could make quick reference to MTS and the loss that Manitoba is going to have as a direct result of that.

My question to the Premier is, would he not agree that privatization based on ideological convictions alone is going to in the long term hurt Manitobans—and ask the Premier specifically, will he give a commitment that he is not going to move forward with the privatization of MPIC and the privatization of Manitoba Hydro?

**Hon. Gary Filmon (Premier):** Madam Speaker, of course I could agree with that statement, because I believe that there has to be a stronger rationale behind it. It is interesting for a Liberal to raise that in the House when his colleagues in Ottawa are privatizing Canadian

National Railway. Now, presumably there is no ideological bias behind that. As long as it is being done for pragmatic reasons of benefit to Manitobans, benefits economically, benefits in terms of assuring that we continue to get high standard of services and the modernization that we need from the delivery of services, we will continue to do that, and that is precisely what is motivating us, is the best interests of the people of Manitoba.

**Madam Speaker:** The honourable member for Inkster, with a supplementary question.

**Mr. Lamoureux:** Yes, Madam Speaker, given that this government's right-wing agenda to privatize first, think later, is building Manitoba for the strong, not Manitoba which will be strong, will the Premier commit to the people of Manitoba that there will be no further privatization or, alternatively, to commit to an independent and public review of all future privatization proposals?

**Mr. Filmon:** Madam Speaker, I do not know who is writing the material for the member for Inkster these days but the fact is there is no right-wing agenda at play. What is at play is the best interests of the people of Manitoba. That is the reason we were elected to office, was to look after the best interests of the people of Manitoba, and that is precisely what we will continue to do as long as we are in office.

### The City of Winnipeg Government Commitment

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, I would ask if the Premier could indicate to the House what impact his inability and incompetence as a government has had on the City of Winnipeg, for example, with the whole BFI landfill incident, when now we hear that they are going to have to cut back some 24 recruits for the City of Winnipeg police department.

**Hon. Gary Filmon (Premier):** One thing I can assure the member opposite is that this government is committed to enhanced police protection for the people of Winnipeg and the people of Manitoba. We made a commitment to \$2 million for 40 additional police officers, and our agreement says that they must be in addition to those who are already there.

I can tell the member opposite that, if he wants to talk about competence in making decisions at City Hall, all he has to do is review the saga of stories that are coming out now about all the rationale that was given by the City of Winnipeg in terms of why it had to subsidize or provide incentives to Schneider's to go to Winnipeg, and he will know exactly who understands what is happening and who does not understand what is happening at the City of Winnipeg, and, regrettably, like in most things, he does not understand what is happening at the City of Winnipeg.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

### Manitoba Public Insurance Corporation Competition

**Mr. Jim Maloway (Elmwood):** Madam Speaker, my question is to the Minister responsible for the MPIC.

The MPIC is applying to the PUB to increase Autopac rates by \$14 million and \$16 million in other charges. Now this is on top of the 6 percent increase that started on March 1 of this year. More importantly, he is increasing the deductible to \$500. He is applying it to cases of theft, fire and lightning, which is now a zero deductible. This change will drive more dollars to extension coverage which is open to private competition. Reducing the coverage from the basic package and charging more will allow private companies to compete for more of the premium dollars.

Is this part of the government plan towards greater privatization at MPIC?

**Hon. Glen Cummings (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** Madam Speaker, it is just that kind of rationale that explains why the remnants of the previous administration could not run MPIC when they were in government. It is exactly that kind of rationale that does not allow them to understand that the corporation, as it is presently structured and being run, is providing service at cost to the people of this province at the lowest rates, at the most stable rates in Canada.

### Rate Increase

**Madam Speaker:** The honourable member for Elmwood, with a supplementary question.

**Mr. Jim Maloway (Elmwood):** Madam Speaker, my supplementary to the same question.

Madam Speaker, through the incompetence and mismanagement of this government, the MPIC failed six of eight solvency tests with the TRAC organization when Saskatchewan Government Insurance passed eight out of eight, and in the meantime, the government wiped out the reserves of MPIC.

I would like to ask the minister, why did the minister order MPIC to state that a 9 percent rate hike was only 4 percent?

**Hon. Glen Cummings (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** Madam Speaker, again, I am disappointed at the rationale that the members opposite choose to use when referencing the solvency of the Public Insurance Corporation, which is a Crown monopoly in this province. He continues to reference standards by which for-profit companies are judged in terms of being able to return profits to their shareholders. In this case, the Manitoba Public Insurance Corporation returns its profits by way of claims dollars back to those who are unfortunate enough to have an accident.

The rationale that he continues to refer to is, in fact, accompanied by a rider within the reporting group of TRAC to say that it has entirely set a different set of criteria than what might be used for this type of an enterprise.

\* (1430)

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. I recognize this is the last Question Period for a short period of time, but time is of the essence.

### Home Care Program Privatization—Nursing Services

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, we have now been informed that the government is still intending to privatize 100 percent of the nursing home care services. This service is currently offered by VON in Winnipeg, and notices will be going out shortly for layoffs October 1 or September 1.

Why would this government, who heard repeatedly over this session that the public does not want profit in health care—and the minister ought to listen to the Minister of Environment (Mr. Cummings) about what the dangers of profit are—why would this government, who have heard continually the dangers of having profit in health care, continue this plan to privatize and put profit into the nursing service of home care when the minister himself has talked about the wonderful job done by VON in the city of Winnipeg?

**Hon. James McCrae (Minister of Health):** Madam Speaker, after a long and difficult labour dispute, there is agreement that some 20 percent of home care services in the city of Winnipeg ought to be the subject of competition. The honourable member knows that and he knows the issue very well. This has been discussed a lot in this House, so I can I think quite correctly state that the question has been asked and answered many, many times.

**Mr. Chomiak:** Madam Speaker, why has the minister, in an agreement with the MGEU, said that they are going to go down from 100 percent privatization to 20 percent privatization of home care under homemaker and home support, but the minister outside of the MGEU agreement is still going to privatize 100 percent of the nursing service in the city of Winnipeg? Why is the minister doing that knowing the public does not want profit in home care?

**Mr. McCrae:** Because—and maybe the honourable member does not agree, Madam Speaker, and wants to keep asking the question over and over again—we believe that competition is an opportunity to bring out the best in the services for our clients. The VON has been providing services for many years on a contracted basis but without the benefit of competition. All of us can benefit from competition, especially our clients in the home care system.

### Fleet Vehicles Agency Suppliers—Keystone Ford

**Mr. Jim Maloway (Elmwood):** Madam Speaker, my question is to the Minister of Government Services.

For the year ending March 31, 1995, Mr. Bob Kozminski, the owner of Keystone Ford, received a whopping \$800,000-plus worth of business from the Fleet Vehicles Agency, while the remaining \$586,000 worth of Fleet Vehicles business in Winnipeg was split among 10 dealers, giving them an average of only \$58,000 each per dealer. In fact, Keystone gets eight times the business of its next biggest competitor.

Can the minister explain why this particular dealership is so popular with the Fleet Vehicles Agency?

**Hon. Brian Pallister (Minister of Government Services):** Madam Speaker, the Fleet Vehicles Agency is saving the taxpayers of Manitoba now literally millions of dollars. It is operating at 20 percent fewer vehicles than it did just three years ago since its inception as a special operating agency, doing this without infringing on the taxpayers of this province excessively, as the members appear to be advising us to do.

When we do business with suppliers in this department, whichever supplier offers the best quality service at the lowest price to the people of this province is the one that gets the job, and if Bob Kozminski can do it for less than a friend of Jim Maloway, that is fine; we will go with Bob Kozminski. If Bob Kozminski can do the job, we will buy the vehicles from Bob Kozminski. If Bob Kozminski cannot do the job, I do not care what his politics are, our department will not buy vehicles from Bob Kozminski.

**Some Honourable Members:** Oh, oh.

### Information Tabling Request

**Madam Speaker:** Order, please. The honourable member for Elmwood, with a supplementary question.

**Mr. Jim Maloway (Elmwood):** Madam Speaker, my final supplementary to the same minister is this. The minister promised a week ago to provide within two working days copies of the study done recommending

privatization of the government fleet, and he promised the letters that were sent out to the car dealers and to the customers. I would like to know why the minister broke his word and continues to withhold this valuable information.

**Hon. Brian Pallister (Minister of Government Services):** Madam Speaker, yesterday in this House the member opposite portrayed a single sheet of paper as evidence that he was somehow in possession of an annual report of the Fleet Vehicles Agency that would make Manitobans believe that private sector business owners—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. I would remind the honourable Minister of Government Services that he rose on that issue on a point of privilege, and I took the matter under advisement. I would request that the honourable Minister of Government Services not speak to that issue until such time as a ruling has been brought forward but to respond to the question asked.

**Mr. Pallister:** Very well, Madam Speaker, and I would encourage the member to make the information that he claims to have in his possession available to this House at the earliest opportunity, and I will make the information that I have assured the member I will provide him with available to him at the earliest possible opportunity as well.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** On a point of order, Madam Speaker, you just admonished the minister not to refer to the matter. The minister was asked a question. He is again not answering the question. Would you please, once again, bring the minister to order and remind him that he is not above the rules of this Legislature.

**Madam Speaker:** On the point of order raised by the honourable member for Thompson, the minister, I believe, did indeed start to make further comment on the issue I had previously instructed him not to, but I believe

I heard him specifically respond to the question asked even though there was an awful lot of noise on the record. However—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** All right, fine.

Order, please. I will take the matter under advisement and I will check Hansard and I will bring a ruling back to the House.

\* (1440)

### **Manitoba Public Insurance Corporation Rate Increase**

**Madam Speaker:** The honourable member for Inkster, I believe, was next.

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Minister responsible for MPIC. What we have seen—[interjection] Well, I have been jumping up, asking, trying to get the floor too, you know.

**Madam Speaker:** Order, please. The honourable member for Inkster was on his feet several times while the honourable member for Elmwood (Mr. Maloway) was asking his question, and I had noticed that he was on his feet about to pose the question. I am certain the honourable member for Inkster was probably thinking that the honourable member for Elmwood would have three questions. That is why the honourable member for Inkster was recognized.

**Mr. Lamoureux:** Madam Speaker, my question is for the Minister responsible for MPIC.

There is a lot of speculation in terms of what this government's intentions actually are with respect to MPIC in terms of the rate increases and so forth. I would like to hear from the minister—to be able to say to Manitobans that in the year in which there was an election, there was no requirement to have an increase in Autopac rates.

**Hon. Glen Cummings (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** Madam Speaker, as I recall, the

corporation managed to deliver a zero increase for a number of years running.

**Mr. Lamoureux:** Can the minister tell us why MPIC did not request an increase in the year of the election?

**Mr. Cummings:** Madam Speaker, I am at a loss to explain the paranoia of the member, because the rates which the corporation receives are vetted through the Public Utilities Board and in fact have been adjusted by that board from time to time. If he has some problem with the Public Utilities Board process, then let him speak up.

**Mr. Lamoureux:** Will the minister acknowledge the reason why they did not make application was because we were in the year of an election, when, in fact, the reserves were still necessary? Will the minister come clean and tell Manitobans it was because of an election that they did not request the increase in Autopac rates?

**Mr. Cummings:** Madam Speaker, I am beginning to understand the paranoia of the Liberal Party better as the second question comes along. This is the group that was opposed to no-fault insurance. In fact, during the election, I believe they were heard to say that if they were elected they would do away with no-fault insurance, is that right?

**Some Honourable Members:** Oh, oh.

**Mr. Cummings:** Yes, I believe it was. There was—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mr. Cummings:** —lots of agreement from the member for St. Boniface (Mr. Gaudry).

Madam Speaker, no-fault insurance has delivered savings of \$35 million to \$60 million annually to the drivers of this province. That is why we have not needed the rate increase.

### Children and Youth Secretariat Report Recommendations

**Ms. Marianne Cerilli (Radisson):** The Health of Manitoba's Children report has 116 comprehensive and clear recommendations that will deal in an integrated fashion with problems, social and economic, affecting young people, and it is the Youth Secretariat which has been charged with implementing this report.

I want to ask the Minister of Family Services, will the 21 committees, the 86 government staff and the 177 community representatives working on the Youth Secretariat committees simply meet for another year or will they be implementing this excellent report, and when will that occur?

**Hon. Bonnie Mitchelson (Minister of Family Services):** I thank my honourable friend for that question, because it does provide me with the opportunity to indicate that there have been a lot of people involved in the work that the secretariat is undertaking. I know that there are five committees with members of government departments, members of community organizations and volunteers within the community that have been working and dialoguing in a very aggressive manner to try to come up with some solutions. I know that their work will be finished shortly, and when we see the results of their work we will be able to make decisions on the kinds of co-ordinated approaches we can take to ensure that children and families are being served better.

**Madam Speaker:** The honourable member for Radisson, with a supplementary question.

**Ms. Cerilli:** Madam Speaker, given that the Postl report has been around for over a year, I want to ask the minister if these 21 committees and their reports and recommendations will be made public or if her secretariat will edit them and change them before the report from the Youth Secretariat is made public.

**Mrs. Mitchelson:** I will indicate very clearly to my honourable friend that the work of the secretariat will indeed ensure that families and children in Manitoba will see a more co-ordinated approach and that indeed if there are resources to be moved around from department to department, whether it be Justice, Education, Health,

Family Services and recreation through Culture, if there are resources that can be reallocated and we can get a better bang for our buck and have children and families served better, those recommendations that come forward that will accomplish that will be given every consideration by our government.

### Education System Government Initiatives

**Ms. Jean Friesen (Wolseley):** Madam Speaker, during the last election, members may remember the Tory lawn signs promising strong schools. Yet, over the past year, Manitobans—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Ms. Friesen:** Over the past year, Manitobans have seen continued cuts to public education funding, more teaching positions lost, programs such as home economics or nursery schools cut in various school divisions, continued indecision on boundaries, no public evidence of a special needs review, a clear policy of division and confrontation amongst all the partners in education. I want to ask the Minister of Education what plans she has to begin to repair the damage that she has inflicted on Manitoba's public education system.

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, I do not accept the member's preamble.

### Prostitution Vehicle Seizures

**Mr. Gord Mackintosh (St. Johns):** My question is to the Minister of Justice.

This week a City of Winnipeg council committee is seeking to have the vehicles of those who solicit sex from prostitutes seized. Now that is interesting, because over a year ago it was this government that promised this: Those soliciting sex from prostitutes will have their vehicles seized; if convicted, the owner of the vehicle used will permanently forfeit that vehicle.

My question is to the minister. Whatever happened to the government's big election promise?

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** Madam Speaker, we are certainly very concerned about prostitution, particularly where young women are drawn into prostitution and are left by those procurers to a life which virtually has ruined their life and becomes no life. So we have looked for a number of the most appropriate ways to deal with the issues of prostitution, and we have examined very carefully whether, in this narrow sense, it is possible for us to deal with this issue.

It seems the best way to deal with this is through the Criminal Code of Canada where there could be a change made. I have written to the federal Minister of Justice. I have presented to the federal Minister of Justice, and most recently wrote to the federal Minister of Justice on April 18, 1996, asking for him to consider the issue of legislation concerning the forfeiture of vehicles for those who have been charged with using prostitution.

We are particularly concerned with those who are users; we are also concerned with those who are procurers. In a comprehensive package, we have asked for changes in sentencing as well.

\* (1450)

**Mr. Mackintosh:** I do not remember the promise being writing a letter.

Could the government—which said it and it alone, not the federal government, would seize vehicles—explain how the government can proclaim that it was so almighty on this issue for a period of one month last year and yet now, after election day 14 months later, is so pitifully helpless in this complex world? Was it just another one of their big whoppers?

**Mrs. Vodrey:** Again, we looked at putting that promise into effect in a very wide sense and then also looked at it in terms of the narrow sense dealing specifically with prostitution. We have determined that the best way to deal with this is through a change to the Criminal Code of Canada where the federal government has responsibility.

Our promises have been all acted upon. They have been acted upon in terms of our enactment for public safety, of the Community Notification Committee, bringing forward bills to deal with parental responsibility, bringing forward the strongest maintenance enforcement legislation in the country, advancing a position on stalking, taking a position and lobbying the federal government on disclosure of records and our money on the table for more police. The list goes on of the commitment and the action of this government in the area of public safety.

### Economic Growth Provincial Comparisons

**Mr. Leonard Evans (Brandon East):** I have a question for the Minister of Finance.

The Conference Board of Canada, which the minister knows is a major national research body, has public estimates of the real economic growth over many years that can be compared with other provinces and indeed the nation as a whole. They have reported that Manitoba's overall economic growth was only 4.5 percent between 1998 and 1995, whereas Canada's growth rate was 10.1 percent.

My question to the minister is, why has Manitoba's economy performed so poorly under his government? That is, why have we achieved only one-half of the Canadian growth rate under this government?

**Hon. Eric Stefanson (Minister of Finance):** I am pleased that the member for Brandon East refers to the Conference Board. I know his Leader does occasionally. That is the same organization that just a month or two ago referred to Manitoba's economy steamrolling ahead, and if the member for Brandon East takes the time to read that document, which I am sure he will do, it points very glowingly to the economy of Manitoba and what is happening here in our province.

I will remind him that in 1995, Manitoba had the third-best growth rate in all of Canada, and that same organization that he is pointing to, the Conference Board of Canada, is suggesting that in 1996, once again Manitoba will have the third-best growth rate in all of Canada and once again we will exceed the national

average. So I am glad that he is finally accessing information from the Conference Board of Canada.

**Madam Speaker:** Order, please. Time for Oral Questions has expired.

**Some Honourable Members:** Leave.

**Madam Speaker:** Order, please. Is there leave to extend Question Period?

**Some Honourable Members:** No.

**Madam Speaker:** No? Leave has been denied.

### Speaker's Ruling

**Madam Speaker:** Order, please. I have a ruling for the House.

I took under advisement on May 29 a point of order raised by the opposition House leader (Mr. Ashton) about whether the word "arrogant" is parliamentary or unparliamentary.

On May 29 I had not ruled whether the word "arrogant" was parliamentary or unparliamentary; I had offered a caution to the opposition House leader suggesting that the language he was using was not helpful in maintaining the decorum in and dignity of the House. He asked whether the word was being ruled unparliamentary because in the past it had been used in the Chamber and because Beauchesne indicated that it had been ruled to be in order to use the word.

I would like to draw the attention of the House to Beauchesne Citation 491 which states that no language is by virtue of any list, acceptable or unacceptable. A word which is parliamentary in one context may cause disorder in another context, and therefore be unparliamentary. Beauchesne Citation 486(1) advises that it is impossible to lay down any specific rules in regard to injurious reflections uttered in debate against members or to declare beforehand what expressions are or are not contrary to order; much depends upon the tone and manner and intention of the person speaking; sometimes upon the degree of provocation which the member speaking had received from the person alluded to; and all these considerations must be attended to at the

moment, as they are infinitely various and cannot possibly be foreseen in such a manner that precise rules can be adopted with respect to them. Citation 486(3) of Beauchesne makes the point that there are few words that have been judged to be unparliamentary consistently, and that any list of unparliamentary words is only a compilation of words that at some time have been found to cause disorder in the House.

Having reviewed previous Manitoba Speakers' rulings, I would advise that on January 24, 1990, the Manitoba Speaker ruled the word out of order and the member who used the word was asked to withdraw. The opposition House leader was correct in his observation that there have been occasions when the word "arrogant" has been used in this House in the past without intervention of a Speaker. However, the Beauchesne citations cited earlier in this ruling and our past practices of this House clearly indicate that whether a word is parliamentary depends very much on the context in which a word was used.

Therefore, there was no point of order.

### MEMBERS' STATEMENTS

#### Seniors Month Activities—Gimli Constituency

**Mr. Edward Helwer (Gimli):** Madam Speaker, it is a pleasure to rise this day and gives thanks to the many seniors groups from the Gimli constituency who have included me in their activities as they celebrate Seniors Month. It has been a heartwarming experience to be part of Seniors Day '96, hosted by the RCMP in Gimli and an event last evening hosted by the Petersfield Community Club, and next week I will attend the Gimli New Horizons club seniors day. These events have included information booths on seniors issues such as health and security, as well as recreation and entertainment.

\* (1500)

As we are all aware, June has been proclaimed Seniors Month and such a declaration allows Manitobans to honour our senior population for their contributions and accomplishments throughout the entire month, though I do sincerely hope this recognition does not end on June 30 but continues during the entire year just as seniors continue providing important services to their

communities during the entire year. Our government realizes that seniors have made and continue to make consistent and valuable contributions to their province and to their country. Seniors can be proud of having helped in no small way to measure, to create and to maintain a culture and society, the ideals which are the envy of many other nations.

I would like to take this opportunity to pay tribute to the benefits so many communities receive due to the tireless efforts of our senior population. The commitment and dedication of this vital sector of the population never ceases to amaze me. I am well aware of the time and energy involved in ensuring the many projects begun are seen to an end and many of these projects have no end. They are long-term, ongoing events that continually provide benefits to so many residents. For the most part, seniors do not receive the kind of recognition that they properly deserve for their work. However, volunteerism has its own rewards. It allows us to lend a hand and to make a difference. It gives a sense of pride in knowing that we have contributed to the success of a project or a program, and it provides an opportunity to work with others and enjoy what we do. Seniors have contributed a great deal to this province's history, leaving an impressive legacy of growth and development. Seniors provide an endless supply of knowledge—

**Madam Speaker:** Order, please. The honourable member's time has expired.

**An Honourable Member:** Leave.

**Madam Speaker:** Is the honourable member asking for leave? Is there leave for the honourable member to complete his statement?

**Some Honourable Members:** No.

**Madam Speaker:** No. Leave has been denied.

### Highway Maintenance PTH 75

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, I rise today to raise an important issue on behalf of my constituents, that being the state of the roads. Of

course, there are many roads that need to be repaired in the constituency—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. With the greatest respect to all the meetings taking place in all corners and all sides of the House, I cannot hear the honourable member for Swan River. I would ask that those members holding private meetings, please do so outside the Chamber.

**Ms. Wowchuk:** Thank you, Madam Speaker. There are many roads within the constituency that have long been neglected and need upgrading. The Minister of Highways and Transportation (Mr. Findlay) has received many letters about these, but I want to raise an issue about one particular road, and that is PTH 75, that the people in the area of Swan River are very concerned about. It has been scheduled for upgrading for many years, but there has been a disagreement between the people of the area, between the town and the municipality about how this should be done.

Recently, the government announced their intention to reroute PTH 275 from the present location without consultation of the people. People of the area support maintenance of the existing road which can be done at a much lesser cost than moving to the proposed location.

It is my understanding that the Department of Highways has told the R.M. that they have to accept the new proposal or they will be getting nothing. I have a petition here that is signed by over a hundred people from the area who feel that this is the wrong decision, and I would like to present this petition to the Minister of Highways on behalf of these people and ask that he take seriously their consideration and arrange a meeting, a public meeting between the people of the area and his staff to have full consultation on this road before changes are made.

Madam Speaker, these poor people have put forward a positive suggestion. They feel that their suggestion will be less expensive, that there will be risks, people will be put at risk. It is not the best solution and I urge the Minister of Highways to take this petition seriously and arrange a meeting so that people can put their suggestions forward.

### The Maples Youth Service Canada Project

**Mr. Gary Kowalski (The Maples):** I rise to give mention to a very positive group in my constituency, the Maples Youth Service Canada Project. This is the second year in a row that we have had a Maples Youth Service Canada Project operating, and if last year is any indication, I look forward to the very positive work this group of young people will be doing in our community.

These are young adults. The co-ordinator this year is Heather Carter. Her assistant co-ordinator is Karen Cove. Both of them were participants in the Youth Service Canada Project last year. The participants this year are Rodney Ali, Nancy Chan, Mabelle De Tagle, Andre Edmonds, Kimberly Greet, Ryan Huggan, Julie Penhall, Angela Richard, Derek Routledge, Elana Sokolov. They receive advice and guidance from the board of directors, Gene Kaban, Doug Simpson, Veronica Dick, Colleen Dell and myself.

I look forward very much to working with this group. They have already started some of their projects. They were active in the unity march at the Legislature that we had here the other day. They had a paint-over-graffiti project this past weekend where they had 40 young people from the junior high school working with them painting over graffiti throughout the north end. They are active in the drop-in centre, working with the adolescents of our community, and they have had a basketball tournament. The most important contribution they make is positive role models for the young people of our community, that young adults can make a difference and can do positive change to our community. Thank you.

### Winnipeg International Children's Festival

**Mr. Mike Radcliffe (River Heights):** Madam Speaker, I wanted to take this opportunity today to make this House aware of the annual Winnipeg International Children's Festival which is underway again this year at The Forks, running Thursday through Sunday. I had the pleasure last evening to attend the opening ceremonies very briefly at the Norwood Hotel to bring greetings on behalf of the Minister of Culture, Heritage and Citizenship.

For the 14th straight year, the Children's Festival will bring to Winnipeg and Manitoba a taste of the most

exciting family entertainment in the world today. The Children's Festival will feature the best in local children's entertainment, as well as entertainers from around the world. From modest beginnings 13 years ago, the Winnipeg International Children's Festival has grown to become one of the greatest children's festivals in North America.

The festival is known as an internationally acclaimed forum for children's entertainers and provides for our children to see the best the world has to offer. I commend this event to the attention of all honourable members. Thank you, Madam Speaker.

### Crime Rate Reduction Strategy

**Mr. Conrad Santos (Broadway):** Madam Speaker, like a member's statement on crime, the prophet Ezekiel lamented, and I quote: Violence has risen into a rod of wickedness and the land is filled with crimes of blood and the city is full of violence.

Despite rising violent crimes, when the judges called for electronic monitoring as an alternative to jail, this Tory government said, we think that people who are going to jail should be in jail. Tough talk, very little action.

In a town hall meeting on violent crimes held in Central Park, many Broadway constituents stated publicly: Put down crime; stop putting up with it.

Perhaps the frequent tough sentences criminals are getting in this province are longer suspended sentences and more and easily obtained day passes for inmates. Rising crime rates would be slowed down if we put police persons in the streets than in the courtrooms to wait to testify or to have them wait with accident victims in emergency rooms of hospitals.

Violent crimes soar in Manitoba, yet the number of violent criminals going to jail stays the same. This Tory government therefore failed to protect Manitobans from crime because their tough talk translates into a weak and ineffectively enforced justice and correctional system. Statistics Canada showed that in 1991, out of every 10,000 charged, 1,100 went to jail, but by 1995, 1,100 dropped to 950—a more than 10 percent decline.

In the last provincial election in '95, this Tory government talked tough as the Premier (Mr. Filmon) filmed himself shutting the cell door, but there is no enforcement and this Tory government failed on crime prevention. Thank you.

### ORDERS OF THE DAY

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, on the Order Paper today, it shows with respect to Bill 49 that the French title is incorrect, and I wonder if I might have leave in order to correct that.

**Madam Speaker:** Does the honourable government House leader have leave to correct the French title on Bill 49? [agreed]

**Mr. Ernst:** I move, seconded by the Minister of Urban Affairs (Mr. Reimer), that the French title of Bill 49, The Regional Health Authorities and Consequential Amendments Act as it appears on the Order Paper, be altered to read: Loi concernant les offices régionaux de la santé et apportant des modifications corrélatives.

**Motion agreed to.**

\* \* \*

**Mr. Ernst:** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), 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 St. Norbert (Mr. Laurendeau) in the Chair.

\* (1510)

### COMMITTEE OF SUPPLY

#### Supply—Capital Supply

**Mr. Chairperson (Marcel Laurendeau):** The Committee of Supply will come to order.

**Hon. Jim Ernst (Government House Leader):** Mr. Chairman, I move, seconded by the Minister of Finance

(Mr. Stefanson), that the Committee of Supply concur in all Supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 1997, which have been adopted at this session by all sections of the Committee of Supply sitting separately and by the full committee.

**Motion presented.**

**Mr. Steve Ashton (Opposition House Leader):** I just want to indicate we have a number of questions to ministers, and we request the Minister of Justice (Mrs. Vodrey), the Minister of Labour (Mr. Toews), the Minister of Government Services (Mr. Pallister) and the Minister of Urban Affairs (Mr. Reimer) be here at least initially. I notice that a couple of those ministers are there, so we can go straight into questions.

Government Services and Labour and Urban Affairs are here.

**Mr. Gord Mackintosh (St. Johns):** When we left off in the Estimates of Justice this morning, we advised the committee that we wanted to return to some questions under Court Services, but before that I wonder if the minister now can tell the committee the amount of monies, excluding the staffperson, that have been allocated for the Youth Secretariat.

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** I do not have that with me at the moment. We said that yesterday I would endeavour to get that information. I do not have it at the moment, but I will look to provide it to the member.

**Mr. Chairperson:** Could I ask the honourable members that are trying to carry on their conversations to do so in the hall or in the loge. I am having difficulty here hearing the questions.

**Mr. Mackintosh:** It is my understanding that under The Law Fees Act there is a provision for the payment of legal fees. I believe that they refer to filing fees when one is a pauper and that a certificate can be issued under that legislation which will eventually, I understand, lead to the

covering of fees when one can be classified with pauper status.

I wonder if the minister is aware of the scheme, who is to provide the certificate and what inquiries and process follow to ensure that the provision is respected?

**Mrs. Vodrey:** Again, this is quite a detailed question, and it is one which is being asked at a time when it is quite obvious that staff are not here. So I will take the question as notice from the member.

**Mr. Mackintosh:** I appreciate if the minister could get back to me on that issue, given that the staff is not here. An issue that I think the minister will have some direct knowledge of is regarding access to the Great Library, the library at the Law Courts Building. I have had correspondence with the minister about some difficulties that one individual has had in being asked to not use those resources, I believe on evenings and weekends.

It is my understanding that this Great Library is funded mostly, if not by now entirely, by taxpayer monies. It has recently come to my attention that one other individual has been evicted from the Great Library and told not to use it on weekends and evenings. I ask the minister how she can support such a policy, given that surely individual citizens should have access to the law. Indeed, it is a decision of this minister to fund such organizations as CLEA to provide community legal education and how access to that facility cannot be made available to the general public and individuals who have a particular interest, either in their own case or in the general law of the land.

**Mrs. Vodrey:** Some of the information again I will have to take as notice since I do recall an issue regarding the funding but the details of which I hesitate to put on the record without the most up-to-date information. I am also aware that there has been a difficulty of one individual who is very well known to the member across the way, also well known to the Department of Justice. The issues are very well known about this individual.

Of course, there is access to the Great Library. There is access to that library during normal business hours, and there is an opportunity for people to use it. I am aware that for the individual that the member has spoken about, I understand, has the opportunity to do that as do

other members of the public. However, in terms of the hours, I will have to take that as notice and get back to the member.

\* (1520)

**Mr. Mackintosh:** I raise this question not with regard to the individual as an issue here. There is more than one individual that is being affected by this policy. I am just referencing a letter from the minister of October 5 of '94 which supported the exclusion of individual members of the public from the library on weekends and evenings, and I ask that she reverse that policy. I think that is not how public money should be spent. I do not think it is in the interests of individual citizens of Manitoba to be denied access to a law library no matter where its location.

**Mrs. Vodrey:** I just would like to clarify in the member's comments that individual citizens are not denied access. The access is within normal business hours. I just do not want it to remain on the record that citizens were denied access. They are not denied access to the library. Mr. Chair.

**Mr. Mackintosh:** Well, it is my understanding that it is denied access because the library is open and yet denying access to the general public. It is open on certain hours, during which time the general public is being asked to vacate the library. So the minister is not correct, to my understanding.

**Mrs. Vodrey:** To my knowledge the library is open to the public for certain hours, so that does not deny public access. There are, of course, always issues of security which have to be considered when any of our buildings are open to the general public. So those issues along with all other relevant issues are considered in looking at the access. Obviously, access to the Great Library—the Great Library itself is a wonderful resource. It is a wonderful setting with a fund of information, and certainly there is opportunity to my knowledge for the public to access that but not perhaps in the unlimited hours which the member is requesting and which one individual in specific has made a point of.

**Mr. Mackintosh:** Earlier today I asked a detailed question about nonmolestation orders and the harassment of women that can occur when an individual keeps trying

to get a nonmolestation order against a particular individual in circumstances that are clearly frivolous and vexatious.

I am wondering if the minister now can tell the committee whether there are any plans or if the government will consider any checks and balances to ensure that frivolous and vexatious nonmolestation order applications are prevented.

**Mrs. Vodrey:** These are very important orders; they are primarily used in the protection of women in particular. It is very important that they are available, that the access is fairly easy to get. Now, obviously, it is very difficult when some areas of the law or some procedures under the law appear to be vexatious, and that is always a difficulty and often a point for the court to consider in looking at any court cases and so on.

The member has raised a point which earlier in the Estimates when we were discussing prosecutions, Prosecutions Division was aware of it. We did not have time to discuss this issue when Courts Division was present, so I will take the question on notice. I will review with the department whether or not this has come to them as a concern and whether or not there are any procedures under the law which do not in fact then cause a prohibition for some people to be able to access these orders and in fact allow them to be freely accessed, and look at whether or not there is anything that can be done with vexatious orders. The difficulty is, how does one determine in the granting of the order whether or not that may be vexatious.

I will have to review this with Courts Division, and I will undertake to do that.

**Mr. Mackintosh:** I have some questions regarding the Sheriff's Office. I am wondering if the minister has with her a breakdown of the staff years for that operation.

**Mrs. Vodrey:** I do have some information available to me at this time about the sheriff's operation, so if the member would like to ask his questions, I will try and provide the information that I have available to me and undertake to take the others as notice.

**Mr. Mackintosh:** It is my understanding that there are essentially three divisions at the Sheriff's Office: One is

the court security or escort service section; one is the executions and bailiff section; and the other is the service section. I understand that there has been privatization effective April 1 of the execution or bailiff function.

Can the minister tell the committee how many staff years are to be or have been affected by privatization in that section?

**Mrs. Vodrey:** Mr. Chair, this privatization is taking place in the city of Winnipeg only for the reasons that I spoke about yesterday in Question Period, that being the time required to serve these writs. It was very time consuming and often resulted in the province assuming very significant liability and very significant risks. As I said yesterday, these seized goods have to be stored and possibly sold at auction. The kinds of goods are things such as cattle or tanks of oil. There have been really a wide variety of things which have been seized. As a result of this, the dollar amount has indicated that this has really resulted in a loss to the province. So we have looked in the city of Winnipeg, not throughout the rest of the province. The rest of the province will continue to be served by the rural sheriffs. However, in the city of Winnipeg we have determined to move to the privatization. From a staffing perspective, it is four regular staff years which have been eliminated. However, there is no effect on current staff as staff were involved in other duties, and for the one individual, a fourth staff member has been redeployed to duties from within Winnipeg courts.

**Mr. Mackintosh:** Can the minister tell the committee the amount of monies that will now be lost from the proceeds of sale of goods that have been seized for sale, because, until privatization at least, the sheriff would receive a percentage of the monies realized?

**Mrs. Vodrey:** I do not have that figure with me. I can tell the member, however, as I told him yesterday, in the past we have found on an analysis of the fiscal year end results it has indicated that the writ operation for Winnipeg courts alone has resulted in a loss. That loss has been in the range of \$188,000, slightly more. We believe that this is a decision which will in the long run be one that I think reduces some of the risk and some of the liability to the province and also will free sheriffs for the other important duties which the member has spoken about.

\* (1530)

**Mr. Mackintosh:** In addition to the loss of the revenues to the Sheriff's Office on the sale of goods seized, there will be a cost to government now, a cost to the Maintenance Enforcement Program, I understand, a cost to other Crown and government operations for executing writs. I would like the minister to say, well, let us get beyond what the loss was. I would like to know what the net difference will be now that the operation is privatized.

**Mrs. Vodrey:** As I said, I do not have that figure. What I have put on the record is a figure which deals with the loss to government if things remained as they were. We are aware that the members opposite do not believe and philosophically are just opposed to any kind of privatization. I understand that is the basis for the questioning from the member opposite. This, we believe, is something which the service should be able to carry out. As I said, this is only in the city of Winnipeg. Sheriff's officers will continue across the province to execute these writs in other areas, but this seems to be a philosophical matter between the members in the party opposite and our government.

**Mr. Mackintosh:** My line of questioning has been entirely cost-benefit and I am going to pursue that. I want the minister to tell this committee what the cost-benefit is of privatizing the writ section. How can it be beneficial when the sheriff is going to lose the percentage of monies received for goods seized, that there is going to be now a cost to the Maintenance Enforcement Program, and I do not know where that money is going to come from now to have private bailiffs go and do the writ work and at the same time, how can she use last year's figures when the sheriff's fees increased astronomically this year? Can she not give us the cost-benefit analysis?

**Mrs. Vodrey:** Mr. Chair, the member says he is going to pursue it. We can talk about this all afternoon—we do not have any problem—it does not change the facts that are before us.

Now the member asks why do I use '94-95? Well, because we are still in '96. That is why we do not have those figures. So that is one question which I think he should understand the basis for my answers. We are talking about writs of execution and eviction orders and other orders which require that goods be seized or be

sold. This is just a specific range of writs that are being dealt with under this privatization. So I do not have further figures. He can continue to ask the question all afternoon. He is asking for updated figures from a year that is not yet complete.

**Mr. Mackintosh:** Well, this is a government that professes some great understanding of business principles, and I am sure the minister—maybe I should not give her the benefit of the doubt—has done some projection as to what the difference in revenues over expenditures will be, given the increase in fees to the Sheriff's Office. Will she not admit that such a projection was done, or is she telling this committee that there was no projection done?

**Mrs. Vodrey:** Mr. Chair, again, we had quite a number of hours to cover the Department of Justice, quite a number of hours. I believe the number of hours was 20, or perhaps a little more, and there was quite a lot of opportunity to ask this question when staff would be here, when figures were available. The member has chosen instead to not use the hours of Estimates in that way but to try and use them now.

I have told him, and it was clear when he said today that he wanted to discuss courts without the benefit of staff, certain information would not be available, that I simply do not have it all. Had he given me some indication of this question and this information that he wanted, then perhaps I could have had that available for him, but I do not have staff here and am not able to provide him with the answer. So he can carry on with the question and we can carry on with my answers as they are, or we can move along to do other questions in the interests of the people of Manitoba.

**Mr. Mackintosh:** I think it is in the interests of the people of Manitoba that this minister provide, rally her best argument as to why she is privatizing this function at the Sheriff's Office, and I would like to know. She does not have to have the exact figures. She can round them out. That will not be offensive to people on this side. Just tell us what projections there were for the revenues and expenditures this year at the Sheriff's Office with the new fees. What difference is going to be the loss now of revenues to the Sheriff's Office from sale? What is going to be the additional cost of Maintenance Enforcement? Perhaps just narrow it to one question,

what will be the cost of Maintenance Enforcement this year of that office now having to contract with a private bailiff for execution purposes?

**Mrs. Vodrey:** Mr. Chair, again we are talking about the writ of executive and eviction orders, which are required to seize property or to allow that property to be sold, and it is one part of the work of sheriffs. I do not have before me what cost projections there might be if in fact it should affect any other parts of the Department of Justice, nor do I have with me the information regarding the cost-benefit analysis because I had no indication that member wanted to deal with that today.

He says, rally your best argument. Well, the plain argument is the facts, and the facts are that in the execution of these orders where goods are seized and then sold in some cases, that the actual execution of the order was very, very time consuming. Again, the Province of Manitoba assumed significant risks and liability since those seized goods had to be seized and stored and then possibly sold at auction, and the government becomes responsible for the funds held in trust, for the proper distribution of these funds and also for the safe storage of goods, and again they vary. I have mentioned cattle; I have mentioned tanks of oil; I could add to that vehicles. So there are a number of issues which are, in fact, No. 1, extremely time consuming and add to the risks and liability of this province. I have also told him that on an analysis of our fiscal year end results, the writ operation for Winnipeg courts resulted in a loss of \$188,000 and slightly more than that.

So the member continues to ask for a cost-benefit analysis and so on; well, I submit to him that the analysis of loss is a pretty significant one. But we have heard from members opposite, well, that really does not matter, that really should not matter, that we should not worry about that, that we should just sort of carry on and not only not worry about the loss but continue to spend more money in every area. So, Mr. Chair, the argument is the facts. The facts are the same. They are the ones I presented to the member opposite in my past few answers.

**Mr. Mackintosh:** Well, the minister does not get it. She talks about loss last year. We are concerned about loss this year because there are going to be additional costs borne by the government itself and by taxpayers by

having now to contract with private bailiffs. I just want to know what those costs were going to be. I would like to know the difference. That is all I ask for. Does she not have some general figures? She is aware that we are going to deal with Court Services this afternoon.

**Mrs. Vodrey:** No, Mr. Chair.

\* (1540)

**Mr. Mackintosh:** Well, getting back then to the staff years and leaving the bailiff or the writ division of the Sheriff's Office, can the minister tell us what the current staff year allocation is for the service section of the Sheriff's Office?

**Mrs. Vodrey:** Mr. Chair, I do not have the information broken down in that order. I have the information that the projected use to the end of '95-96 is for 39 full-time and part-time staff years, 22 full time, 17 part time, but I do not have them broken down according to their division.

**Mr. Mackintosh:** I am wondering if the minister could provide a breakdown, if not today, if she would undertake to do so as quickly as possible, of the staff years in the service section for, say over the last five years.

**Mrs. Vodrey:** Mr. Chair, I will undertake to provide that information.

**Mr. Mackintosh:** It is my understanding that in the escort or court security section of the Sheriff's Office there are significant morale problems and safety security concerns by the officers there. Some of this information came to light following two recent escapes from the custody of the sheriff's officers. I am wondering if the minister has directed her attention to these concerns and whether she has informed herself of the status of the security concerns and has she taken action to deal with them.

**Mr. Chairperson:** Order, please. Could I ask those members who want to carry on their conversations to do so in the loge or out in the hall? It is getting a little bit

noisier by the minute. [interjection] Not over the noise you cannot.

**Mrs. Vodrey:** Mr. Chair, first of all, I can say that in the last 12 months the sheriff's operation has hired a preventative security and staff training officer to co-ordinate the management of security intelligence information so that security can be delivered by the level of risk and need presented by the offenders escorted. The preventative security officer is responsible for liaison with police intelligence and correctional intelligence authority, ensuring that escorting officers are briefed with respect to the risk being presented by the offenders under escort, and that was a very significant development, to actually name an individual who would be responsible for that particular intelligence and be able to provide it then to sheriff's officers.

On the status of reports made, on September 1, '94, with respect to the events of 1994, there were nine recommendations in that report. I can tell the member that eight of those recommendations have been acted upon. The only issue related that has not been acted upon, or the outstanding issue, is the provision of visible clothing for federal inmates under escort to the courthouse. At the time, federal corrections officials saw no need to change their policy with respect to inmate clothing, but in the light of the most recent incident, again the recommendation has been resurfaced, it has been presented again to the deputy commissioner of the prairie region for the Correctional Service of Canada, and it is anticipated that this recommendation will be reviewed.

This is a very serious one, because we believe that is actually fairly simple to deal with and would in fact make a great deal of difference should an event such as an escape ever occur again. We understand that the Correctional Service of Canada holds a view that this is perhaps unfair to inmates that they should have anything that marks them as inmates when they leave the institution, but in our view the public safety is the most important issue, so we will be continuing to press this issue with the federal institution and with the deputy commissioner for the prairie region.

(Mr. Deputy Chairperson in the Chair)

For the 1996 recommendations there were 10 recommendations made. Of those, one has been fully implemented, one is partially implemented, and that is sharing of information on escorts for inmates from Stony Mountain, and there have been eight action plans developed for implementation of the other recommendations. I always hate to say too much on the record in terms of our security issues, so I think it is best to leave it at that but to say that it is anticipated that the majority of all recommendations—the note that I have is one developed actually towards the end of January, and the information that I have is that almost all of the recommendations are expected to be in place by the beginning of April. There are only two which may take somewhat longer than that, involving a video connection with Stony Mountain and one other, so we are well on the way in terms of all of those. We have taken them seriously and are working with the sheriffs, but obviously part of our work has to be with federal corrections, and some of it also has to be with the judiciary involving the video connection, so we will be working however to deal with all of those recommendations as quickly as possible.

**Mr. Mackintosh:** Just dealing briefly with maintenance enforcement, can the minister say whether any individuals have lost their licences under the new legislation for nonpayment of maintenance, and if so, what is the minister's view of the response, the significance of that to the defaulters?

**Mrs. Vodrey:** Mr. Chair, my information says that there have been 196 driver's licences suspension notices and of that it has resulted in 17 suspensions. The member would understand that the issuing of the notice would be one step, and that then when an individual comes forward to begin making maintenance payments to work out a payment schedule, there may not be a need to follow up with suspension. Of those 17 suspensions, again one of those suspensions was lifted because the payor paid and has made arrangements for future payments, and I understand also 285 refuse-to-renew notices have been issued, so I think in the time, which has been not quite a year since the maintenance enforcement legislation was passed, this is quite significant in that I know the maintenance enforcement officers were working very hard when the bill was proclaimed to be ready to immediately get started and deal with this particular provision which Manitoba put into its new legislation.

**Mr. Mackintosh:** Does the minister have information about how many individuals that were given notice then entered into payment arrangements?

**Mrs. Vodrey:** I have not been given that information at this time.

**Mr. Mackintosh:** If I was to suggest to the minister that of individuals who have had their licences revoked or suspended, they continue to drive a vehicle, does the minister have any concern about that and does she have any plans to deal with that challenge?

**Mrs. Vodrey:** Certainly we would be very concerned about individuals who were driving while suspended and would certainly be looking at taking all action possible against individuals who are driving while suspended. The possession of a driver's licence is an important privilege that individuals have, and it is one which is within the authority of the Province of Manitoba to grant and within the authority of our province then to suspend. If the member has any information about individuals that he believes are driving suspended, then I would hope that he would pass it on, No. 1, for the benefit of all Manitobans and most certainly so that we could deal with that individual.

**Mr. Mackintosh:** Has the minister considered whether any affirmative action is called for to follow-up on the licences suspended or to encourage others to come forward with any information if people are driving with suspended licences?

**Mrs. Vodrey:** Mr. Chair, I understand that since proclamation, this number is within approximately five months, though I am not—and these numbers are as of May 31, '96, so we are looking at approximately the first five months.

\* (1550)

We will be reviewing it. We will be wanting to look at its effectiveness. Obviously, as in all cases, we will be looking at attempting to be proactive if we find that this provision is in any way being flouted by Manitobans who then continue to drive while suspended, but I think that it is very important to know that this legislation was considered extremely tough on those people who failed to

pay their maintenance payments. We maintain, as well—we are very pleased, actually, to see that other jurisdictions have in fact followed suit, particularly the federal government who is looking at withdrawing within their jurisdiction things such as passports. Manitoba was the first province in this country who gave authority to garnish pension benefit credits, and we see now that the federal government has included that in their legislation, so our government has been in fact very forward looking. We have put teeth into maintenance enforcement.

Obviously, we continue to want to improve our enforcement measures but, as I said, in terms of our maintenance enforcement legislation, part of it was on the enforcement side, part of it was on the resource side in terms of having more money to be able to attach and to have people no longer be able to avoid paying by transferring their funds into a joint account or using their money to feather their nests in terms of their own pension benefits.

**Mr. Mackintosh:** Can the minister tell the committee how many individuals have now been reported to the credit bureau?

**Mrs. Vodrey:** No, I do not have the credit bureau reporting on the list of information that I was given. I had provided information to the member earlier on the number of reports to the credit bureau, and I also believe I gave him at that time a forecast of what was expected to be the continuing number. I believe that it is significant, but I have not been provided with the information regarding reports to the credit bureau right now.

**Mr. Mackintosh:** And, of course, we heard directly from the credit bureau what the real story was on those numbers, and I hope the minister has adjusted the plans accordingly.

I wonder if the minister can tell the committee if there has been any change in staff years for the Maintenance Enforcement office for this fiscal year over last.

**Mrs. Vodrey:** Mr. Chair, all the questions I tried to anticipate, I was not able to anticipate all the ones that the member brings forward. I have some information that, as a comparison since 1988, since 1988 the program has grown from a number of staff which at that time was 18 to a staff number of 27, an increase of 50 percent. I

do not have specifically the number of additional staff people that have joined Maintenance Enforcement for this year, but I am happy to find that out for the member.

**Mr. Mackintosh:** I thank the minister, if she could get back to me on the change year over year. Would the minister tell the committee what she sees as the benefit of the SOA for the Public Trustee's office?

**Mrs. Vodrey:** What we are looking for with the Public Trustee moving to a special operating agency is to enhance the service level. There has not been a requirement that the Public Trustee maximize revenues. The functional relationship of the Public Trustee to government does not change as a special operating agency, and the Public Trustee now has direct responsibility as a special operating agency for results and for management flexibility. The Public Trustee now has as a special operating agency greater ability to evaluate service delivery standards and to ensure that those standards are met.

They are able to utilize revenues to invest in information technologies to achieve efficiencies and effectiveness. They are able to hire term staff as appropriate. I can tell the member that we believe the Public Trustee will continue to provide services to Manitobans where no other alternative exists for the management and administration of personal and financial affairs of mentally incompetent people, the administration of deceased estates and the administration of trust funds for minors, so we believe that there will be a benefit to the people of Manitoba with an enhanced service level.

**Mr. Kevin Lamoureux (Inkster):** I just had one very short question to the Minister of Education. I have a constituent who has a special needs II child who lives out in Meadows West. They were wanting their child to be able to go to Meadows West School, which is in their catchment area. The simple question that I was going to ask is, what obligation do Winnipeg schools or Winnipeg divisions or any school division have to ensure that there is public education being provided to special needs students? Are special needs students entitled to go to their catchment area school?

**Hon. Linda McIntosh (Minister of Education and Training):** School boards are obligated to provide an education for all children within their school division,

and they are obliged with a special needs child, such as the one you are describing, to have education available for that child within the division boundaries. That opportunity for education may not necessarily be in the neighbourhood catchment school, but it would be somewhere in the school division. Their obligation then is to ensure that programming exists and that if the programming is not in the neighbourhood school that it be within the division in some other area of the division.

Boards will sometimes centre special needs students in clusters so that they can make better use of specialists or special education teachers and feel that they can improve the quality in a centralized way, but I should indicate that that of course could be changing with our schools of choice which is before the House right now. That legislation was introduced a few weeks ago and will come into effect after passage for September 1997, which would indicate that parents can select any public school that they wish their parents to attend and that child would then be able to go to that school with three caveats.

The three caveats would be: (1) that there be room in the receiving school, that the school division would not have to find additional space to accommodate additional students; (2) that the school not have to change any program requirements to accommodate a school of choice student; and, (3) that if the transportation is over and above or beyond what the student might normally qualify for, that the parents pick up the extra-distance cost themselves.

I do not know if the latter situation would apply to the member's constituents' particular situation but I do know that they should, if they are having concerns, consult with their board members to see if there is accommodation for their special needs child in the neighbourhood school, and, if not, what transportation, et cetera, might be available to take them to the designated school which there should be available for them within the boundaries of their local school division.

\* (1600)

**Ms. Diane McGifford (Osborne):** I have a few questions to ask the Minister responsible for the Status of Women (Mrs. Vodrey). Given the nature of the Expected Results in the Manitoba Advisory Council, I would expect that the department does a fair amount of research,

and I am wondering if the minister could tell the committee how much money the Manitoba Women's Advisory Council spends on research.

**Hon. Rosemary Vodrey (Minister responsible for the Status of Women):** I do not have that information with me. We did not get to questioning on the Status of Women today. We got to opening statements, so I do not have that information here. I can undertake to try and provide it to the member.

**Ms. McGifford:** My other questions are also related to research, so perhaps the minister will not be in a position to answer them today; but, if she cannot, I would appreciate her getting back to me on them.

I am wondering if the research undertaken by the Manitoba Women's Advisory Council, if the research is policy-oriented in the sense that, does it lead to the formation of policies?

**Mrs. Vodrey:** I know that the advisory council has worked in co-operation with the University of Manitoba in a number of other areas in an attempt to highlight certain issues in relation to women.

This morning, in my opening statements, as the member can see according to Hansard, the breadth of all of the work of the advisory council was covered. We try very hard to keep a very good liaison with the advisory council and also undertake to look at whatever they can bring forward as important information to us. In terms of whether I am able to say it is related to a specific policy decision, I am not able to say that at the moment.

**Ms. McGifford:** Given the changing needs of women in our quickly changing society, I am wondering if the council reviews its research strategy from year to year in order that the research strategy will reflect the pressing and changing needs of women, and, well, that is my question. I wonder if the minister could comment, please?

**Mrs. Vodrey:** It would be my impression that they do, because each year they set goals, and each year the members of the committee determine what the areas of priority will be and the areas that will be looked at. Certainly, again, in my opening statements, I addressed a number of the very, very current issues that relate to

women that I dealt with in terms of the advisory council. It virtually was a report by the advisory council as they looked at some of the very important and pressing issues relating to women in the areas of health and issues that they had really been participating in, relating to midwifery; the effect of smoking on women, particularly young women, issues relating to breast cancer that we looked at, the educational issues relating to women and in particular how to look at any gender influence which might be in any of the education or how we treat young women.

Also, they have been very interested, I know, in making sure that they have kept in touch with the educational issues relating to women, and then we also looked at the—I also spoke about their involvement in the areas of violence against women and some of the particular work that they have done. I have to say, I am really genuinely impressed with the work of the advisory council, and as I recounted this morning, the number of meetings, the number of community contacts.

This is our advisory council who has contact with the community, who is able to bring information forward. I have found that they have been an incredibly hardworking council and so I would believe that every year they are very current in the issues that they deal with. I have certainly felt that they were very up to date on looking at how the social policy reform affects women particularly.

I just would like to raise this in our discussion of the great concern that was developing and came directly to the ministers of the Status of Women table and that is the effect of the CPP reforms. I know the advisory council had been interested in the whole impact, including the CPP reforms, and also the directorate had been, ministers for the Status of Women recognize that there now has been some further information brought forward on what may be a disproportionate effect, and so we want to make sure that that is able to be at least considered.

I want to thank our own Minister of Finance (Mr. Stefanson) for his support and co-operation, as I have been providing him with information as it comes to me so that he is able to go to meetings with his colleagues with information that reflects the position of the women of Manitoba on this particular issue.

**Ms. McGifford:** Mr. Chair, I am very glad to hear that the council reviews its strategy and changes with the changing times. If there is any written material available on their changes in strategy and reasons for doing so, I would be very interested in seeing those.

I am also interested in whether or not the council does its own research or if there is any contracting out, but maybe the minister could get back to me with that when she provides the other information. I understand that on International Women's Day a study was announced regarding benefits and trends for girls taking phys ed. I wonder if the minister is aware of that study and if she would like to comment on it.

(Mr. Chairperson in the Chair)

**Mrs. Vodrey:** Mr. Chair, again from memory, some of the information that was released was collected from a number of different sources, from Statistics Canada, from a number of sports groups who collect statistics, but some of the impacts that we found that were released on that day found that young women who are involved in physical activity are less likely to take up smoking and that, at the moment, there seems to be an increase of smoking more in the area of young teenage women than many other Canadian people and also that there is a lessening of involvement with drugs and alcohol and also a lessening in the area of teenage pregnancy. I have those statistics.

The statistics were released on International Women's Day. I released them again at the meeting of ministers responsible for the Status of Women because I felt that when we are looking at the educational issues for women, this is one area which was really important. So what we released on that day was our participation with phys ed instructors across this province for a workshop to make sure that there was at least some training in trying to involve young women in physical activity. There has been a concerted effort. That concerted effort, I gather, was recognized at a national level because our project, Do It For You, has received some national recognition. This is the first of projects that are the Do It For You projects, and this first one dealt with the health of young women and being involved with physical activity.

\* (1610)

So the statistics are certainly available that were used in the development of this program, and if the member does not have them I will be glad to provide them.

**Ms. McGifford:** I would be very glad to receive them. I am glad to hear the minister speak so eloquently on the benefits of girls taking phys ed and perhaps she could make that information available to the Minister of Education (Mrs McIntosh) being, as I understand, physical education programs in schools are being cut.

The last question I wanted to ask about the Manitoba Women's Advisory Council was, does the council evaluate its work, and part of that question in does it evaluate it. I want to know is there any specific way in which the council is accountable to the wider community?

**Mrs. Vodrey:** Mr. Chair, I just wanted to again clarify with the Minister of Education that phys ed and health are still a priority within our educational system, and it was teachers within the phys ed system who came and participated in this one-day seminar to get young women involved in physical activity, so I think that it is very important to note that our commitment is not only through the Status of Women, but also through general policies of this government.

In terms of the accountability of the advisory council, the advisory council is obviously, as the member knows, at arm's length to government. It does have its own ability to determine how it will go about its work; it makes contact with the community, it participates in community events, and its members are involved in the whole life of issues relating to women. It is one way in which they are accountable to the community.

This morning in my opening statement I gave quite a few examples of number of meetings, committees served on, support given by the advisory council to the community. Some of that support is in-kind support, some of the support is making available meeting space, providing library services. So part of it is work which is done within the advisory council's office, and part of it is work that the advisory council members do within the community. I believe they have had a very high profile in the community and participated very fully in issues of importance to women in Manitoba.

**Ms. McGifford:** Actually, I do have one last question about the Manitoba Women's Advisory Council. I am wondering if the meetings of the council are open to the public.

**Mrs. Vodrey:** Not to my knowledge. Their meetings, I understand, are held with the committee in which they set an agenda, but I understand that they do hold some meetings with the public and have held those meetings in various places across the province where they have travelled and they have tried to make sure that people know they are there. Where people have not come forward, they have reached out and invited presentations in the communities that they have visited. Certainly in Winnipeg, in terms of informing themselves on issues, they have made sure they have had people in to inform them, that they can ask questions freely.

So though they participate publicly, members participate publicly in a wide number of committees—I understand too that they have been holding public information sessions approximately once a month. I believe that began around the time of International Women's Day. These are open to the public and they try and choose a topical area or an issue which then can be dealt with. I understand the attendance has been very good.

I am sorry, it did not begin on International Women's Day. It began in celebration of the recognition of Nellie McClung. That was very, very well attended. I understand these meetings by the public are well attended. I understand that they developed because the advisory council found that there was an interest within the community. Now these have been held basically within Winnipeg, the once-a-month meetings, but there have been meetings held by the advisory council in other places outside of the city of Winnipeg to which the public has been invited to make presentations.

**Ms. McGifford:** I have one question on the Manitoba Women's Directorate. I understand that one of the chief activities of the directorate is to analyze legislation, policies, programs and make recommendations to government in order to ensure that women's concerns are needed. I am wondering what advice or what recommendations were forwarded to government on cuts to Family Dispute, cuts to social assistance, changes in

Pharmacare, the lack of women reps on regional health boards and the privatization of home care.

**Mrs. Vodrey:** Mr. Chair, the directorate does hold the function of trying to be very current about policy direction of departments across government and making sure that we do have information. I think they actually work very hard in this area. However, the member holds an opinion about some of the very difficult fiscal decisions that this government has had to make, and we are not the only government that has had to make them. I look at my colleagues, ministers for the Status of Women across this country who represent every single political party, and I look at the same issues that they are facing, the same difficult decisions and the same way that we are all trying to deal with the fiscal problems. It is absolutely clear that if we do not deal with these fiscal problems the position of women and children will be far worse.

A government that fails to deal with these issues, that fails to deal with the debt, that fails to bring spending under control, will put the women and children of the province in a much more difficult position and will pass along that debt to their children. It is not the intention of this government to act in that way. We have heard from members across the way that they virtually have objected to everything. Their decision and their solution is simply to spend more, to make no difficult decisions. But the problem then is the debt continues to rise and then if that money is available, more and more of it continues to be spent on interest on the debt; less and less of it is available for health for women and children, for education for women and children and for the important needs of all the citizens of Manitoba.

So this government has made difficult decisions. Other governments across the country have also had to make these difficult decisions. The member thinks that we are the only ones. She only needs to talk to her counterparts across the country. We believe that our decisions on this budget are decisions which will be in the long run in the best interests of the people of Manitoba, the women of Manitoba and the children of Manitoba, who will eventually be coming up and hoping to find jobs, hoping there will be a health care system available to them and hoping there will be an education system. We believe our government is protecting all of those things.

**Ms. Marianne Cerilli (Radisson):** I have a number of questions for the Minister of Family Services (Mrs. Mitchelson) who is also the minister—

**Mr. Chairperson:** Order, please. We are even getting a little loud in the loge now, are we? Could I ask those members who want to carry on in the loud state that they are to do so out in the hall so we do not disrupt the House. The honourable member for Radisson has the floor.

**Ms. Cerilli:** I am going to begin some questions directed to the Minister of Family Services also having the responsibility for the Youth Secretariat, and I am going to begin by referencing a document that is the sort-of guidelines for the Children and Youth Secretariat. It is called Children First—Restructuring Service Systems. I am sure the minister is familiar with this document.

The area that I want to begin asking questions about is the area of the financing of the Youth Secretariat. Now I understand that again in this budget there is \$144,000 that is earmarked for the operating of the secretariat. I would first of all ask that the minister would outline how that \$144,000 has been spent because, as I understand it, it is not for salaries, it is simply for the administrative requirements of the secretariat.

\* (1620)

The other thing I am wanting to ask with respect to the financing is in the last year's Estimates the minister had said that the departments under the umbrella of the Youth Secretariat were going to be compiling the number of dollars being spent on servicing children and children's needs and youth needs in the provincial budget, and I am wondering if that has occurred at this time and if the minister can tell us the results of that work that was being done last year in the secretariat.

The third item related to the funding that I am wanting the minister to clarify is how far along the different departments are in identifying the 2 percent of existing approved resources. In the document I was referring to earlier, Children First, it indicated that by January 1996 the departments with responsibilities under the Youth Secretariat were to have identified this 2 percent and describe the sources and the amount. I am wondering if that has occurred, and if not, what the delay is. If that has

occurred, I would like the minister to account now here in concurrent section of Estimates the amount of money identified in each of the departments—Health, Education, Family Services, Justice and Culture, Heritage and Citizenship—that is going to be redistributed or accessed through the Youth Secretariat?

**Hon. Bonnie Mitchelson (Minister of Family Services):** There were several questions that were asked. I would have preferred if I could have responded one by one to the questions. So I will try to recap briefly the questions that were asked and try to provide responses. It is unfortunate that during the Estimates of Family Services and the Children and Youth Secretariat when staff would have been available to give the detail around absolute operating dollars and where those dollars were allocated, I could have had that detail available. Unfortunately, I do not have that, but I will undertake to get that information and provide it to my honourable friend. That kind of detail I do not have at my fingertips. I do know that, in fact, the staff that are seconded to the secretariat are paid for by the respective departments that the staff are seconded from in order to do the work in the secretariat. I would imagine, but I could not say for certain, that the operating expenditures would be for the committee work that is being done through the secretariat for office and overhead. I will clarify that with Reg Toews from the secretariat and get that information back to my honourable friend.

The other question that I can recall being asked was the question around identification of financial resources that are being spent in all of the departments throughout government on children. I know that it is a significant amount. I, again, do not have that information at my fingertips, and I will endeavour to get the information for my honourable friend and get it back to her.

Regarding the identification of 2 percent of the budgets for each of the departments, I want my honourable friend to know that there has been a lot of work done by the secretariat. I am sure there are members of different organizations, community organizations and agencies, that members of the opposition from time to time have had the opportunity to talk to who are involved in the work of the five committees that the Children and Youth Secretariat has set up. I think I had the opportunity to provide that information to the critic for Family Services

for both opposition parties during the Estimates process, so that list should be available.

A lot of very credible community people, along with members of different government departments, have been involved in that activity. I understand at the committee level, for the five committees, that they are coming very close to completion of their work. We will be looking at ways that departments can work horizontally, not vertically. I think in the past, my honourable friend will recall—and it has not just been under this government's administration but it has been for many, many years when the New Democratic Party was in government also, departments tended to work in a vertical way and not look to what other departments were doing and try to co-ordinate the services.

I have said many times before that we are not dealing with bits and pieces of children and families, but we are taking a more holistic approach to the issues that need to be addressed when we are looking at families with children who have some difficulties and need to access and need some entry point into government service and support at some level. Very often, more than one department is providing service or programming to the same family and to the same children within those families, whether it be through child care or through the school system, through the Department of Health, through our Child and Family Services agencies and very often through Justice and those who tend to get in trouble with the law.

Young offenders can be dealt with through—if they are over 12, but there are others and we all know that we are hearing instances where children under the age of 12 are becoming involved with the justice system. I think it is critical that we look at what is happening and look at methods and ways that we can try to prevent the problems that exist in families because of early intervention and new programming that will look at new ways of delivering service.

I want to say to my honourable friend, the work of the committees is not completed as yet. I am expecting that it will be completed in the near future, and then once we have identified the kind of direction we need to take horizontally, we will be able to determine where the dollars, the resources can be freed up in order to

implement new programs and new initiatives within government.

**Ms. Cerilli:** Mr. Chairperson, I am going to table three sheets from the Children First document that I was referencing so the Minister of Family Services can be working from the same material that I am right now. I want to let her know that I am very concerned about the answer that she gave to my question about where in those five departments the 2 percent is going to come from, because in the time line for the work of the secretariat, it clearly says that by January 1996 those departments were to have identified that 2 percent. I have been through this exercise in the departmental Estimates for Health, for Family Services—not for Family Services, the member for Burrows (Mr. Martindale) did that one—but for Education, as well as for recreation, and none of those ministers were willing to say where in their departments that 2 percent had been identified, and I think this is a really crucial issue.

I want the minister to confirm if the total of that 2 percent identification from all of those departments could be as much as \$10 million, and if that is the kind of amount, as I have heard from people who are involved with the Youth Secretariat's work that we could be looking at here, it is of crucial importance that the minister would be accountable to this House and to the members of the public of where that money is going to come from. There has been concern expressed to me that the exercise of this Youth Secretariat is more cost cutting than service provision. When I read this document, Children First, the focus on budget, rather than the focus of providing a more co-operative interjurisdictional youth service being on providing better service to children, it is better for children and youth when their service providers talk to each other and there is information shared and there is not interjurisdictional conflicts, that is why we should be doing this, because it provides better service.

I am concerned that this is merely a cost-cutting exercise, and when the minister is not being forthcoming with the amount of dollars and where those dollars are going to be coming from, from the different departments, it only feeds into that notion that this is a cost-cutting exercise. So I would hope that the minister will respond to that more directly and let us know where that 2 percent has been identified in all those departments, especially since it was to have been completed by January 1996.

The other thing I want to raise concern about is the secretariat's main role, as I understand it right now, is to be implementing and co-ordinating the implementation of the Postl report on the health of Manitoba's children. I am concerned that while we are supposed to be having this report implemented, the government is going in the exact opposite direction as compared to a number of the recommendations in the report, and I will give a few examples.

\* (1630)

The report recommends nurses in the schools, and the government's initiatives have eliminated nurses in the schools. The report recommends improving the nutritional resources and allowance under social allowance, particularly for families with small children and single-parent families, and this government has reduced social allowance in those areas, particularly in the provision of the food allowance for families. This report recommends attention and increased services in speech and hearing, and this government's policies and actions and budgeting have resulted in a decrease in the services of audiologists and speech therapists. The report recommends mandatory health education. This government has gone in the opposite direction and has eliminated health education as a required course kindergarten to Grade 8, and it also has clawed back on physical education, contrary to the recommendations in this report. That is just a few of the incongruities between the government's actions and this excellent report that the Youth Secretariat is supposed to be recommending.

I want to ask the minister, in view of this, what is the Youth Secretariat going to be doing? Are they going to be able to recommend a reversal of all of these policies in compliance with this report that they are instructed to implement, or is the Youth Secretariat going to not be implementing this report? How has the Youth Secretariat responded?

All the numerous committees—I understand there 177 community people who are giving of their time, and there are 86 government staff that are being, if not necessarily seconded, then their staff time is contributing to an analysis on those five working areas that the minister has talked about. I am hoping that the minister will explain the incongruence of the government actions in light of the

Postl report and how it is that the Youth Secretariat is going to reverse that trend.

**Mrs. Mitchelson:** Mr. Chairperson, I again have had a few different questions asked all at once from my honourable friend, and it will take me some time to try to respond to those questions that she has put.

I want to start by saying, yes, there are a lot of community people who are giving their time and effort and energy towards the committee process through the Children and Youth Secretariat, and there are many staff resources from government that are involved in that process too. I think it speaks to the co-operation of the community and government finally trying to work together and put our heads together around what the issues are and indeed how we can find appropriate responses to the real needs that are out there in the community.

The five priority areas that have been identified for the Child and Youth Secretariat to place some focus on are early childhood, adolescents and pregnancy, care and protection of children, high-risk children and youth, and critical health incidents. Those are the five committees, and the one committee that is dealing with the Postl report is the critical health incidents committee. That is dealing with the Postl report, and I have indicated to my honourable friend that the committee work is not yet completed.

These are not going to be committees that go on forever, Mr. Chairperson, these are committees that were put in place to do the research, to dialogue around implementation, new directions, better ways to spend the resources that we have available to us for children and youth throughout government. As those committees finish their work, and I indicated that my understanding is that will be in the very near future, that work will be wrapped up, and then we should have a better understanding of where the new direction should take place and what kinds of new programming should and needs to be put in place to better serve children and families that need our support throughout our Manitoba communities.

I want to indicate to my honourable friend that as we move through this process, there may indeed be more than 2 percent of any budget that will be moved or

reallocated. I want to indicate to my honourable friend, just like I would indicate to her that all of my colleagues that are involved in the Children and Youth Secretariat process—you know, I have no need to be protective of all the programming that is done in the Department of Family Services. If it makes sense that some of the money is transferred from Family Services to Health in order to have a more co-ordinated approach and a better service-delivery model for children that we serve, I have no need to keep those services under me or within my responsibility. I think it only makes common sense, and the taxpayers in the province of Manitoba would want us, in fact, to reallocate resources.

I have said many times before, too, not every program that we have within government is working today. Many of the programs that we have in all of our departments were put in place 20 years ago. The needs of Manitoba's families and children were very different 20 years ago. I have said many times before too, the heavy spending years of the '70s and the '80s, when every department within government got more money to spend, and departments were busy trying to develop new programs to spend that money, there was never an evaluation of the old programs to see what the outcomes were and what in fact they were doing to serve the needs of the people that needed that kind of service from government. No longer can governments afford to do that. We have to look very carefully at the resources we are spending. We have to measure the outcomes of those programs, and we have to have the courage as a government to say: this program is no longer working; it is no longer meeting the needs of children and families today; that program will have to be cancelled, and the money that is in that program will have to be redirected in another manner so that in fact we can see some positive results for the efforts and the dollars and the energy and the time that is put into trying to deliver services to children and families.

So, Mr. Chairperson, I make no excuses at all for the process and the time that it has taken because I believe that in the end we will have a product and many programs. Whether they be delivered by a different vehicle, by a different department, I think it is critical that a department take the lead in certain areas and that the program be co-ordinated and that we be thinking that we all have a piece of the problem to solve, and we all want to do it in a better way.

**Ms. Cerilli:** I have two very short questions, and I hope the minister will answer them in a very short response so that my colleague from Rupertsland (Mr. Robinson) can ask some questions. First of all, given that there are 86 government staff working on these committees and 177 community representatives, how many of them are representative of the North and aboriginal people? That is my first question. Secondly, will the minister make all the reports of the working groups and the subcommittees for the Youth Secretariat public?

\* (1640)

**Mrs. Mitchelson:** Mr. Chairperson, as to the first question that was asked, I did provide a list of the members on the committee, and I do not know if there was any indication of what part of the province they came from. I do know on—and I cannot remember, I do not have it in front of me. One committee, I know there is the executive director of Awasis child and family agency which would be representative. He is the co-chair, I believe; Gerry Bellefeuille from Awasis Agency is a co-chair on one of the committees. It may be, if I can recall, the critical health incidents committee, but I would not want, without having staff in front of me, to confirm that, but I think he may be the co-chair of that committee, along with Dr. Postl. As far as others, I can certainly attempt to get that information and provide it for my honourable friend, but, as the recommendations come forward to government, we will act upon those recommendations as we can and when we believe they will be in the best interests of co-ordination of services, better services for children and families, based on outcomes.

**Mr. Eric Robinson (Rupertsland):** Mr. Chairperson, we did not have an opportunity to discuss Aboriginal Justice Initiatives, so I just have a few questions. Perhaps the minister will respond to me by letter, and I will be satisfied with that. First of all, I would like to ask the minister, how many of the some 300 recommendations of the AJI have been implemented? I know that she provided a list this morning, and we do have a portion of that list that she provided this morning earlier in the Estimates process and, for example, the Hollow Water holistic healing program, but perhaps if the minister wishes to just briefly respond to that, or if she would provide that information by letter that would be satisfactory as well.

**Mrs. Vodrey:** I will be happy to outline a number of the initiatives that this government has undertaken which, I believe, are directly in line with recommendations from the Aboriginal Justice Inquiry. I think that, as always, one of the important points is that this government has seen its action on the Aboriginal Justice Inquiry in a very comprehensive way, and as we have taken action, you may be able to point to this action flowing from two or three or four or more of the recommendations within the Aboriginal Justice Inquiry. So sometimes it is very hard to quantify exactly how many recommendations, and I think one of the best ways to respond is in a fairly comprehensive information which actually I provided a great deal of last year in Estimates and am happy to talk further about.

I know the member knows that in terms of Justice, we have been working in all areas of justice from the policing with our First Nations policing agreements, in areas of prosecutions, areas dealing with Legal Aid, the aboriginal law centre, how we are dealing with community magistrates right through courts and the court process with some of the alternatives, some of the programs which are in place within Justice, how we are dealing with the court process, what is available to us within our system, within our jurisdiction to deal with, and then, of course, in the area of Corrections, both in terms of our work with correctional officers and also our work with inmates. When I have discussed the response in Corrections to the Aboriginal Justice Inquiry I have been quite careful to indicate and make sure that the member knows that we are dealing with both parts.

I will undertake to provide him with further updates. I know I provided quite a comprehensive list last year, but I would remind him that in the list provided it does not apply generally simply to one recommendation. The recommendations have been looked at for their meaning, for the comprehensive response, and that is the way our government has replied and continues to reply.

**Mr. Robinson:** I will certainly look forward to any information relating to any Aboriginal Justice Initiatives that the minister will provide.

I would like to also ask, she briefly mentioned the initiatives relating to the First Nations Policing Policy which is a 52-48 formula with the federal government. I know there has been some work done by this province

particularly with the Dakota Ojibway Tribal Council, however, there are other initiatives that have been proposed by other First Nations governments in this province including the Island Lake Tribal Council, the Southeast Resource Development Council and other tribal councils in this province. I am wondering, at what stage are these negotiations at with the other First Nations groups and the tribal councils that I identified?

**Mrs. Vodrey:** The information I have is that consultations have occurred with Justice officials and representatives of all First Nations. Regarding the First Nations policing policy, 26 First Nation communities are currently in the process of conducting the required consultation with residents of their respective communities. That consultation is required in order to enter into the tripartite agreement. The consultation is required for the community to determine what type of policing service the community would like to have; whether they would like to move to stand-alone police service, whether they would like to have some support of the RCMP with their own police service or whether or not they wish to retain the RCMP.

I can tell the member that 28 First Nations communities have completed the consultation process and have entered into the negotiation phase with the provincial and federal governments, and eight First Nations communities have signed the agreements under the First Nations Policing Policy.

**Mr. Robinson:** I wonder if by letter the minister would consent to provide the names of those First Nations and those tribal councils that are currently having discussions with the two levels of government.

**Mrs. Vodrey:** Yes, I am prepared to provide that. I could read the names into the record of those who are in the consultation phase, those who are in the negotiation phase, where implementation has occurred, but it may be faster for reasons of time to provide that by letter.

**Mr. Robinson:** I would like to ask the minister what discussions she has had with individual chiefs and councils from Manitoba First Nations, also tribal councils and representative organizations like the Manitoba Keewatinowi Okimakanak organization and the Assembly of Manitoba Chiefs.

**Mrs. Vodrey:** My communication has, by and large, been by letter where I have received requests for consideration of programs or funding for certain agreements or consideration of other issues. I have replied to those communities. I know that my staff acting in the area of First Nations Policing Policy has had wide consultation and also Justice officials in developing our strategy to deal with particularly projects relating to northern communities and one southern community which is actually quite a comprehensive program.

Under the title in Aboriginal Justice strategy there has been very significant consultation at the staff level which developed then the ideas and the concepts which were brought forward for consideration by government. We have been supportive of these, and information will be going back to these communities in terms of starting up some projects, and we have been very aware and very interested in working with these communities in terms of, No. 1, community participation. That has applied to all Manitobans.

\* (1650)

We have been looking at specific strategies. There have been some strategies which have been advanced by a number of aboriginal communities to increase community participation in a number of different areas, particularly in the areas of community justice committees. So those have all been taken into consideration in the development of the strategy, and I expect to be able to communicate the details of this quite shortly.

In short, the communication between myself has by and large been in letter through submissions which have come to me. But I can say that my staff has met regularly and that certainly where I am asked to meet or where there is an opportunity for us to meet together around issues, I am more than willing to do so, and did meet with some members of communities when the boot camp initiative began, whether or not we would be moving from an initiative within our own institutions to other operators. At that time I made it clear we would start within our own institutions until we had a strong evaluation. But certainly I look forward to the opportunity to work with all Manitobans, and am certainly working actively on behalf of the development of policy and programs to continue our government's response to the Aboriginal Justice Inquiry and the strategies that our government is

developing through that. I believe we are working with the communities, and I believe there are some very important initiatives that will be interesting to all Manitobans, which will be able to be announced in detail shortly.

**Mr. Robinson:** Mr. Chairperson, I want to thank the minister for her answers to the questions that I had this afternoon, and I look forward to the correspondence that she will be providing me.

One of the ideas that we came up with together, the Minister of Northern Affairs (Mr. Praznik) and I, is that perhaps a co-ordinated approach among the member for The Pas (Mr. Lathlin) and the Minister of Northern Affairs (Mr. Praznik) and the Minister of Justice (Mrs. Vodrey) and myself is to, as a starting point in improving relations with First Nations, have a formalized meeting with the MKO. I am just wondering if the minister would entertain that sort of idea.

**Mrs. Vodrey:** Though that has not been formally presented, certainly, yes, I would, and some of the aboriginal justice strategy, which I will be speaking about in more detail shortly, certainly has involved the MKO, so there has been, I think, a significant exchange of ideas on Justice initiatives in particular. We will look forward to further development of those Justice initiatives; and, if a meeting, a joint meeting, would be helpful, then I would certainly be willing to participate in that kind of a meeting.

**Mr. Gary Doer (Leader of the Opposition):** My question is to the First Minister. The Premier took as notice who had been hired to conduct the campaign for the Manitoba Telephone System and what involvement Barb Biggar had in that contract from the private advertising firm.

Can the Premier, who has taken this question as notice, please indicate whether Foster Marks has the contract, and whether in fact Barb Biggar is involved in the campaign, and how much telephone money is in the campaign?

**Hon. Gary Filmon (Premier):** I am informed that the Manitoba Telephone System, having considered a process, I believe, of proposal for their advertising—and they are, of course, I believe, probably the largest

advertiser of all of our Crown corporations on an ongoing basis. They do a tremendous amount of advertising, and their work has been done by Palmer Jarvis and Foster Marks over the past three or four years.

In this particular case, the campaign that was referenced by the Leader of the Opposition was awarded to Foster Marks. I am told that, although we have no control over it, Foster Marks did subcontract some of the work to Biggar Ideas, and I am told that the amount of the costs of creative and production is approximately \$200,000.

**Mr. Doer:** The Premier mentioned that the creative component is approximately \$200,000. Can the Premier indicate the size and scope of the buy and how much that will cost the ratepayers of the telephone system?

**Mr. Filmon:** I do not have any numbers on that, Mr. Chairman. That is something that would be approved by the management and board of the Manitoba Telephone System. At this point, I know that they have contracted for the production and that they will be going through a process of buy over the space of the next four months or so.

**Mr. Doer:** We have been told that the range of buy is going to be between \$1 million and \$2 million, which is a huge amount of money, and that is why we are asking the Premier. We were told it was Foster Marks; the Premier has confirmed that. We were told Barb Biggar was very involved in it; the Premier has confirmed that. We were told that there are a number of ads to market the political decision of the government to sell the corporation, privatize the corporation, and we were told the buy is extensive. I just heard again a second ad today on the radio that advances the arguments that have been made by the government.

Can the Premier indicate the range of the buy? If it is going to take place for the next four months and it has already started four weeks ago, it is a five-month campaign. Can the Premier indicate whether the buy is between a million and \$2 million?

**Mr. Filmon:** Mr. Chairman, this is very much like the New Democrat's assertion that the Autopac rates are going to go up by over 23 percent, which was a total fabrication, total baloney, and I would say to him that his

advice and his information is way off base. I am told that all that has been approved at this point for a buy is \$200,000. He can try and float his baloney wherever he wants, but it is based on the same lack of veracity as most of the stuff that he brings to this House.

**Mr. Doer:** If the Premier had the facts at his fingertips when I asked him two weeks ago, he could have corrected the record. We made no statement about how big it was, we asked about Foster Marks, the Premier did not answer the question. Now he has answered the question. We asked about Barb Biggar, the Premier did not know that his good friend Barb Biggar had been hired or denied he knew it, feigned ignorance. The Premier: Oh, I do not know, and I do not have any contact.

All we are asking—I do not know the number. I do not know the number, and I am asking the Premier for the number.

Can the Premier tell us what the budget is for the next four months for the buy for the telephone system, the ratepayers of Manitoba, to pay for a broken promise of this Premier?

**Mr. Filmon:** Mr. Chairman, I would ask the Leader of the Opposition to please control himself. I do not want him to hurt himself, that is my primary concern. My secondary concern is that these desks have remained here for about a hundred years of this Legislature, perhaps 75, and I would not want his legacy to this House to be ruining furniture that is historic and is meant to be utilized for hundreds of years in future.

Mr. Chairman, if the Leader of the Opposition is now acknowledging that he is willing to put on the record false information, he and his colleagues at any given time, to just simply stimulate a response from the government, then we can understand how low they have sunk on that side of the House. I told him what the number is that I have been informed has been approved but, as he may well know, campaigns can be extended. At this point, \$200,000 is what has been approved, I am told.

\* (1700)

**Mr. Doer:** Thank you for the concern of the Premier for members opposite. I appreciate that.

So the Premier is telling us today that the cost of the creative productions from Foster Marks, the cost of the creative component, the production of the ads, the buy on the radios, the buy on television for the last four weeks and for the next four months that the Premier put on the record, is totally \$200,000. That is the decision that has been made by the government.

**Mr. Filmon:** Mr. Chairman, I do not know whether the Leader of the Opposition wants to deliberately try and misrepresent what I said or if he is just simply ignorant. The fact is that I told him that \$200,000 has been approved for creative and production, \$200,000 has been approved for the buy at the present time, and the campaign may continue in future. That will be a decision that management of the telephone system will make.

**Mr. Doer:** Mr. Chairman, so it is \$200,000 for the production and creative side of this ad campaign, and an additional—the word “additional” was not in the Premier's statement; I am just trying to clarify—\$200,000 for the buy has been approved at this time. Is that correct? It is for a total of \$400,000? That is my question.

**Mr. Filmon:** That is what I said, Mr. Chairman.

**Mr. Doer:** Mr. Chairman, will the telephone system be able to proceed with additional campaign advertising for this campaign, for advertising for this campaign? They are not advertising for market share and long distance or other things; they are advertising to sell a decision of the provincial government, the Filmon government. Can the telephone system proceed with any additional buying cost to the ratepayers without approval of the government?

**Mr. Filmon:** Mr. Chairman, I have seen the campaign ads, because the Leader of the Opposition raised them, and so I sat down to watch them. They say nothing about selling shares. In fact, it would be illegal for the telephone system to engage in a campaign to sell shares at the present time until it has a prospectus that has been approved, and it would have to abide by all the regulations and requirements of the Manitoba Securities Commission in order to do so. So there is no such thing as a campaign to sell the telephone system.

The campaign is part of a continuum of advertising that has been done by the Crown corporation that does the most advertising of any Crown entity in Manitoba,

historically, which is to keep their image in front of their customers and to keep good, positive relations with their customers. They do image advertising. They have done for years. They did it under the New Democrats when he was the minister responsible. They are continuing to do it, and, as I see the campaign, it is to create a warm, friendly feeling by Manitoba Telephone System with its customers and to have its customers look favourably upon it.

I might add that their work—I do not criticize their continued efforts to have that positive relationship between the telephone system and its customers because they have been the most successful of all the telcos in Canada at preventing erosion of their market share by the competitive bidders. The long-distance companies that have moved in and competed, whether it be Unitel, whether it be Sprint and the others that are competing for market, have had a lower penetration in this province than in any other province in Canada because Manitoba Telephone System has established, developed and maintained that good relationship with its customers, and that is what it continues to do.

**Mr. Doer:** Mr. Chairman, the Premier may know that there is an ad on the radio now that I heard that said that the reason for the changes to the telephone system is to “free the telephone system” from the—and I do not know the exact words—kind of bureaucracy or inflexibility of a government-owned telephone system, which clearly is not dealing with market share. It is clearly dealing with the Premier's broken promise and it is an—[interjection] Well, he campaigned not to sell the telephone system. That is clearly on the record. The Premier has acknowledged that.

**Mr. Filmon:** No, I said I had no plans for it, and I did not.

**Mr. Doer:** Well, your candidates were all—well, your word is not worth anything to us, so you can argue how much you want now. It does not mean anything to those people in Dauphin the other night either.

**Some Honourable Members:** Oh, oh.

**Mr. Chairperson:** Order, please. The decorum is sliding. May I ask all honourable members to give the courtesy to the members who are asking the questions, as

well as courtesy to those who are answering the questions? It makes it a little difficult to keep the decorum at a level pace in here.

The honourable Leader of the official opposition, to finish his question.

**Mr. Doer:** I would like to ask the Premier whether the ad campaign, that he has just admitted will cost \$400,000 minimum, will include marketing for the decision of the government to sell the telephone system.

**Mr. Filmon:** Clearly that would be a decision of the telephone company, and they would want to be in a position of ensuring that they did everything possible to put their story in front of the public in opposition to all of the nonsense that is being put forward by the opposition party in this Legislature. If false allegations and false information are being spread by members opposite, then—[interjection]

**Mr. Chairperson:** Order, please. I have asked for a little bit of courtesy when the honourable member is asking the questions as well as when the questions are being put. If we could maintain that decorum, I would appreciate it.

The honourable First Minister, to conclude his statement.

**Mr. Filmon:** The Manitoba Telephone System no doubt would want to ensure that it maintained accurate information in the public with respect to its decision to seek private investment.

**Some Honourable Members:** Oh, oh.

**Mr. Chairperson:** Order, please. We will maintain decorum.

**Mr. Doer:** Mr. Chairman, the Premier made the decision to sell the telephone system. I would like to ask the Premier whether the board of the telephone system and senior management, were they involved and did they recommend by board motion that the Conservative government break its election promise and sell the telephone system, or were they not involved?

**Mr. Filmon:** Certainly in the lead-up to the decision, in the meetings that I attended with the consortium of three brokerage firms, senior management and representation from the board of the Manitoba Telephone System was involved, Mr. Chairman.

**Mr. Doer:** Mr. Chairman, is there a board motion to recommend the sale of the Manitoba Telephone System, yes or no?

**Mr. Filmon:** I do not believe that one was asked for, Mr. Chairman.

**Mr. Doer:** Who made the decision to hire the brokerage firms, the telephone system or the Premier?

**Mr. Filmon:** Mr. Chairman, I believe that decision was made on the recommendation of the chairman of the board of the telephone system and representation from Treasury Board.

\* (1710)

**Mr. Doer:** Well, we know that Jules Benson is involved in this issue from Treasury Board; we are certainly aware of that. I would like to ask the Premier then, was this a board motion to hire the three brokerage firms or was it a decision of the Premier?

**Mr. Filmon:** I will repeat that the decision was made on the recommendation of the chairman of the board and I believe it was the secretary of Treasury Board.

**Mr. Doer:** The board of Manitoba Telephone System, did they pass a motion, or does the chair of the Manitoba Telephone System, Mr. Stefanson, have dictatorial powers in the Manitoba Telephone System?

**Mr. Filmon:** Mr. Chairman, I am not going to in any way deny that this is a policy decision of the government of the Province of Manitoba. It is not a decision of the board as to how it wants to constitute itself. They are the appointees of the provincial government. Therefore, the provincial government makes these decisions.

A policy decision as major as the sale of a Crown corporation would not be made by the board of the corporation. It would be made by the government of the Province of Manitoba, and indeed it was, Mr. Chairman.

**Mr. Doer:** So the board of the Manitoba Telephone System was not involved in the hiring of the brokerage firms that we revealed in the House and, of course, was denied by the Premier, I think, on December 16. [interjection] I can find out from his brother, I assume. The board was not involved in the decision of the hiring of the brokerage firms. Is that correct?

**Mr. Filmon:** I would have to seek clarification from the minister, but certainly approval was given by the government. I will take responsibility.

**Mr. Doer:** The Premier indicated that the Chair of the Board, Mr. Stefanson, and the Treasury Board, Mr. Benson, were involved in the hiring of the brokerage firms. Was the Minister responsible for the Manitoba Telephone System, did he recommend the brokerage firms or was it a decision of the Premier?

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):** The two individuals the member makes note of received eight proposals, and they selected three proposals, the three companies that the member knows about, Wood Gundy, CIBC and Richardson and RBC Dominion Securities. Those three were selected out of the list of eight that brought proposals forward.

**Mr. Doer:** So the two individuals, Mr. Benson and Mr. Stefanson and the Premier, were the ones that selected those three firms out of the eight that were available to the government? Is that correct?

**Mr. Findlay:** Mr. Chairman, they recommended them, yes.

**Mr. Doer:** Who paid for them, the telephone system or the government?

**Mr. Findlay:** I think if the member looks at the bill he will notice that all the costs associated with this public offering will be paid out of the proceeds of the offering.

**Mr. Doer:** So the telephone system did not make the decision but paid the bills based on the Premier's decision.

A further question. The advertising campaign for the campaign to sell the telephone system, did that go to the

board of directors or was that decision made somewhere else as well?

**Mr. Findlay:** The telephone system has an ongoing contract with one particular firm and another contract, I think it is Palmer Jarvis, I believe is the firm that MTS has a contract with, and they also have a contract with Jake Marks, who does special projects. So they have contracts for ongoing advertising with two different firms.

**Mr. Doer:** That was not my question. I wanted to know, was the campaign on the changing status of the telephone system, which is now on the airwaves, which I heard this morning, I am sure the minister is well aware of this, was that decision, that campaign, approved by the Board of Directors of the Manitoba Telephone System or was it approved by Benson and Stefanson and the Premier?

**Mr. Findlay:** The campaign of advertising to tell Manitobans about MTS and the good job they are doing is done by the Manitoba Telephone System.

**Mr. Doer:** The campaign to persuade Manitobans that the way in which the Crown corporation operates now, Manitobans would be better served by changing it from a publicly owned Crown corporation to something that was not so tied to government inflexibility. That campaign which I heard this morning, who approved that campaign?

**Mr. Findlay:** Mr. Chairman, those campaigns are operated through the Manitoba Telephone System.

**Mr. Doer:** I know there is no coincidence to the fact that the primary advertiser for the Conservative government in the last election and one of the major campaign people are also involved in this campaign to break an election promise.

I want to ask another question to the Premier. I asked the Premier a question on—the Premier visited the Faneuil corporation in Boston in September of 1995. We have FOled the trip, and apparently the trip only cost \$101. I would like to ask the Premier—of course, at that time he did not know anything about Mike Bessey's \$400,000 tuition—whom did he meet with in Boston?

**Mr. Filmon:** I was not on a business trip to Boston. I was on a trip in which I was on a vacation with my wife, and that is why there are no bills for the trip other than for one lunch in which I did meet with some people who have a business interest in Manitoba, including people with an interest in the Faneuil corporation.

**Mr. Doer:** Could the Premier indicate whether he met with Mr. O'Brien during that visit?

**Mr. Filmon:** Yes, I did.

**Mr. Doer:** Did the Premier meet with Mr. Brown on that occasion?

**Mr. Filmon:** Yes, it was at the same gathering. That was the first time that I had met—now, let us see, which is Mr. Brown now?

**Mr. Doer:** He is a friend of Mike Bessey, Mike Bessey's friend.

**Mr. Filmon:** That was the first and only time that I met him, yes.

**Mr. Doer:** Was there any hospitality provided to the Premier during that visit to Boston from the Faneuil corporation?

**Mr. Filmon:** Yes, the Faneuil corporation hosted a luncheon gathering at which they invited all of their staff to attend so that they could meet me.

**Mr. Doer:** The Minister of Telephones indicated that there were two additional deals signed by the government with Faneuil subsequent to the April 25 memo that we made public. Can the Premier indicate whether he discussed those deals with the principals of Faneuil during his visit in September of 1995, and why have those deals never been made public?

**Mr. Filmon:** I am not sure what specific agreements the member is talking about. I can tell you that obviously I am very interested in obtaining as much information as possible about a corporation like Faneuil and their operations. They employ, I believe, about 350 people in Winnipeg right now. They are a major employer. They are a major investor, and they are going to be creating 1,000 jobs in the course of their relationship-building

with Manitoba. So obviously I was interested in talking about their future interests and investment, their future interest in job creation, and I would do that with any corporation that has an interest in Manitoba.

Last Monday I phoned Toronto to talk with an organization that is intent on investing somewhere in Canada and creating up to 1,000 jobs, and I was putting in my very strong pitch for them to be here in Manitoba because I know other Premiers had also called. I can tell you that the Faneuil has had calls and visits from other Premiers in Canada who are interested in having their investment and their job creation in their provinces, so there is no way that I am going to allow an opportunity for 1,000 jobs to go somewhere else.

\* (1720)

**Mr. Doer:** Well, we always wish the Premier well on the jobs, and all we ask from him is full disclosure about the agreements on those job activities, which brings us back to the Faneuil agreement. I think you will find comments from us when the original announcement was made were very positive about the announcement of the government. Regrettably, we feel that all the information that should have been available to the public was not made available by Mr. Disclosure, the Premier of this province.

I would like to ask the Premier, has the original agreement that was announced by the government in August of 1994 been altered in any way with the announcement of the other two agreements that the Minister of Telephones indicated has been agreed to with Faneuil subsequent to the April 25 memo?

**Mr. Filmon:** Not to my knowledge, Mr. Chairman.

**Mr. Doer:** So the original agreement that we have been arguing about in this House—we saying that there is a \$3-million hidden subsidy, confirmed by the Acting Provincial Auditor and the former Provincial Auditor, and the government saying no, it is not a subsidy, the Auditor is wrong, the NDP is wrong—that agreement has not been altered since the press conference of August of 1994 in which all the alleged details of the agreement were announced to the public of Manitoba?

**Mr. Filmon:** Not to my knowledge, Mr. Chairman.

**Mr. Chairperson:** Is the House ready for the question?

**Some Honourable Members:** Question.

**Mr. Chairperson:** The question before the House is it has been moved by the honourable Minister of Consumer and Corporate Affairs (Mr. Ernst), seconded by the Minister of Finance (Mr. Stefanson), that the Committee of Supply concur in all Supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 1997, which have been adopted at this session by all sections of the Committee of Supply sitting separately and by the full committee. Agreed?

**Some Honourable Members:** No.

#### Voice Vote

**Mr. Chairperson:** All those in favour of the motion, please say yea.

**Some Honourable Members:** Yea.

**Mr. Chairperson:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In my opinion, the Yeas have it. The motion is carried.

#### Formal Vote

**Mr. Steve Ashton (Opposition House Leader):** I would ask for a standing vote, please.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 29, Nays 26.*

**Mr. Chairperson:** The motion is accordingly carried.

Committee rise. Call in the Speaker.

#### IN SESSION

#### House Business

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I wonder if there might be leave of the House to not see the clock until 7 p.m.

**Madam Speaker:** Is there leave of the House not to see the clock until 7 p.m.? [agreed]

#### Committee Report

**Mr. Marcel Laurendeau (Chairperson of Committees):** Madam Speaker, the Committee of Supply has adopted a resolution regarding concurrence in Supply resolutions passed, directs to me to report the same and asks leave to sit again.

I move, seconded by the honourable member for River Heights (Mr. Radcliffe), that the report of the committee be received.

**Motion agreed to.**

**Hon. Jim Ernst (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Stefanson), that this House concur in the report of the Committee of Supply respecting concurrence in all Supply resolutions relating to the Estimates of expenditure for the fiscal year ending March 31, 1997.

**Madam Speaker:** It has been moved by the honourable government House leader, seconded by the honourable Minister of Finance, that this House concur in the report of the Committee of Supply respecting concurrence in all Supply resolutions relating to the Estimates of the expenditure for fiscal year ending March 31, 1997. Agreed?

**Some Honourable Members:** No.

**Madam Speaker:** No?

#### Voice Vote

**Madam Speaker:** All those in favour of the motion, please say yea.

**Some Honourable Members:** Yea.

**Madam Speaker:** All those opposed, please say nay.

**Some Honourable Members:** No.

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

**Formal Vote**

**Mr. Steve Ashton (Opposition House Leader):** Yeas and Nays, Madam Speaker.

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

**Division**

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

**Yeas**

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

**Nays**

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

**Mr. Clerk (William Remnant):** Yeas 30, Nays 26.

**Madam Speaker:** The motion is accordingly carried.

\* \* \*

\* (1730)

**Mr. Ernst:** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

**Motion agreed to.**

**COMMITTEE OF WAYS AND MEANS****Supply—Capital Supply**

**Mr. Chairperson (Marcel Laurendeau):** The Committee of Ways and Means will come to order, please. We have before us for our consideration the resolution respecting the Capital Supply bill. The resolution for Capital Supply reads as follows:

RESOLVED that towards making good certain sums of money for Capital purposes, the sum of \$142,050,000 be granted out of the Consolidated Fund. Shall the resolution pass?

**Mr. Leonard Evans (Brandon East):** Could the honourable minister give us a brief explanation of that?

**Hon. Eric Stefanson (Minister of Finance):** Mr. Chairman, the intention is to provide borrowing and expenditure authority as well as guarantee authority, in some cases, which is required for nonbudgetary capital programs for the fiscal year which began on April 1 of 1996.

These expenditure requirements are included in the Capital Estimates for nonbudgetary capital programs which were tabled earlier in the session. The Loan Act for 1996 is similar to The Loan Act for 1995 and provides the Legislature with a comprehensive review of the total amount of both borrowing and expenditure authority required for the delivery of nonbudgetary capital programs. It includes both the incremental and existing expenditure authority requirements for each of the nonbudgetary capital expenditure programs, including amounts required to cover existing commitments for expenditures to be made in subsequent fiscal years.

Loan acts provide for the elapsing of previously voted expenditure authority for nonbudgetary capital programs which is surplus to current requirements or is no longer required for the purpose for which it was voted.

The 1996 Loan Act provides for such a lapsing in the amount of \$23,523,300, Mr. Chair. The amount of borrowing authority being requested is the additional amount required to fund the estimated expenditures on nonbudgetary capital programs during the fiscal year plus an amount to provide sufficient authority to take

advantage of favourable market conditions to prefund future expenditure requirements. This borrowing authority will be supplemented in each annual Loan Act to reflect the incremental authority required to cover the actual capital expenditures made and the estimate of expenditures to be made in the new fiscal year. As we work through this afternoon, I would be pleased to answer any other questions.

**Mr. Leonard Evans:** Maybe I missed it, Mr. Chairman, but I believe that in times past ministers of Finance had lists of capital spending that they distributed around this time for members to peruse. I know reference is made often in the budget document, but I believe there was also a practice of statements being issued showing members of the House basically where the Capital Supply was being allocated.

But, specifically, we were concerned about the Health Capital Estimates. I presume they are in this appropriation as well. As we all know, capital spending on health facilities, regrettably, has been frozen for the time being, contrary to a promise made during the election, contrary to the expectations of many Manitobans throughout this province, Winnipeg, Brandon, elsewhere, Shoal Lake. I know the constituents of this member in the Shoal Lake area are very, very upset. They are concerned about Winkler and Morden. I know in Brandon we were promised over two years ago by the Minister of Health (Mr. McCrae) that there would be a modernization of the Brandon General Hospital, and a front page story, and everyone was anticipating that something would happen, and then suddenly we have the freeze. Of course, we now learn that we are, people of Manitoba, facing a very serious situation, those who unfortunately may have to end up in major hospitals such as the Health Sciences Centre where facilities are totally inadequate. They remind me of the description of the inadequacy of the Brandon General Hospital where you have windows that are not functioning properly, elevators not functioning properly, where the operating room is antiquated and so on.

We have all read about the horror stories at the Health Sciences Centre, and it is regrettable that capital is not being provided, is not forthcoming to maintain the quality of health care in this province. I think we are putting the quality of health care in jeopardy by not proceeding with the capital reconstruction, the modernization, that has

been identified by various experts in the field, and these conclusions have been made known to the government, to the Minister of Health and to the cabinet, and I think the people of Manitoba are very apprehensive about the fact that this government is not proceeding with this type of capital expenditure at this time.

**Mr. Stefanson:** Mr. Chairman, I think it is important for the member for Brandon East to understand that our 1996 budget includes capital spending of some \$310 million of which a significant amount of that is allocated to health care facilities. Because of the nature of financing health care facilities, obviously they are undertaken at one point in time, and that financing is put in place as the facility is being developed and built. Then that capital has to be serviced over many years. That certainly has been the traditional approach of financing health care facilities, so our capital budget today includes significant expenditures relating to health care facilities throughout our province whether it be Riverview Hospital or other facilities.

In terms of moving forward with health care facilities, as the member for Brandon East knows, there is a pause at this particular point in time where all capital projects are being assessed. That is the process. We are doing a thorough review of all of the projects in terms of ensuring that they are the most appropriate, that they meet the needs of all of the communities, and that they are properly prioritized. That review is ongoing, and once it is completed the Minister of Health will be coming forward with the decisions and the capital program for Health.

**Mr. Chairperson:** Shall the resolution pass? The resolution is accordingly passed.

We also have before us for our consideration the resolution respecting the Main Supply bill.

RESOLVED that towards making good certain sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1997, the sum of \$4,778,028,200 be granted out of the Consolidated Fund.

Shall the resolution pass? The resolution is accordingly passed.

Committee rise. Call in the Speaker.

## IN SESSION

### Committee Report

**Mr. Marcel Laurendeau (Chairperson of Committees):** Madam Speaker, the Committee of Ways and Means has adopted a resolution regarding Capital Supply and a resolution regarding Main Supply, directs me to report the same, and asks leave to sit again.

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

Motion agreed to.

\* (1740)

## INTRODUCTION OF BILLS

### Bill 65—The Appropriation Act, 1996

**Hon. Eric Stefanson (Minister of Finance):** I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Ernst), that leave be given to introduce Bill 65, The Appropriation Act, 1996 (Loi de 1996 portant affectation de crédits), and that the same be now received, read a first time and be ordered for second reading immediately.

Motion agreed to.

## SECOND READINGS

### Bill 65—The Appropriation Act, 1996

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, I move, seconded by the Minister of Education (Mrs. McIntosh), that Bill 65, The Appropriation Act, 1996 (Loi de 1996 portant affectation de crédits), be now read a second time and be referred to a committee of this House.

Motion presented.

**Mr. Leonard Evans (Brandon East):** I would like to take this opportunity to put a few words on the record regarding the overall fiscal and economic policies of the government.

I want to point out that this government, although it likes to brag about balanced budget legislation, likes to brag about its fiscal record, has indeed had a very sorry record of deficits over many years. All we have to do is look at the 1996 Manitoba budget and read of deficits year after year after year, so much so that in 1992-93 the government showed a deficit of about \$480.8 million, but then they had to use a couple hundred million from the Fiscal Stabilization Fund. When you got down to the budgetary surplus, it should have been more like a \$766-million budgetary deficit, and I think the people of Manitoba recognize this was the highest level of deficit achieved by any, experienced by any government in the history of Manitoba, the highest level, three-quarters of a billion by this government, in this particular year.

Madam Speaker, year after year we find that there have been deficits. I know that this minister has been arguing that he has had a surplus this year, but we know from the Provincial Auditor, we know from the Dominion Bond Rating Service that in reality we do not have a surplus this year; again we have another deficit. We have a deficit because the government tried to show a surplus because of some fancy bookkeeping, some fancy cooking, you know, some fancy recipes here to use funds that should have been shown over a period of years to dump them in one year to make the books look good, and people of Manitoba become very cynical with their governments when they see this kind of exercise going on. As a result, in reality, using accepted accounting policies, again we have a deficit this year.

When we look at what has happened to the debt over the years, honourable members are always complaining about debt in the past, but I want to remind them again that when they took office in '87-88, the total net debt per capita was \$9,372, and this year, 1996-97 budget has increased by a third to \$12,102 per Manitoban, in other words, eight years of this government, eight years basically of increasing debt. The debt in Manitoba has gone up substantially. The general purpose debt has gone up. The Hydro debt has gone up. The other debt has gone up. The total debt has gone up from \$10.3 billion in '87-88, the year before this government took office, to \$13.8 billion this year according to the budget documents, so let us not get any preaching from the other side about debts in the past.

This government has built up debts but unfortunately has not built up the assets as the previous NDP government did. We built up major assets in fields of housing, major assets in schools, major assets in health care. We put people to work; people produced goods and services. There was training and there were a lot of benefits that were achieved from that, but the point being that I want to make this observation, that we have had deficits over the last few years not because the people on the opposite side, the government, have not tried to cut back; indeed we know they have cut back. They have cut back in health, education, social services. Many programs have been eliminated or downgraded, and nevertheless we still have deficits.

The reason we have been having the deficits, therefore, Madam Speaker, is because we have not had a sufficient level of economic growth. It is because of this lack of economic growth which has caused this government not to be able to receive the revenues that it needed to show surpluses and to pay off the debt.

I was looking at the Conference Board figures on economic growth. The honourable Minister of Finance (Mr. Stefanson) likes the Conference Board of Canada; he says it is a good organization. It is a well-respected national organization that has provided a consistent series of estimates of growth more than any other agency. Even Stats Canada does not have provincial figures beyond three or four years, so if you want to look at historical information as to what happened to the economic development of this province, you have to go to the material, you have to go to the estimates from the Conference Board.

\* (1750)

Madam Speaker, as I was saying in my question this morning, or earlier this afternoon, this government between 1988 and 1995 again—and I have got the figures, I can show the figures to the honourable minister if he wishes to see them, but they are authentic figures from the Conference Board that shows that the level of output under this government has indeed grown. It has grown by 4.5 percent. That is from the year 1988 to the end of the year 1995. We have not got '96 yet, so we cannot use it. But, from 1988 to 1995, the total real growth, that is, when you take out the inflation and you measure the increase of the gross domestic product, the gross output

of the province here, indeed, has been an increase of 4.5 percent. So we go from the level of 1988 to the level of 1995, and we see an increase of 4.5 percent. That is in a period of approximately seven years, '88 to '95.

Then I looked at the figures back from 1981 to 1988, same source, the Conference Board of Canada, looked at the numbers, and there they are. I invite the honourable minister to use his department to analyze these figures to verify what I am telling you right now, and that is, they show that the increase in the output in the province of Manitoba, the real domestic product increase, the real growth was 16.8 percent.

Madam Speaker, 16.8 percent out of the previous NDP government compared to 4.5 percent under this government for the past seven years. In other words—

**An Honourable Member:** Four times.

**Mr. Leonard Evans:** Almost four times the rate of growth under the previous NDP government.

Madam Speaker, the question to the minister is, why has Manitoba's economy floundered in the last few years? I know he likes to talk about a few figures, the last few months here, the last few months there, but the fact is, over the years, you look at the record, the Conference Board of Canada, 16.8 percent growth under the NDP from '81 to '88, only 4.5 percent growth from '88 to '95 under this government. So we have not had the economic performance under this government.

Not only that, you might say, well, the reason we had better growth under the NDP is because the whole nation was doing better, and that is the reason why. Then, what you have to do to check that out is to compare what has happened in Manitoba versus the Canadian scene. During the NDP years, it was close to—we achieved nearly 90 percent of the economic growth of Canada, whereas, under this government, it is lucky to have half the growth of the Canadian average. The point being, I know the members of the government do not like to hear this information; it is factual information; it is information that has been given to us from the Conference Board of Canada.

Madam Speaker, let there be no mistake about it. The economy of Manitoba grew significantly faster,

significantly more under the previous NDP government than under this government. That is the reason why the Minister of Finance (Mr. Stefanson) is having difficulty in balancing his books. That is the reason why we have had deficits the last few years. Some years we have had no growth. How can you expect to get additional revenue if you do not have growth? You have to have more retail sales, you have to have more income to get more taxation. Let that be understood by all members of the House, that we have not had the growth that we had previously under the NDP government.

Madam Speaker, I know honourable members like to talk about jobs, and there have been increases in the last few months and so on, but, again, if you look at the Statistics Canada historical records, and this includes all the revisions, it is very disconcerting to see that in April of 1990 compared to April of 1996—and I am using April because that is the latest month that we have data available for. We will get May shortly, I am sure, but the latest month we have data for so far shows that in April of 1996, we have 7,000 fewer people working, 7,000 fewer jobs than we had in April of 1990. So where is all the growth that honourable members across talk about?

Madam Speaker, 7,000 fewer people working in April of 1996 than April of 1990. Let us get real here. Let us not blind ourselves to the reality that this economy has not grown the way it should. It has not delivered the jobs to the people of Manitoba that are expected. In spite of all the forecasts, I get concerned about what is going to happen in 1996.

I get concerned about what is going to happen in 1996 to the economy because one of the determinants of growth is investment, and, yes, investment did pretty good last year. I will admit that, but the figures for this year show a serious decline in private investment in this province. I thought private investors were supposed to line up because of balanced budget legislation. Because of surplus, they were going to line up and come and invest in Manitoba, yet there is a major drop—and the minister knows this—forecast in investment spending this year.

In fact, the only province that is going to do worse than Manitoba is Newfoundland. We are going to have an 8.9 percent decline in total investment. We are going to have a major decline in private investment, and, regrettably, we are going to have a major decline in manufacturing

investment. In all these categories, Manitoba ranks nine out of 10. The only province that is going to do worse than Manitoba is Newfoundland. I am sad to say, Madam Speaker, that this economy of ours under this government is becoming the Newfoundland of western Canada. We want it to develop, we want it to prosper, we want to have jobs, we want to increase our incomes, but that is not happening.

Madam Speaker, I think the fact that investment spending is declining this year does not bode well for the growth. The figures on employment growth in the first few months of the year are not that encouraging. They are way below the national average, so all in all the major economic indicators that we have would show to us that the economy of Manitoba continues to go along very gently, continues to stagnate, continues to underperform. What we need is a government that is prepared to dedicate itself more to economic growth, is prepared to use the Department of Industry in a more aggressive way, that is prepared to have some economic plans and economic objectives that it is going to reach, some plans and objectives saying we are going to try to reach these goals—

**Madam Speaker:** Order, please. I am experiencing great difficulty hearing the honourable member for Brandon East.

**Mr. Leonard Evans:** Thank you, Madam Speaker. What we need are some economic objectives and economic goals and get all Manitobans together working, labour, business, farm community, community leaders, together working, developing plans and developing ways and means of improving our economic performance. The fact is we still have insufficient jobs, we still have people who are leaving this province in droves.

I ran into a small contractor the other day, and he said the only mistake I made a couple of years ago when I had a chance was not to leave Manitoba to go to B.C. He was damn serious. He was very annoyed at what was happening to his business under this government. He said my business is going nowhere.

I do not know what this gentleman's politics are. I had only met him once, on one occasion, but he is a hard-working contractor, and he was totally dismayed. He says the business is not there. He says I do not know

what I am doing here, I should have left Manitoba at least two years ago.

**An Honourable Member:** Who said that?

**Mr. Leonard Evans:** That was said to me by a private businessperson who is a contractor. I have never met the gentleman before, but he was very serious when he said that. I could give you his phone number if you want and you can talk to him yourself. I think I can find it in the book.

Madam Speaker, there is that phenomenon that if you do not have opportunities people will leave. We all have relatives, friends who are leaving Manitoba to go mainly to B.C. and Alberta, some maybe to Ontario but mainly B.C. and Alberta to find employment, to find not only employment but find better jobs.

\* (1800)

What is happening in this province is that many of the jobs we are getting are very, very low wage, unskilled type of activity. I know we talk about jobs in high tech industries, in telemarketing. It may be the telemarketing industry may use high tech equipment, but the function of the person is certainly not high tech. I mean, let us face it, this telemarketing is a boiler room type of activity. I read one study of telemarketing in the United States which said if you were a three-week employee of a telemarketing company you were considered long term. The fact is that there was such a fantastic turnover in telemarketing because of the pressure involved and because of the nature of the activity. It is certainly not a lifetime career. Nobody, I would suggest, in this room would want to go into telemarketing as a lifetime career on the telephone trying to sell whatever you sell over the telephone. This is what I am concerned about. These are the kinds of jobs we seem to be pushing.

The garment industry is a traditional third-world industry, and it is attracting low-wage people. That is a low-wage industry, and it can only survive in this province if we have people who are ready to work for very low wages. That is a fact and that is one of the reasons why the Minister of Industry (Mr. Downey) or whoever is anxious to bring in more people from abroad to work in the industry, because people in Manitoba, people in Canada, are not attracted to it because of the

wage levels. Talk to the workers, talk to some of the people who have been involved and they will tell you that they are not in a high-wage industry.

Madam Speaker, if we had more economic growth, if we had real strong economic development, the government of Manitoba would receive additional revenue and would be able to more easily balance the books, as they say, or indeed show surpluses. Nobody wants to see debt. Nobody wants to see debt increase, obviously. [interjection] Well, the honourable member from his seat, the member for River Heights (Mr. Radcliffe), I wish I had even half of the volume he has to get a—very, very good.

He remarks about debt accumulated in the 1980s. I want him to do a little bit of research and examine what was happening from coast to coast, from British Columbia to Newfoundland, from sea to sea to sea and in Ottawa, what was happening to debt in this country. It was accumulating. Two major reasons why debt accumulated at that time was the recession, and the other reason was inflation. We had a major recession in the 1980s, and when you are in recession governments tend to spend more than they take in for various reasons. You automatically go into deficits, and many, many provinces went into deficits at that time because of a major recession, 1982-83. That was one reason. Another reason is the monetary policy of the Bank of Canada and the federal government at the time. We had double-digit inflation, and I dare say the Minister of Finance (Mr. Stefanson) today would be a very unhappy Minister of Finance if he had to look at 12, 14, 16, 18 percent on debt. We have half of that today, if not more than half, that we have to face.

On that, Madam Speaker, I would like to make a suggestion to the honourable Minister of Finance and to the government and to members in a positive way to help the province. He may not agree with me, but I want to suggest to him that he should go to the next Finance ministers' meeting or whenever he has an opportunity to meet with the federal Minister of Finance, Mr. Paul Martin, and remind the minister that they have ways and means to help the provinces, if they wanted to, at their disposal.

One way—it has been done before and it is constitutional—is to use the Bank of Canada to finance a

portion of provincial debt. Now the Bank of Canada can do that as a preferred rate. It did it before and it can do it under the Bank of Canada Act. Read the act. It can do it. The Government of Canada has to have the will to do that, of course. The Government of Canada—[interjection] Well, those who say let us go, I would ask you to be patient. We have an agreement as to when we are going to end, and when that time arrives, that time will arrive. So I will just ask the honourable member to relax and stop reading because that is against the rules. You are not supposed to read newspapers in the House. It is against the rules, but maybe he is not reading a newspaper.

The major problem facing the federal government is the debt and the interest on the debt. The banks of this country, the major financial institutions are getting rich because we are paying all this interest out. The Government of Canada could, if it so chose, finance a portion, not all of it, a portion of that debt through the Bank of Canada. It is not inflationary. It is not any more inflationary than if it was financed through the commercial banks.

So what I am saying is that if we did that, if the federal government increased the amount of borrowing from the Bank of Canada, it could reduce the interest burden on the Treasury of Canada, and instead of cutting back—

**Madam Speaker:** Order, please. This is not a time for debate. The honourable member for Brandon East has the floor.

**Mr. Leonard Evans:** So instead of the Chretien government cutting transfers for Health and for Education to the provinces, it could take a great deal of pressure off of itself if it decided to monetize part of the debt with the Bank of Canada, even if we went up to the level of the Americans. I stand to be corrected, but I was advised once that the U.S. central Federal Reserve system, the U.S. equivalent of the Bank of Canada, their central bank, held nearly 30 percent.

Now, I stand to be corrected, but it was considerably more than Canada. We are holding around 5 or 6. If we went up to the American level—this is a serious suggestion, Madam Speaker. If Canada went up even just to the American level, the Chretien government, the federal government, would save hundreds of millions of

dollars of interest a year—hundreds of millions of dollars a year.

**An Honourable Member:** Then why is it not done?

**Mr. Leonard Evans:** Well, the reason they do not do it is because there are vested financial interests that stand to lose hundreds of millions of dollars if they did this, but this was done during World War II. How did we finance World War II? It was not all done with taxation. A great deal of it, Madam Speaker, was financed through borrowing. Of that borrowing, a great deal of that borrowing is done from the Bank of Canada. That is how we fought the war.

You know, in 1939 there was no money before the war. Once the war started, there was money, and the money was there because the federal government was ready to use the Bank of Canada. We did not say to Adolf Hitler in 1943, sorry, Adolf, we have to call all the troops back because our national debt is too high. The debt was a lot higher then than it is today. We did not do that, of course. We had a very high national debt at that time.

As a matter of fact, Madam Speaker, we used the Bank of Canada for several years after the war, as well. There are many economists in this country who are seriously trying to get across this point to leaders, community leaders, to federal politicians, federal cabinet ministers. They have met with some of the ministers. They are trying to make the point that we can do the people of Canada a favour, that instead of making the banks in this country filthy rich, we could take the pressure off the federal debt by using the Bank of Canada for a portion—I am not saying all of it—for at least a portion.

Let us just go up to where the Americans are and in doing so save considerable interest payments so that we would allow the federal government to have more flexibility so that it would not have to cut social programs, would not have to cut back on transfers to the province.

This is not my idea. I did not originate it. I have read several documents on this, and there is more and more thinking in this country of a nonpartisan nature. This is not some sort of big, left-wing plot. I mean, it was done in the past. It has been done in the past. It is in the Bank of Canada Act. [interjection]

Well, you know, members can joke about it, but this is a serious matter. Your Minister of Finance (Mr. Stefanson) and you are in a bind because we do not have enough money. One of the reasons you do not have enough money is because the federal government is cutting back in its transfers, and one of the reasons that the federal government is cutting back in its transfers is that its debt is very high.

What it can do to reduce the burden of the debt is to at least monetize part of it, shift it from the commercial banks to the Bank of Canada. It has to be done. They have to have reserve requirements. We are only one of three countries in the world that have eliminated reserve requirements for commercial banks. Every other country has reserve requirements. Canada eliminated them.

You have to have reserve requirements. You have to ensure that you do not have an excessive increase in the money supply. You do not want inflation, and that does not have to happen, but I say that is a serious suggestion I make to the Minister of Finance who, I think, I would hope, could do some reading on it, get his staff to comment on it and go and persuade the Minister of Finance in Ottawa and whoever else that this is something that should seriously be looked at as one method of easing the debt burden on Canadians.

Instead of cutting back on our health programs, let our Minister of Health (Mr. McCrae) go ahead and do what he wants to do in improving health care. Let our Minister of Education (Mrs. McIntosh) do what she wants to do to improve and not be faced with these transfer cuts. This is one way to do it. Mr. Martin throws up his hands, we have no options. Well, he does have options and this is one serious option, so I really hope that the Minister of Finance, who, I know, is an intelligent person, is open-minded and will look into this and, hopefully, try to persuade the federal government.

\* (1810)

Madam Speaker, I know members, we have an obligation to get through this so that we can finalize the approval of spending. This is the reason we are in this House. Historically assemblies are convened to approve taxation and spending of government. This is why Kings and Queens of years gone by convened Parliament, to get

this authority, and this is the basic reason why we are here.

Old Douglas Campbell, former Premier of Manitoba, used to say, get your money and run. And once you get your money, you are okay. At any rate, in conclusion, I just want to say that the Minister of Finance (Mr. Stefanson) and the Minister of Industry can talk about glowing forecasts, which we hope will materialize. We want the jobs. We want the growth. But I am afraid, given the data we have, we may not get that growth, and if we look at the historical pattern, we surely have not had the growth. We have not kept up with the national average. In fact, we did three to four times better under the previous NDP government.

I know members do not like to hear this. I invite them to do serious research and confirm what I am saying. You do not have to believe what I am telling you. I am reading the figures and you can read them too and come to the same conclusions.

So on that note we are prepared to have the bill pass. Not that we are in favour of it, but the bill should be called.

**Hon. Eric Stefanson (Minister of Finance):** I just want to make a few comments on this bill.

I cannot let some of the comments from the member for Brandon East go without giving some reply. First of all, I should say, I think members opposite have virtually no credibility when it comes to discussing the topics we are talking about right now, debt, deficits and so on. Based on their track record, particularly from 1981 to 1988, and that is why, when the member for Brandon East says, nobody wants to see debt, that certainly was not how they governed for six and a half, seven years here in Manitoba from '81-88. They took the tax-supported debt in Manitoba from approximately \$1 billion, and when they left office it was almost \$5 billion, increased over four times.

Their budgets and their accumulation of debt was so bad one of their own members had to stand up and vote against their 1988 budget. When you look at the percentage of the budget to service debt, back in 1981, it was just over 3 percent of the budget went to service debt. By the time that government left office in '88, it

was up to over 10 percent just to service the debt. That is the track record of that government. In fact, they took the debt-servicing costs, where we paid interest only on our debt back in '81, approximately \$100 million, by the time they left office in 1988, it was close to \$500 million in interest payments only.

That is the legacy that was left by the previous NDP government. Compare that to the track record over the last nine budgets. I guess what members opposite are lacking is, they do not take the time to talk to the investment community. That is the problem they have. The Investment Dealers Association of Canada just released a report, and I think the member for Brandon East has it. They just released a report last week. They call Manitoba one of the most fiscally responsible governments in all of Canada in this decade. That is what the investment community says. Go and talk to the investment dealers, I encourage him. Talk to all of the investment dealers and they will find what the investment community says about Manitoba's fiscal performance.

But at the end of the day the true test of the confidence in Manitoba is what you pay when it comes time to borrow money. For 1995, Manitoba had the third best—

**An Honourable Member:** He has been up for three minutes.

**Mr. Stefanson:** I have been up for three minutes and he is going for 20 minutes.

The true test is what people will pay when it comes time, and I hope the member for Brandon East listens to this. In 1995, we had the third best borrowing rate in all of Canada. Only British Columbia and Alberta borrowed money at better interest rates than Manitoba. Even a province like Ontario, that has a better, higher credit rating, paid more to borrow money in 1995 than Manitoba did. Why? Because investors have confidence in what is taking place here in Manitoba, and that is the true test. That is the true test, the confidence that individual investors have when it comes to placing their own money, when they are placing their own money or they are placing on behalf of organizations. They have confidence in Manitoba's fiscal performance.

So I encourage the member for Brandon East and all members opposite to read the investment dealers, to read

the comments of all the investment communities, whether it is Nesbitt Burns, Wood Gundy, the list goes on and on. Read them. Talk to them and find out all of the complimentary and favourable things they are saying about Manitoba.

I want to take one more minute, Madam Speaker, to talk about the economy. The member for Brandon East comes here occasionally with statistics and so on and does some research. I guess listening to him, I gather he did not read our 1996 budget. He did not read the section on Manitoba's economy in 1995. I encourage him and all members opposite to do that. I encourage him to do that. I will just touch on, just in case he does not have the time, a few of the highlights of 1995's economy.

The value of exports to the United States rose 21 percent and has more than doubled in the last four years. The increase in total investment was the largest in Canada, rising 12.5 percent versus a decline of 1.7 percent nationally. Manufacturing investments surged 58 percent to a new record level. The real increase in manufacturing shipments was the largest in over 20 years. The value of mineral production rose 23 percent. Farm cash receipts from crops increased at a double digit rate for the third consecutive year. The drop in the unemployment rate was the largest in 30 years in Manitoba. Business bankruptcies reached the lowest level in 15 years in Manitoba and retail sales increased at more than twice the national rate. That is the performance of Manitoba's economy in 1995.

The member tries to do these comparisons. He brought a graph here on jobs and a comparison of jobs. This will be the last point I will touch on, because it is an important one, Madam Speaker. He came with a comparison of jobs from the period '81 to '88, and then the period '88 to '96, but what he failed to point out in his comparison, what he failed to point out is, during that period of double-digit inflation and growth and so on and government spending and the kinds of deficits and job creation programs that the NDP had, the Jobs Fund, which his own leader criticized at the time, this province exceeded the national average in two out of six years during that period when they were spending with reckless abandon.

Out of the last six years, we have exceeded the national average three out of the six years. That is the true test,

when you see how Manitoba compares to every other region of Canada. The last six years our performance on jobs has exceeded the national average three of six. Their period, when they were spending with reckless abandon, increasing the deficit, increasing our debt, increasing our debt servicing costs, they managed to exceed the national average twice, a pretty dismal performance from a very dismal government in '81 to '88.

Madam Speaker, I encourage all members of the House to support this budget, the fiscally responsible budget of our government, something acknowledged and supported by Manitobans and investors and the investment community far and wide.

**Madam Speaker:** Is the House ready for the question? The question before the House is second reading, Capital Supply, Bill 65, The Appropriation Act. Agreed?

**Some Honourable Members:** Agreed.

**Madam Speaker:** Agreed and so ordered.

## INTRODUCTION OF BILLS

### Bill 64—The Loan Act, 1996

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that leave be given to introduce a bill, No. 64, The Loan Act, 1996 (Loi d'emprunt de 1996), and that the same be now received, read a first time and be ordered for second reading immediately.

**Motion agreed to.**

## SECOND READINGS

### Bill 64—The Loan Act, 1996

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, I move, seconded by the Minister of Justice (Mrs. Vodrey), that Bill 64, The Loan Act, 1996 (Loi d'emprunt de 1996), be now read a second time and be referred to a committee of this House.

**Madam Speaker:** Does the honourable minister have leave? [agreed]

It has been moved by the honourable Minister of Finance, seconded by the honourable Minister of Justice, that Bill 64, The Loan Act, 1996 (Loi d'emprunt de 1996), be now read a second time and be referred to a committee of this House.

**Motion agreed to.**

\* (1820)

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider and report on Bill 64, The Loan Act, 1996 (Loi d'emprunt de 1996), and The Appropriation Act, Bill 65, 1996 (Loi de 1996 portant affectation de crédits).

**Motion agreed to,** and the House resolved itself into a Committee of the Whole to consider and report on Capital Supply bill, Bill 64, The Loan Act, 1996; Loi d'emprunt de 1996, and Main Supply bill, Bill 65, The Appropriation Act; Loi de 1996 portant affectation de crédits, for third reading with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair.

## COMMITTEE OF THE WHOLE

**Mr. Chairperson (Marcel Laurendeau):** Order, please. The Committee of the Whole will come to order to consider Bill 64, The Loan Act, 1996 (Loi d'emprunt de 1996); and Bill 65, The Appropriation Act, 1996 (Loi de 1996 portant affectation de crédits).

### Bill 64—The Loan Act, 1996

**Mr. Chairperson:** We shall proceed to consider Bill 64 clause by clause. Clause 1—pass; Clause 2—pass; Clauses 3(1) to 4(3)—pass; Clauses 5 through 7(2)—pass; Clause 7(3) through Clause 11(1)—pass; Clauses 11(2) through 13—pass; Preamble—pass; Title—pass.

Is it the will of the committee that I report the bill?

**Some Honourable Members:** Agreed.

**Mr. Chairperson:** Agreed? Agreed and so ordered.

**Bill 65—The Appropriation Act, 1996**

**Mr. Chairperson:** We shall now proceed to consider Bill 65—page by page or groups of clauses?

**An Honourable Member:** Groups of clauses.

**Mr. Chairperson:** Clauses 1 through 3(1)—pass; Clauses 3(2) through Clause 6—pass; Clauses 7 through 9(2)—pass; Clauses 10 through 12—pass; Clauses 13 through 15—pass; Preamble—pass; Title—pass. Bill be reported.

At this time I would like to thank the honourable members for their co-operation during this past spring session. We have had a very enjoyable and reasonable time.

I would also like to thank the table staff for their assistance during this session, and the Hansard. I would like to thank our Pages who were here during this session for all the help they have given us. I understand it is their last day.

Committee rise. Call in the Speaker.

**IN SESSION****Committee Report**

**Mr. Marcel Laurendeau (Chairperson of Committees):** Madam Speaker, the Committee of the Whole has considered Bill 64, The Loan Act, 1996, and Bill 65, The Appropriation Act, 1996, and has directed me to report the same and asks leave to sit again.

I move, seconded by the honourable member for River Heights (Mr. Radcliffe), that the report of the Committee of the Whole be received.

**Motion agreed to.**

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, by leave, I would ask that you call Report Stage on Bills 7, 35, 64, 65, 69 and 74.

**REPORT STAGE****Bill 7—The Medical Amendment Act**

**Hon. James McCrae (Minister of Health):** Madam Speaker, I move, seconded by the honourable Minister of Finance (Mr. Stefanson), that Bill 7, The Medical Amendment Act (Loi modifiant la Loi médicale), as reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**Bill 35—The Child and Family Services Amendment Act**

**Hon. Jim Ernst (Government House Leader):** On behalf of the Minister of Family Services (Mrs. Mitchelson), I move, seconded by the Minister of Education and Training (Mrs. McIntosh), that Bill 35, The Child and Family Services Amendment Act (Loi modifiant la Loi sur les services à l'enfant et à la famille), as amended and reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**Bill 64—The Loan Act, 1996**

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs (Mr. Ernst), by leave, that Bill 64, The Loan Act, 1996 (Loi d'emprunt de 1996), reported from the Committee of the Whole, be concurred in.

**Madam Speaker:** Does the honourable Minister of Finance have leave? [agreed]

**Motion agreed to.**

\* (1830)

**Bill 69—The Real Estate Brokers Amendment Act**

**Hon. Jim Ernst (Minister of Consumer and Corporate Affairs):** I move, seconded by the Minister of Education and Training (Mrs. McIntosh), that Bill 69, The Real Estate Brokers Amendment Act (Loi modifiant la Loi sur les courtiers en immeubles), reported from the

Standing Committee on Law Amendments, be concurred in.

**Madam Speaker:** Does the honourable minister have leave? [agreed]

**Motion agreed to.**

#### **Bill 65—The Appropriation Act, 1996**

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, I move, seconded by the Minister of Environment, by leave, that Bill 65, The Appropriation Act, 1996 (Loi de 1996 portant affectation de crédits), reported from the Committee of the Whole, be concurred in.

**Madam Speaker:** Does the honourable minister have leave? [agreed]

**Motion agreed to.**

#### **Bill 74—The Court of Queen's Bench Amendment Act**

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that Bill 74, The Court of Queen's Bench Amendment Act; Loi modifiant la Loi sur la Cour du Banc de la Reine, reported from the Standing Committee on Law Amendments, be concurred in.

**Madam Speaker:** Does the honourable minister have leave? [agreed]

**Motion agreed to.**

**Hon. Jim Ernst (Government House Leader):** By leave, Madam Speaker, I wonder if you would call for third reading Bills 7, 35, 69, 74, 64 and 65.

### **THIRD READINGS**

#### **Bill 7—The Medical Amendment Act**

**Mr. Ernst:** I move, seconded by the Minister of Environment (Mr. Cummings), that Bill 7, The Medical

Amendment Act (Loi modifiant la Loi médicale), be now read a third time and passed.

**Madam Speaker:** Does the honourable minister have leave? [agreed]

**Motion presented.**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, Bill 7, The Medical Amendment Act, proposes substantial amendments to the complaints and discipline provisions of The Medical Act to make them consistent with similar provisions recently enacted by The Dental Association Act and The Pharmaceutical Act. It ensures that all committees of the College of Physicians and Surgeons of Manitoba have at least one-third representation from the public.

This is important. Too often Manitobans feel isolated from the medical establishment, but good health care means a patient must trust his doctor and also trust the medical authority that licenses the doctor.

In the past, this has been a closed-door society with little or no input from the public. There was the perception that this society protected doctors, not the patients. I hope that none of the disciplinary measures in this bill are ever used, but we must have these measures, and participation by the public in this process is important.

For the 1 percent of doctors who find their conduct is somewhat lacking, it is important that the public have access to these decisions. The bill will also give the College of Physicians and Surgeons increased flexibility in determining the sanctions that are necessary to protect the public.

Madam Speaker, with these brief comments, I would like to state that, in essence, the party supports the legislation.

**Madam Speaker:** Agreed?

**Some Honourable Members:** Agreed.

**Madam Speaker:** Agreed and so ordered.

**Bill 35—The Child and Family Services  
Amendment Act**

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Justice (Mrs. Vodrey), that Bill 35, The Child and Family Services Amendment Act (Loi modifiant la Loi sur les services à l'enfant et à la famille), be now read a third time and passed.

**Madam Speaker:** Does the honourable government House leader have leave? [agreed]

**Motion presented.**

**Mr. Doug Martindale (Burrows):** I would like to put a few brief comments on the record regarding this important bill which we support. We think it is appropriate that people who are involved in prostitution, whether it is as johns or pimps or pedophiles, be added to the Child Abuse Registry.

However, there are some problems with this bill. There is actually a major loophole in terms of some individuals who will not end up on the Child Abuse Registry, and that is because every Child and Family Services agency in Manitoba is required to have a child abuse committee. However, there is at least one agency that the minister told us at the committee stage of this bill that does not have a child abuse committee, and I am aware of another one that I will be writing to the Minister of Family Services (Mrs. Mitchelson) about.

If there is no child abuse committee, then no names are being forwarded to the provincial Child Abuse Registry, and the minister has promised to ensure that those committees will be set up, and we will be holding the minister to her word because this is a major omission, a major loophole in this bill working the way it is supposed to be and the Child Abuse Registry working the way it is supposed to be.

Secondly, although we support this bill, we believe that this government is contributing to the problem of child prostitution in Manitoba. We believe that prostitution is not merely a lifestyle choice of individuals, but many of these individuals were abused physically or sexually as children, and many of them are forced into prostitution due to their economic circumstances.

This is the same government that has reduced welfare rates for families and reduced welfare allowances for children, particularly children in the city of Winnipeg—7,000 children on city welfare in Winnipeg whose allowances were reduced because of the standardization policy of this government in 1993. The City of Winnipeg reduced their allowances on May 1 this year because they could no longer cost-share with the federal government, so really the blame is to be shared with the federal government for eliminating the Canada Assistance Plan and the provincial government for their policy of standardization.

We know that children under one year had their allowances for food and clothing and other expenses reduced by 26.3 percent. They lost \$65.25 on their allowance, and that is a monthly amount. All of the reductions were between 2 percent and 26 percent. Every single category of allowances for children, 7,000 children in the city of Winnipeg, were reduced by this government.

Then members opposite wonder, what is the connection? Well, the connection is that some individuals feel forced into this kind of activity. Certainly there are many people, particularly in the inner city, who are involved in this business who have no hope, have total despair, have no hope of furthering their education or getting a job or being self-sufficient, who are turning to crime and prostitution and other ways of earning a livelihood. It is very, very sad. I do not think that anyone would condone this kind of behaviour, but it is happening and it is because of the pressure that these individuals and these families are under because of the policies of this government, particularly their cuts to social assistance and their lack of job creation.

\* (1840)

This minister yesterday or a couple of days ago, in answer to my question, was talking about how they are creating jobs. Well, the number of jobs compared to the number of social assistance recipients is pitiful. We have 16,000 cases on city welfare, we have 26,000 cases, in May 1996, on provincial, and this government is creating something like 400 jobs in just one of their job creation programs, and they have eliminated a number of job creation programs over the years of their government.

In conclusion, although we support this bill, we condemn this government for their policies, which are forcing adolescents into prostitution. Thank you.

**Madam Speaker:** Agreed?

**Some Honourable Members:** Agreed.

**Madam Speaker:** Agreed and so ordered.

### **Bill 69—The Real Estate Brokers Amendment Act**

**Hon. Jim Ernst (Minister of Consumer and Corporate Affairs):** Madam Speaker, I move, seconded by the Minister of Housing (Mr. Reimer), that Bill 69, The Real Estate Brokers Amendment Act (Loi modifiant la Loi sur les courtiers en immeubles), be now read a third time and passed.

**Motion presented.**

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, I rise to put a few comments on the record on behalf of this side of the House. We want to say that we will support this bill as it has required support of this side of the House in order to be passed at this time

I also want to say that we want to commend the Winnipeg Real Estate Board for the initiative that they have shown and the interest they have shown in the whole area of affordable housing. We hope that this will continue and that the group of people that have formed to develop this legislation will stay involved so that we can see them participate in the development of a comprehensive housing strategy for all income levels.

I know that there is quite a good cross-section of people involved in the board for this housing initiative, and it would be great if all of them would keep up the interest and we can see a total comprehensive program for housing, because the program that will be available for home renovation with this bill and with the fund from The Real Estate Brokers Act will be a fairly small program. It will allow for the renovation, I think, of approximately 15 homes over a number of years and, unfortunately, there are a lot more people in Manitoba that require housing assistance and would require assistance in renovating their homes.

This bill will allow the trust fund from the Real Estate Board Brokers account to be used for the renovation of homes, and I want to remind all honourable members that this money is actually money from customers and home buyers, so it makes sense that it would be going to the use of the benefit of the community and members of the public to have available for renovations.

I also want to just caution the government that we do not see that this kind of program could replace their responsibility for social housing and replace the federal government's responsibility for social housing. We have seen this week a very bad example of where this government's commitment lies with their willingness to arrange for the demolition of 20 units of social housing, so it is kind of incongruent that they would be bringing forward a bill such as this at a time when they are paving the way for us to lose 20 units of perfectly good social housing here in the city of Winnipeg and St. Vital.

I am concerned also that the government in bringing forward this bill has not renewed the program for the home renovations that was in the last provincial government budget. The Minister of Housing (Mr. Reimer) just this past week put out a news release talking about the benefits of this program. It was a government home renovation program that generated \$74 million in construction activity, so on the one hand while the Real Estate Board is recognizing that, under this government, housing starts have been at an all-time low, and I think in the creation of this program they are looking for new ways to try and create some activity on home purchases and home renovation, we have a government that has abandoned that responsibility and has not reinvested money into what was a fairly successful home renovation program.

This government is bringing in this bill which is enabling some beneficial activity on the one hand, but on the other they are taking away a lot of low income housing and a lot of programs that would have gone to renovating and providing for improvements in low income housing.

With those few cautionary comments, I would move that we would pass the bill.

**Madam Speaker:** Agreed?

**Some Honourable Members:** Agreed.

**Voice Vote**

**Madam Speaker:** Agreed and so ordered.

**Madam Speaker:** All those in favour, please say yea.

**Bill 74—The Court of Queen's Bench  
Amendment Act**

**An Honourable Member:** Yea.

**Hon. Jim Ernst (Government House Leader):** I move, seconded by the Minister of Justice (Mrs. Vodrey), that Bill 74, The Court of Queen's Bench Amendment Act (Loi modifiant la Loi sur la Cour du Banc de la Reine), be now read a third time and passed.

**Madam Speaker:** All those opposed, please say nay.

**An Honourable Member:** Nay.

**Motion agreed to.**

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

**An Honourable Member:** On division.

**Bill 64—The Loan Act, 1996**

**Madam Speaker:** On division.

\* \* \*

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that Bill 64, The Loan Act, 1996 (Loi d'emprunt de 1996), be read a third time and passed.

**Mr. Ernst:** Madam Speaker, I move, seconded by the member for Thompson (Mr. Ashton), that when the House adjourns today, it shall stand adjourned until a time fixed by Madam Speaker upon the request of the government.

**Motion agreed to.**

**Motion agreed to.**

**Bill 65—The Appropriation Act, 1996**

**ROYAL ASSENT**

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that Bill 65, The Appropriation Act, 1996 (Loi de 1996 portant affectation de crédits), be now read a third time and passed, by leave.

**Madam Speaker:** I am advised that His Honour the Lieutenant Governor is about to arrive to grant Royal Assent to Bills 7, 35, 69, 74, 64 and 65. I am therefore interrupting the proceedings of the House for the Royal Assent.

**Some Honourable Members:** Oh, oh.

**Deputy Sergeant-at-Arms (Mr. Garry Clark):** His Honour the Lieutenant Governor.

**Madam Speaker:** Order, please. The honourable Minister of Finance. Does the honourable minister have leave? [agreed]

*His Honour Yvon Dumont, Lieutenant Governor of the Province of Manitoba, having entered the House and being seated on the Throne, Madam Speaker addressed His Honour in the following words:*

It has been moved by the honourable government House leader, seconded by the honourable Minister of Finance (Mr. Stefanson), that Bill 65, The Appropriation Act, 1996, be now read a third time and passed. Agreed?

**Madam Speaker:** May it please Your Honour:

**An Honourable Member:** No.

The Legislative Assembly, at its present session, passed four bills, which, in the name of the Assembly, I present to Your Honour and to which bills I respectfully request Your Honour's assent:

**Madam Speaker:** No?

Bill 7—The Medical Amendment Act; Loi modifiant la Loi médicale.

Bill 35—The Child and Family Services Amendment Act; Loi modifiant la Loi sur les services à l'enfant et à la famille.

Bill 69—The Real Estate Brokers Amendment Act; Loi modifiant la Loi sur les courtiers en immeubles.

Bill 74—The Court of Queen's Bench Amendment Act; Loi modifiant la Loi sur la Cour du Banc de la Reine.

\* (1850)

**Mr. Clerk (William Remnant):** In Her Majesty's name, His Honour the Lieutenant Governor doth assent to these bills.

**Madam Speaker:** May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of Manitoba in session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and government and beg for Your Honour the acceptance of these bills:

Bill 64, The Loan Act, 1996; Loi d'emprunt de 1996.

Bill 65, The Appropriation Act, 1996; Loi de 1996 portant affectation de crédits.

**Mr. Clerk:** His Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence, and assents to these bills in Her Majesty's name.

*His Honour was then pleased to retire.*

**Madam Speaker:** I would like to take this opportunity to wish all honourable members a very pleasant summer.

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, I move, seconded by the member for Inkster (Mr. Lamoureux), that the House do now adjourn.

**Motion agreed to.**

#### Errata

In Volume XLVI No. 37—1:30 p.m., Tuesday, May 21, 1996, on page 2401, last column, third last paragraph, Mr. Chairperson's comments should read:

**Mr. Chairperson:** Shall the item pass? The item is accordingly passed.

Resolution 11.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$456,000 for Labour, Labour Executive, for the fiscal year ending the 31st day of March, 1997. Shall the resolution pass? The resolution is accordingly passed.

This completes the Estimates of the Department of Labour. The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates of the Department of the Civil Service Commission.

Shall we briefly recess to allow the minister and the critics the opportunity to prepare for the commencement of the next set of Estimates? No? Okay, we are prepared.

\* \* \*

In Volume XLVI No. 43A—1:30 p.m., Thursday, May 30, 1996, on page 3019, first column, second paragraph, Mr. Stefanson's second sentence should read:

At some point in the future, it is anticipated that intermediate and long-term investment pools might be established for the purpose of investing sinking funds and reserve.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 6, 1996

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