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Third Session - Thirty-Sixth Legislature

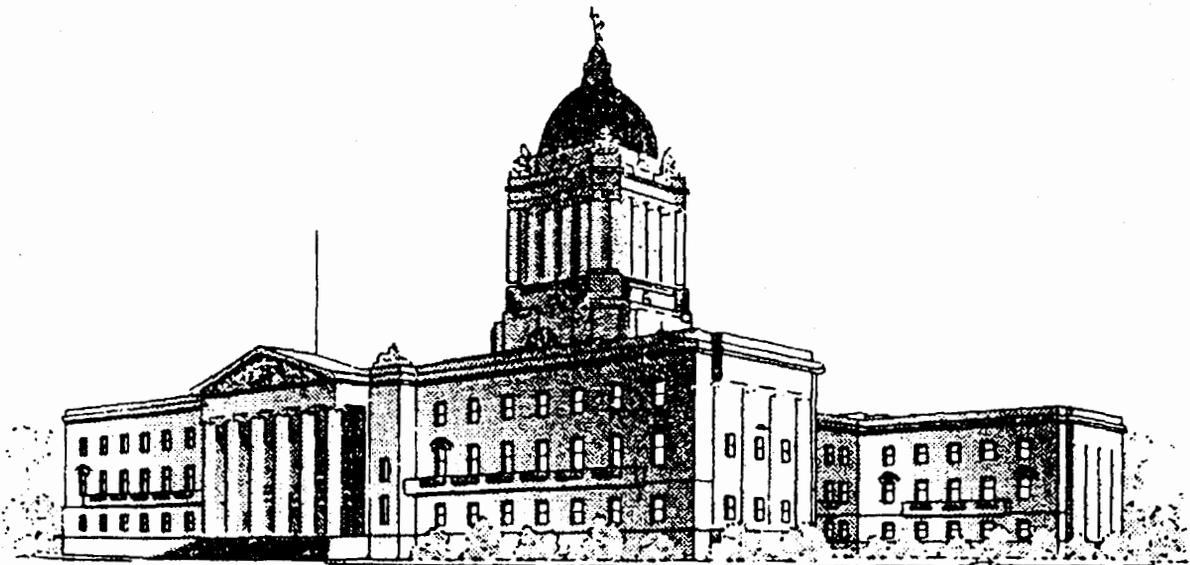
of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

*Published under the  
authority of  
The Honourable Louise M. Dacquay  
Speaker*



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

Member	Constituency	Political Affiliation
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	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	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, Hon.	Riel	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	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.
Vacant	Portage la Prairie	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 27, 1997

The House met at 1:30 p.m.

*PRAYERS*

**ROUTINE PROCEEDINGS**

**READING AND RECEIVING PETITIONS**

**Obstetrics Closure—Grace General Hospital**

**Madam Speaker:** I have reviewed the petition of the honourable member for St. James (Ms. Mihychuk), and it complies with the rules and practices of the House (by leave). 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 the obstetrics program has always been an important part of the Grace Hospital's mandate; and

THAT both people in the community and a number of government studies have recommended against the further closure of community hospitals' obstetrics programs; and

THAT as a result of federal and provincial cuts in the health budget, hospitals are being forced to eliminate programs in order to balance their own budgets; and

THAT the closure of the Grace Hospital obstetrics ward will mean laying off 54 health care professionals, many of whom have years of experience and dedicated service in obstetrics; and

THAT moving to a model where more and more births are centred in the tertiary care hospitals will be more costly and decreases the choices for women about where they can give birth.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba

request that the Minister of Health (Mr. Praznik) consider stopping the closure of the obstetrics program at Winnipeg's Grace Hospital.

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

Dispense.

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

*THAT the obstetrics program has always been an important part of the Grace Hospital's mandate; and*

*THAT both people in the community and a number of government studies have recommended against the further closure of community hospitals' obstetrics programs; and*

*THAT as a result of federal and provincial cuts in the health budget, hospitals are being forced to eliminate programs in order to balance their own budgets; and*

*THAT the closure of the Grace Hospital obstetrics ward will mean laying off 54 health care professionals, many of whom have years of experience and dedicated service in obstetrics; and*

*THAT moving to a model where more and more births are centred in the tertiary care hospitals will be more costly and decreases the choices for women about where they can give birth.*

*WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly of Manitoba request that the Minister of Health (Mr. Praznik) consider stopping the closure of the obstetrics program at Winnipeg's Grace Hospital.*

**Mobile Screening Unit for Mammograms**

**Madam Speaker:** I have reviewed the petition of the honourable member for Swan River (Ms. Wowchuk),

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

Dispense.

*WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and*

*WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and*

*WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and*

*WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and*

*WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and*

*WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and*

*WHEREAS the provincial government has promised to take action on this serious issue.*

*WHEREFORE YOUR PETITIONERS HUMBLYPRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.*

### PRESENTING PETITIONS

#### Obstetrics Closure—Grace General Hospital

**Ms. MaryAnn Mihychuk (St. James):** Madam Speaker, may I have leave to revert to Presenting Petitions?

**Madam Speaker:** Does the honourable member for St. James have leave to revert to Presenting Petitions? [agreed]

**Ms. Mihychuk:** I beg to present the petition of Shirley Ferguson, Shirley Pooke, Lis Gray and others praying that the Legislative Assembly of Manitoba request that the Minister of Health (Mr. Praznik) consider stopping the closure of the obstetrics program at the Winnipeg Grace Hospital.

\* (1335)

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

#### Committee of Supply

**Mr. Ben Sveinson (Acting Chairperson of the Committee of Supply):** Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Turtle Mountain (Mr. Tweed), that the report of the committee be received.

**Motion agreed to.**

### INTRODUCTION OF BILLS

#### Bill 205—The Dutch Elm Disease Amendment Act

**Ms. Jean Friesen (Wolseley):** Madam Speaker, I move, seconded by the member for Selkirk (Mr. Dewar), that leave be given to introduce Bill 205, The Dutch Elm Disease Amendment Act, Loi modifiant la Loi sur la thylose parasitaire de l'orme, and that the same be now received and read a first time.

**Motion agreed to.**

#### 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 a group

of seven educators and civic officials from Manchester, England, and representatives from the South Winnipeg Technical Centre. These visiting individuals are affiliated with the Technical and Vocational Education Initiative of the Trafford Education Committee.

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

Also seated in the public gallery we have this afternoon twenty-two Grade 9 students from Kelvin High School under the direction of Mr. Tony Lopez and Ms. Lorna Olafson. This school is located in the constituency of the honourable member for Crescentwood (Mr. Sale).

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

## ORAL QUESTION PERIOD

### Domestic Violence Case Review

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, my question is to the First Minister (Mr. Filmon). Yesterday, his Minister of Justice restated the zero tolerance policy of the provincial government, and we were asking the government whether in fact the public incident reported in the Legislature here yesterday was dealt with in a way consistent with the Premier's statement on zero tolerance in his promise to the people of Manitoba. The minister restated the policy but did not give this House or the people of Manitoba any indication that an investigation would take place to ensure that the Premier's words were in fact implemented in the public case.

I would like to ask the Premier: Who will be investigating the incident referred to yesterday in Question Period, and who will determine whether the alleged victim of this physical abuse case was in fact dealt with fairly and consistently with the policy stated by the Premier in the '95 election?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, as indicated yesterday, it has been one of the primary policies of this government to ensure that domestic violence is minimized. We are

concerned about that issue. We have stated our position very, very clearly. We have communicated our position over and over again to the police forces. The police forces have indicated that they accept that policy and they carry that policy out.

**Mr. Doer:** Madam Speaker, it is one thing to state the policy; it is another matter, as Dorothy Pedlar stated, to implement the policy. What we are asking for from this government is not a restatement of the policy, which everybody in this Legislature supports, but rather a review of the alleged incident to ensure that the policy direction as articulated by the Premier (Mr. Filmon) of the province and restated by the Minister of Justice yesterday was in fact followed through in the case. What we are calling on this government to do is to provide some degree of support to the domestic violence policy and domestic abuse policy by ensuring that an investigation will take place by the Department of Justice on this case to ensure that the zero tolerance case was in fact implemented.

I would like to ask the government again: Who will be investigating this matter to ensure public credibility on the stated policy of the provincial government?

\* (1340)

**Mr. Toews:** Madam Speaker, perhaps the Leader of the Opposition could be excused for these irresponsible statements that he is making in the Legislature today. This is a person who has no concern about due process that may be occurring in the courts. He feels that he can comment about matters that are before the courts. I am satisfied that the appropriate steps are being taken at this time, and if any other steps are required, this government will take those steps.

**Mr. Doer:** Madam Speaker, again, for the legal niceties of the Minister of Justice, it is our responsibility to ensure that the due process as committed by the Premier (Mr. Filmon) to the public of Manitoba is followed through. It is our responsibility to ensure that the public words of the Premier are followed through with public policies of the Department of Justice. That is the due process in this Legislature, and I wonder why the Minister of Justice is ducking his responsibilities to ensure that an investigation takes place to ensure that Manitobans—that the Premier's words were implemented.

All we are asking for is an investigation to ensure that a woman who was a victim, allegedly a victim of physical abuse, was given the same protection as all citizens of Manitoba deserve under the zero tolerance policy. Will the Premier ensure that that investigation takes place?

**Mr. Toews:** Madam Speaker, it is interesting enough that this Leader of the Opposition would refer to the legal process, the justice system, as a legal nicety. I am surprised at the member of the opposition. You know, maybe I should not be so surprised, because he was a member of the government when the policy was to throw women in jail who refused to testify in court cases. That is the kind of justice that he understands.

I am proud to stand with the former ministers of Justice, the member for Fort Garry (Mrs. Vodrey), the member for Brandon West (Mr. McCrae), and say that we have brought one of the most progressive policies in respect of defending women in domestic disputes, and we will stand by that policy. If there are any steps that need to be taken, we will take those steps.

#### Prosecutions Division Workload

**Mr. Gord Mackintosh (St. Johns):** Madam Speaker, to the Minister of Justice. Recently we have become aware of at least two domestic violence cases going to trial, yet with no witnesses—Crown prosecution errors: Robert Guiboche, mistakenly released from the Remand Centre, largely due to a prosecution error; yesterday we heard of a Crown's opinion that there was not enough evidence to proceed on a domestic violence charge against a police officer. That was apparently in error and against policy and was later rejected. Now a Crown prosecutor has given an inaccurate, a faulty opinion on whether the Nancy Friday book is obscene, which has become a national story.

My question for the minister is this: Would the minister admit that the Prosecutions branch, yet comprised of dedicated and excellent prosecutors and staff, is overworked, understaffed to the point that the Manitoba justice system is again coming into disrepute?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I note how the member, on

the one hand, slams the professional people who are working in our public service and that he in fact seems to derive a certain amount of pleasure out of criticizing public servants.

#### Point of Order

**Madam Speaker:** The honourable member for Thompson, on a point of order.

\* (1345)

**Mr. Steve Ashton (Opposition House Leader):** Yes, Madam Speaker, Beauchesne is very clear both in regard to the need for ministers to respond to the matter raised and also not to attribute motives. It has been very clear that the minister is doing that. If the minister would have only listened to the preamble of the member, he would have noticed that the only criticism levelled was not against the Prosecutions branch but the staffing level, which is a decision that is made by government. So the minister should accept responsibility for it.

**Madam Speaker:** On the point of order raised by the honourable member for Thompson, I will take the matter under advisement to research the comments made by the minister in Hansard and report back.

\* \* \*

**Madam Speaker:** The honourable Minister of Justice, to complete his response.

**Mr. Toews:** Madam Speaker, I am very proud of the staff that I have who serve the public of Manitoba, who are concerned about justice issues, who deal with the very difficult legal system. We in this government have made repeated attempts to have the Criminal Code amended. Unfortunately, the Liberal government in Ottawa has seen fit not to amend many of the sections that we would like to see brought about so as to reduce some of the technical legal requirements that, in my opinion, are not necessary for the due administration of justice.

So, rather than criticizing public servants, I would ask the opposition to stand together with me to ensure that

the federal Liberal government brings about appropriate legislative policies.

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

**Mr. Mackintosh:** Would the minister, who has ignored the issue raised in my question, tell us who Manitobans are to believe, the minister who said in extensive questioning in the House just last Thursday about the Nancy Friday book's opinion that, and I quote: There was a very strong network and supportive system with appropriate resources and backup for Crown prosecutors, or the Assistant Deputy Attorney General who says, and I quote: It is embarrassing that we did not have the kind of infrastructure in place to support the Crown attorney who was asked to give the opinion?

**Mr. Toews:** Madam Speaker, I am certainly— [interjection] Well, the member for The Pas (Mr. Lathlin) has something to say. Maybe he could get up on his feet and talk once in awhile, but he certainly seems to take a lot of pleasure just sitting in his seat and spouting off. Anyway, I certainly have discussed the issue with—

**An Honourable Member:** Another third minister to strike three.

**Mr. Toews:** Well, you guys never stay in power long enough to keep three ministers.

**Madam Speaker:** Order, please. The honourable Minister of Justice, to quickly complete his response.

**Mr. Toews:** Madam Speaker, I have certainly had discussions with the Crown attorneys involved in this matter, and I was certainly very pleased to see the prompt manner in which the Crown attorneys assisted the police in their request for not only one, but two opinions. I note, indeed, that the Assistant Deputy Attorney General indicated that he would be implementing a policy which would, in fact, ensure that opinions are provided in a prompt fashion to the police with a minimum of administrative concerns so that police were not dissuaded from requesting Crown opinions. I think the actions of the Deputy Attorney General are very, very responsible.

**Mr. Mackintosh:** Would this rattled minister at least, a person who repeatedly told this House that everything was just fine in providing the legal opinion regarding the Nancy Friday book, not face up to the shortcomings in Prosecutions and take some meaningful action to assure Manitobans, notably the police, that the Justice department knows what it is doing?

**Mr. Toews:** Well, Madam Speaker, there the member goes again criticizing the prosecutors. I want to say that, of the hundreds and thousands of cases that they deal with, they deal with these matters in a very, very professional way. I am proud of the prosecutors in my department. Indeed, I am proud of all the staff.

You know, the government reviews periodically what resources are required, and this was one of the difficult choices that you make. For example, we indicated that we wanted more resources in the area of public safety rather than in the Law Reform Commission. It is a difficult choice, but that is a choice that this government made, and I am proud to stand with this government and the prosecutors in dealing with issues such as crime.

\* (1350)

### **Health Care System Role of Nursing Profession**

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, nursing is a responsibility of the provincial government. The government is training baccalaureate nurses, LPNs and nurses' aides and have laid off over a thousand nurses in hospitals in Manitoba. We have numerous studies over the past few years about the nursing situation in Manitoba, and at the same time nurses are leaving the province to seek employment elsewhere.

Can the Minister of Health specifically outline what the government's strategy and plan is for nurses in Manitoba, what the nursing component will be comprised of, and can he please outline that for the House and for the nurses and public of Manitoba?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, first of all, I think the member for Kildonan has part of his equation wrong. Although the province has a very significant role to play, there are also professional organizations involved in nursing that have

a legislated responsibility for setting standards and doing a number of things that ultimately affect the mix of caregivers in our institutions and our various programs.

I look forward to getting into this discussion. It is obviously too large an issue to deal with in a 15-second or 30-second answer in Question Period. I look forward to getting into that kind of detail with him when we reach our line in Estimates.

**Mr. Chomiak:** Will the minister not admit that it is in fact government policy to follow the recommendations of the very unlamented but well-remembered Connie Curran, who visited this province and who recommended the structure that is being put in place of a nurse administrator and nurses' aides in all of our hospital and acute care facilities? Is it not in fact government policy that they are following to the very "t" the recommendations of the very unlamented Connie Curran when she came to Manitoba on that disastrous exercise?

**Mr. Praznik:** Madam Speaker, I believe the member is referring to Connie Curran who hired Michael Decter who used to set policy for the New Democrats in Manitoba. I think that is the same Connie Curran to which he refers.

First of all, within every group of caregivers or professionals in health care, change is inevitable. The nursing profession for many, many years, going back even before this administration was in power, worked very hard at changing and seeing a new role in their training programs that would result ultimately in a different role for different parts of the nursing profession in the health care system. So that has been happening for a long time, long even before this administration came into power.

I think what you see in many, many facilities across the province is the desire to have the appropriate staff delivering appropriate services and ensuring that we can get more hands in basic patient care in our facilities, which I think no one would disagree is very important.

**Mr. Chomiak:** Will the minister outline what the government policy is with respect to the 23 LPNs who will be given notice by Victoria Hospital with respect

to losing their jobs, in conjunction with the LPNs who have lost their jobs at St. Boniface, Health Sciences Centre, Concordia Hospital, Seven Oaks Hospital? Will the minister not admit that it is provincial policy that is driving these decisions, and will he tell us what the government position is in this regard since they fund the program entirely. The minister is hiding behind the boards and not taking responsibility.

**Mr. Praznik:** Madam Speaker, I have sat in this Chamber for many years and I have listened to the debate about nursing. The member for Kildonan very well knows that there are a lot of factors that fit into the equation when one is looking at which group of professionals are providing what work. One of them is the professional standards set by organizations; another is the cost of those particular people in delivering service. There are also changes in services that an institution may require. These are all very legitimate factors that fit into the patient mix decisions that administrations, that facilities make.

If the member is attempting to express concern for the future of the LPN profession, I can tell him the former minister had concerns about that; I share some of those. I have had meetings with representatives of the LPN professional body. I have also discussed this matter with their union, the Manitoba Nurses' Union, and we have to find a way that realistically fits them into the system. I am prepared to do that, not engage in rhetoric with the member.

### **Health Care System Hip Replacement Waiting List**

**Mr. Daryl Reid (Transcona):** Madam Speaker, 77-year-old Jessie Chornick fell and broke her hip in November 1996. Surgery was performed for a partial replacement which is now failing, causing intense pain and further health risks for Mrs. Chornick. She has been advised by her doctor to have a complete hip replacement, but the waiting list is over one year.

My question for the Minister of Health is: Since many people who have fractured their hips or broken their hips die prematurely, I want to ask the Minister of Health to explain why Mrs. Chornick and many other Manitobans should have to wait more than one year to have what could be life-saving surgery.

\* (1355)

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, in fairness to the member, I am not aware of all the specific details. I think he flags some specific difficulties or complications in that case but to his specific question—and it is a very legitimate question about one-year waiting lists for these types of surgeries. We on this side recognize that is a very long time to wait for people who require that type of replacement. I know we are doing more in the province today than we have done in the past. That is not yet good enough, and we are looking at ways of being able to perform more surgery. It is not always just a matter of more money; it is the way we organize the system. It is having time available in operating rooms; it is how doctors prioritize people on lists. Those are all very legitimate parts of fixing the problem. The member flags a very legitimate problem. We are working at resolving that or at least getting that waiting list down.

**Mr. Reid:** The minister received a letter on May 7, so this should be an issue that is familiar to him. I want to ask the Minister of Health: Since the orthoplasty program is already short of funds by some \$200,000 and is projected to be short of funds by up to half a million dollars by the end of this year, what plan does the minister have to prevent a total shutdown of this surgical program, forcing our doctors to leave the province of Manitoba? What plan or policy do you have in place to address that short fund?

**Mr. Praznik:** One of the concerns that was expressed to my predecessor and to me as the new Minister of Health is that one of the difficulties in the way in which we budget for certain programs is on the institutional basis. Often, Madam Speaker, they do not allow us to recognize or to put resources in high-priority areas because they are carried in institutional budgets. That is a difficulty we are trying to address with the Winnipeg Hospital Authority. It may require—and I admit this—additional resources to be put into that area. I know, working with Treasury Board now, we are looking at identifying some resources to reduce waiting lists in a variety of areas.

**Mr. Reid:** Since one doctor at least that I have spoken to has over 70 cases waiting and since this government put in an extra half a million dollars just prior to the

1995 election to address the long waiting lists, will this minister now take similar steps so that people like Jessie Chornick and other Manitobans who are waiting on the waiting lists now do not have to have that surgery postponed, possibly risking their lives? Will you put that extra funding in there now?

**Mr. Praznik:** Madam Speaker, one of the factors that fits into long waiting lists—and I know from my work as an MLA prior to becoming Minister of Health when I had similar cases brought to my attention in my constituency, one of the factors that fits in is the popularity of the particular physician who is doing the work. There are cases where physicians, because they are noted as being experts in their particular field, have waiting lists that are significantly longer than others. That is one factor that fits into the mix.

I appreciate the concern that the member has addressed. I just flag with him that sometimes in certain cases the particular popularity, professionalism, expertise, et cetera, of a physician will result in longer waiting lists for patients who wish to be serviced by that physician or treated by that physician.

### **Education System Grade 3—Standardized Testing**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Minister of Education.

I have a son who happens to be in Grade 3 and like hundreds of other—

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

**Mr. Lamoureux:** There is a reason why I say that.

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

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

\* (1400)

**Mr. Lamoureux:** Madam Speaker, hundreds of Grade 3 students today for the first time are writing the standard exams, and the question I have for the Minister of Education: Given the cutbacks and the

freezes that this government has put onto public education, is this the best way to be spending tax dollars—for Grade 3 standard exams? One might be able to justify it for the latter years but for Grade 3—is this in fact a good priority?

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, the member has mentioned two points that warrant response. One is the cutbacks, and I have to indicate, particularly to this father of a Grade 3 student, that his party in Ottawa in 1994, '95 was giving this province \$741 million in transfer payments, and this year we are going to be getting \$499 in transfer payments—a huge, huge, huge cut that we have to deal with here for education for our students.

Having said that, I can think of no better way to help prepare my friend's son for a good learning experience and good mathematical abilities and to build a firm foundation that has been properly assessed, properly diagnosed. The Grade 3 exams are diagnostic exams to make sure that his little boy knows the fundamentals and the prerequisites for the next level of learning before he proceeds on—money very well spent, an essential part of the learning process.

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

**Mr. Lamoureux:** Madam Speaker, the Minister of Education's response with respect to the federal government I would question. Does the Minister of Education realize that the block funding that comes from Ottawa is for post-secondary education and that, in fact, equalization payments are up tremendously from the year previously? So the minister should not be confusing those numbers with her department's responsibilities. Will she acknowledge that she has to take the responsibility for financing K to 12 and set the priorities right?

**Mrs. McIntosh:** Madam Speaker, when a cut comes through to the provincial government that is roughly the equivalent of the operating budget of our largest university, \$220 million, the operating budget of the University of Manitoba—the cut that we received from

Ottawa is bigger than that—and that block funding is for Health, Education and Family Services, perhaps the member could tell me how he would make the adjustment. Shall we take more from French Immersion, which they have also cut on top of the block grant? Shall we take more from St. Boniface College? Shall we take more then from Health? That is also the equivalent of several community hospitals in the City of Winnipeg operating budget. Shall the Minister of Health (Mr. Praznik) close those hospitals so that I do not have to take money from Education as a whole to make sure I do not have to close the University of Manitoba?

Do not tell me that equalization makes up for it. Do not give me that line. Maybe he can talk to the Minister of Finance (Mr. Stefanson) here and understand the impact of those federal cuts, and perhaps then he would be more understanding of the dilemma his federal cousins have put us in.

**Mr. Lamoureux:** Maybe the Minister of Education could talk to the Minister of Finance—

**Madam Speaker:** Order, please.

**Mr. Lamoureux:** My question to the Minister of Education: Can she confirm to this House that the costs of administering the standard exams for Grade 3 students is more than the increase that this government has given public education in the last couple of years?

**Mrs. McIntosh:** I can and I will get the exact figures for the member, but I can tell you that overall our whole process of assessment and testing in all categories works out to about \$50 or \$60 a student. When I consider all of the other things that this member and the other members in the other party in opposition would spend money on, that amount per pupil to make sure that there has been a proper assessment, that it is a standard and the outcome that has been desired has been met, that children can add and subtract before they go on to multiply and divide, that we know that, we ascertain that, and there is a standard across the province that is known and understood, that is money well spent. It is an integral part of the learning process. Without it, you are missing a very vital component of education anywhere in the world.

### Grain Transportation Railway Industry

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, farmers across the Prairies were very frustrated this last winter when the two major railways did not provide adequate services and, as a result, Canada's reputation as an exporter was put at risk and farmers lost millions of dollars in sales and demurrage. The Canadian Wheat Board has brought complaints to the Canadian Transportation Agency against the railways, and they are supported by farmers. As well, they are supported by the Saskatchewan government which has applied for intervener status in this case.

Can the Minister of Agriculture (Mr. Enns) indicate whether the Manitoba government will be standing with the farmers as well and applying for intervener status on this issue?

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, the member certainly highlights a very significant problem that has happened in terms of grain transportation in western Canada over the last, probably fair to say, eight-month period of time. Recent indications are the problem still continues.

The position we take as the Manitoba government is not to point fingers or to find fault, because we believe there are many parties involved in trying to find a resolution here. Our mission—and the Minister of Agriculture and I have written several letters to our federal counterparts advocating that they bring all the players together with the mission to find a resolution to the problems so they do not reoccur again in the next crop year or the next winter or anywhere in the near future.

There are a multitude of problems in the industry. Yes, the railways and the weather played a major factor, but they were not the only factors, particularly when you look at the fact that some of the problems still exist.

Bring all the players around the table and resolve the problems for the long-term betterment of the farmers and the industry in western Canada, not take sides and point fingers. We do not think that is the right solution.

**Ms. Wowchuk:** Certainly we have to find solutions to resolve these, but would the minister not agree that this government should also be standing with farm organizations like KAP and the National Farmers Union that have applied for intervener status to deal with this case? Why will this government not apply for intervener status as well to show farmers their support?

**Mr. Findlay:** Madam Speaker, the member did not listen to the previous answer, because I said very clearly we want to support the farmers by finding a resolution. We have written several letters, and I have talked to the federal Minister of Transport, David Anderson, about bringing the appropriate players around the table with a neutral chairman and a consensus builder to find resolutions so that it does not repeat. That is how we can help the farmers in the future.

If we are going to draw lines and decide which enemy camp we are going to join, it does not resolve the problem. Let us get at the issue, get resolution that will involve all the players. We have very actively taken that position—direct contact with the federal Minister of Transport, numerous letters and in talking with people in the industry. The broad acceptance is we have to find resolutions, which the member also indicated, find resolutions, so that is how we will stand with the farmers of Manitoba.

**Ms. Wowchuk:** Madam Speaker, since this is an important issue to Manitobans, will the Premier indicate whether this issue will be on the table at the Premiers' conference this week? If it is not, will he ensure that there is discussion on the transportation of grain to market so that Canadian farmers do not face the same problems that they faced last winter?

**Hon. Gary Filmon (Premier):** Yes, Madam Speaker.

\* (1410)

### Education System Student User Fees

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

The issue of students being charged user fees to cover teachers' salaries for students who are participating on

school teams was raised by the Metro Community Newspaper on April 23, raised in this House by myself on April 28, and it continues even to today. I ask the minister: In light of the fact that this government does not support team sports or team athletics in any way, will the minister recognize that these types of user fees being charged to students discriminate against student athletes with limited financial resources? This is a direct discriminatory practice.

**Hon. Linda McIntosh (Minister of Education and Training):** Not accepting any of the preamble—and I think it is important to state that I am not accepting any of the preamble. I will accept that there was a newspaper article in the local community newspaper with allegations but, Madam Speaker, I say to you that user fees in schools have always been with us. I warrant when the member opposite was a student that she probably paid user fees for locker—

**Ms. Mihychuk:** No.

**Mrs. McIntosh:** You paid no locker fee. The member opposite, Madam Speaker—

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

**Madam Speaker:** Order, please. The honourable Minister of Education, to quickly complete her response.

**Mrs. McIntosh:** The member made reference to user fees, and then she made specific reference to the fact that in some divisions collective agreements now give teachers instructional days off in exchange for extracurricular hours worked. In those instances, some school divisions then are asking for fees for registration for team sports, but those are things that teachers have asked for and bargained in collective agreements. There is a whole host of new things.

The member opposite, I know, when she was in school had to pay locker fees, student fees, et cetera. Those things have not changed, but there are new items that do warrant extra costs to school divisions that were never there in years past.

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

**Ms. Mihychuk:** Madam Speaker, can the minister or this government tell us how many potential world-class athletes will never get the chance to develop in their sport because of the growth of this type of user fee, and when will this minister do her job on behalf of students in Manitoba and stop the practice of user fees being charged for teachers' salaries?

**Mrs. McIntosh:** Madam Speaker, the member the other day rose in the House and alleged that students were being charged to walk through the door of a classroom. I have asked her twice to give me specific information. She has not done that. We have contacted schools. We have not found any school that charges a fee for students to walk through the door.

I also indicate that I have received no complaints from the Manitoba athletic association, from high school teachers, et cetera, about the fact that teachers who are now getting instructional time off, days off school for having taught extracurricular time as part of new collective agreement arrangements, I have not heard any complaints from those teachers about their students at risk. I do not think I will either.

#### **TeleSend Gateway Inc. Funding**

**Mr. Jim Maloway (Elmwood):** Madam Speaker, my question is to the Deputy Premier. The question concerns the TeleSend Gateway project that this minister recommended for funding.

In Estimates, the minister said he thought Shalesa Charron was the president at TeleSend Gateway Inc., and stated that he sent the three cheques totalling \$200,000 to TeleSend Gateway Inc. However, company records show that Shalesa Charron is not the president of TeleSend Gateway Inc. but that Helen T. Ishmael is the president.

Can he confirm that he gave all three cheques to TeleSend Gateway Inc. and Helen T. Ishmael, and why did he say in Estimates, "There may be some confusion as to the makeup of the company and the family."?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, again, I want to inform the member that the initial negotiations and

discussions—I am informing him that there was the involvement of a person by the name of Robert Lee, as well, in checking the records, who was also involved at that particular time.

**Mr. Maloway:** Madam Speaker, can the minister confirm that the money, the \$200,000, was used for its intended purposes?

**Mr. Downey:** Madam Speaker, I am informed by the department that, yes, it was used for the purposes for which it was intended to be used.

**Mr. Maloway:** Madam Speaker, I do not know how he knows the money was used properly when he does not know who he gave the money to in the first place.

### Background Check

**Mr. Jim Maloway (Elmwood):** My final supplementary to the same minister is this. In Estimates, the minister stated that he checked the credit histories and backgrounds of the principals and shareholders of TeleSend Gateway Inc. Can he tell us what he found out?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, probably more importantly, what was discovered was the people who were part of the overall company that were doing the project, like AT&T, Mr. Robert Lee, they were the individuals that were the main participants at that particular time, so fairly credible individuals who we were dealing with.

### Education System Student User Fees

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, I can see that the Minister of Finance and Sport and the Minister of Education and Training (Mrs. McIntosh) are finally conferring on this issue of the fees being paid by student athletes and teams in our school system. When I raised this issue yesterday in the Sport Estimates, the Minister of Finance claimed that he knew nothing of it, but I have today with me the article from the Metro Newspaper which stated that it was Oak Park High School where there were letters that were sent to athletes participating on teams that were going

to have to miss school and that the school team would have to raise the funds to pay for the substitute teacher.

I want to ask him now today, since he has had a chance to verify the information as we have raised it in the House, if this is not a violation of the Manitoba sport policy which states that they have a mandate to develop appropriate mechanisms and programs to assist educators involved in sport, and will he not now see how this policy will be implemented so that young athletes in Manitoba will not be discriminated against in school divisions?

**Hon. Eric Stefanson (Minister responsible for Sport):** Madam Speaker, no, it is not in violation of the Manitoba sport policy as outlined. It is nice that for a change a member opposite brought a little bit of specific information. Yesterday she had absolutely none in Estimates. As I indicated to her yesterday and I have confirmed again this morning, this issue has not been brought to the attention of the Manitoba High Schools Athletic Association. They certainly have not brought it to our attention. No individual teachers have brought it to my attention, no individual schools, no school divisions. So at this particular point in time, it is not an issue that is being raised as a concern within the sport community. As well, in discussion with Sport Manitoba, it is not an issue that has been raised by Sport Manitoba.

So, finally, the member has brought a little bit of specific information, and we will look into that issue.

**Madam Speaker:** Time for Oral Questions has expired.

### ORDERS OF THE DAY

#### House Business

**Hon. James McCrae (Government House Leader):** Madam Speaker, I have a motion to move, seconded by the honourable Minister of Justice (Mr. Toews) (by leave), that the deadline for submission of the report of the Subcommittee of the Standing Committee on Privileges and Elections concerning the review of the sections of The Child and Family Services Act pertaining to the Office of the Children's Advocate be extended from May 30, 1997, to June 12, 1997.

**Motion agreed to.**

\* (1420)

**Mr. McCrae:** Madam Speaker, I believe there might be leave to waive private members' hour today.

**Madam Speaker:** Is there leave to waive private members' hour? [agreed]

**Mr. McCrae:** Madam Speaker, I move, seconded by the honourable Minister of Natural Resources (Mr. Cummings), 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.**

**COMMITTEE OF SUPPLY  
(Concurrent Sections)**

**SPORT**

**Mr. Chairperson (Gerry McAlpine):** Order, please. Will the Committee of Supply please come to order.

This afternoon, this section of the Committee of Supply meeting in Room 254 will resume consideration of the Estimates of the Department of Sport. When the committee last sat, it had been considering item 28.1.(a) on page 122 of the Estimates book. Shall this item pass?

**Ms. Marianne Cerilli (Radisson):** I think I am going to start off where we left off just now in Question Period. I have a copy of the Metro news article for the minister—I do not know if he has seen that—which names at least one school there that issued letters requiring that participants in a varsity boys basketball team are going to have to cover costs related to substitute teachers that were required to replace the teacher-coaches who were accompanying them on a tournament.

Yesterday, the minister was saying he did not have any information to confirm that, and from the answers today in the House, I am not sure what kind of research his staff or the Department of Education has done. This has been an issue since April 23. It was raised in the

House April 28, so it is not that new. I was concerned by his answer in the House claiming that this does not in any way go against the sport policy. I am not sure where that has come from since I asked the question yesterday. I am wanting to see if the minister is now going to reconsider his response after seeing this newspaper clipping, and if he can tell me what steps they have taken to investigate this since April 28, when it was raised in the House.

**Hon. Eric Stefanson (Minister responsible for Sport):** Mr. Chairman, the response I gave to the member in Question Period earlier today is still the same one in terms of no conflicts with any of our policies, certainly at this particular point in time. I think this one article in the Metro One is far from clear in terms of what is, in effect, taking place in this particular school division. As I have indicated to her, we will get specific facts and details as to just what has transpired and what the options being put forward to the school and the athletes are.

As I responded to her earlier, and we checked again today with the Manitoba High Schools Athletic Association, this issue has not been raised with them. Obviously, they have not raised it with us, either with Sport Manitoba or with officials within my department and have expressed no concerns about this issue at this particular point in time, nor have individual schools, parents, athletes, directly to myself or to Sport Manitoba or to the Manitoba High Schools Athletic Association. This is an issue raised in one article in the Metro One. That is the only documentation pointing to this issue whatsoever, and as I indicated to the member yesterday, we will certainly get the facts, and based on the facts we will then determine whether or not it requires any comment or action from us.

**Ms. Cerilli:** I would like for the minister, first of all, to explain to me—he said that this does not contravene the sport policy for Manitoba in any way. What does it mean then in the sport policy, to develop appropriate mechanisms and programs to assist educators involved in sport, if that is not to ensure that they have every opportunity to coach and to then be absent from their class if that is necessary for them to coach or to officiate or any other role they might play related to sport?

I cannot believe, frankly, that he is claiming that this would not violate this sport policy. It also raises other questions in terms of how this policy is going to be implemented, but I want the minister to explain to me how this practice of having sports teams have to now fundraise to pay for substitute teachers is not going to compromise the objectives that they have. The government of Manitoba recognizes the education system as an integral component of the sport delivery system in Manitoba and will encourage the educational system to enhance the role of sport in education and education in sport. Either the minister has no comprehension of discrimination based on economic status or it is incomprehensible that he can say that this is not a violation of their policy. I do not know which it is, but I want him to explain it.

**Mr. Stefanson:** Mr. Chairman, irrespective of what kinds of questions the member for Radisson asks or what irrelevant rhetoric she puts on the record, there is nothing to indicate that there is a conflict with the sport policy document that is in place today. Again, I think the prudent thing to do, the responsible thing, would be to get the absolute facts behind what is happening in Assiniboine South School Division and with Oak Park.

She raises the issue of discrimination based on economic status. I know she has certainly participated in sport, followed sport to some extent, and sport in general. Most sport governing bodies, most sport organizations do their utmost to ensure that athletes are not precluded based on economic status. There are programs through Sport Manitoba that assist with support for families that are in economic situations that require support, and I know from first-hand involvement with some sports, they do their absolute utmost not to have children precluded from participating based on their economic status. They want young people, they want youth participating and they will do whatever they can to overcome any hurdles that that may cause.

\* (1450)

Having said all of that, most of our sports, to varying degrees, have various charges whether it is related to, in this particular case they refer to some costs related to transportation services, hotel accommodations, obviously most sports have costs in terms of equipment,

in terms of facilities, all of those kinds of things. It is certainly not uncommon for sport to charge a fee relative to the cost of providing that sport, but sport in general does a very good job of ensuring access and reducing and minimizing any impediment caused by economic situations.

**Ms. Cerilli:** I beg to differ with that statement, because the minister should take a look at the availability of sport to low income people in this province. The issue I want to deal with right now is, is the minister saying that this is an acceptable practice, to have student athletes have to fundraise to pay for substitute teachers? Is he saying that he thinks this is one of the acceptable costs that go along with participating in sport now?

**Mr. Stefanson:** Mr. Chairman, I did not say that, and I do not need the member for Radisson to attempt to put any words into my mouth. I did indicate that we will get the absolute facts as to what is taking place in this school division. I have indicated to her, other than her one story from the Metro One newspaper and no other documentation, no other information, the other organizations that are directly involved in high school athletics have brought no information relative to this to our attention and have not expressed any concerns at this particular point in time, in terms of access, in terms of opportunities and so on.

In terms of education, I know there are some areas that focus on support for what they would call sanctioned sports or sanctioned tournaments within education, and if a coach is participating in a noneducation sanctioned activity, tournament or sport, that they might then have to make some arrangements relative to their substitute. So again, it is not clear in terms of this particular tournament how it related back to whether it is a sanctioned tournament by Assiniboine Park, what the relationship is with Assiniboine Park with this tournament and I think the most responsible thing I can do is to get some facts on this information and then judge the situation based on facts.

**Ms. Cerilli:** Well, the minister is trying to again deal with these concerns and problem areas by saying that he cannot deal with the issue right now because he is going to find excuses in saying he does not have enough information. But we are dealing with policy matters here, and policy matters do not have to have

specific detailed information. We are dealing with policy statements that he, his government was involved in developing.

I want to deal with the issue where you are claiming that because you have not heard any complaints by schools or school divisions or parents or the High Schools Athletic Association—I do not think that washes because if what athletes and teams are being told is it is either this or nothing, it is either you finance your teams including this fee or you do not get to participate, then you put the sports in a very difficult situation. I am sure there are participants in sport in Manitoba, in high school sport that would have serious problems with this if this is going to be a trend.

It is interesting that it is first occurring in Oak Park where I would suggest to the minister there is going to be less economic hardship than some of the other areas of our province, and I would think that other school divisions would not even attempt to have a policy like this because they know that it would destroy their sports programs. They know it would destroy their intercollegiate sport programs. I understand the minister when he is suggesting that if this is a sport that is not part of a school division program, it may be a different story. If that is what he is saying he wants to clarify, that is acceptable. But I am talking about a more general policy trend, that if this is going to occur in sanctioned Manitoba high school athletic events, is the minister prepared to have the costs for substitute teachers to pay for absent coaches, teacher-coaches, if that is acceptable? I am asking him that very direct policy question, which is what we are here to address in these Estimates.

I know that the minister sort of has his prearranged responses that he has given today and in the House, but I want to ask him specifically on that policy issue.

**Mr. Stefanson:** Mr. Chairman, I want to assure the member for Radisson there were no prearranged responses to any question she might have. I wish I could read her mind, but I cannot, and I could not necessarily anticipate what question she might ask me or any other minister. But I think the most indicative thing of her last rambling was she used the word “if” four or five times, and that is the key here, because she is asking hypothetical questions; she is asking if this, if

that, if this. We could take that kind of discussion to its absolute extreme in terms of policy decisions of government or issues that might face governments. [interjection]

It is not weak at all. Go back and read Hansard in terms of your very specific question. If this, if that, if this, all hypothetical questions. We have one story from one newspaper that is not very clear in terms of what it is providing. What we will do is we will get the facts. If we determine there to be any conflict with our sport policy based on what I have seen today, and I do not think there is conflict, but we will determine that. We will get the facts, and from that we will decide whether or not it requires any further action on our part.

**Ms. Cerilli:** It is very slick of you, sliding around in that fashion, but I think that this is unacceptable. For you to come to Estimates and continue to have those types of answers is not serving the purpose of what we are here to do. If I ask a policy question and I use the word “if,” because you are not accepting the evidence that is there in black and white in a newspaper article. I will not use the word “if,” and I will not accept your answer of saying there is not enough evidence that it is occurring.

Now, Mr. Minister, the policy statement is very clear. I want you to tell me how you claim to be able to implement a policy like this which is going to have to be implemented by a school division, when your Minister of Education (Mrs. McIntosh) continues to claim that she has no jurisdiction when school divisions try to, or do, in fact, cut certain programs or institute certain user fees.

How do you claim to have the ability to fulfill your policy, as I have quoted earlier. I was not putting any convoluted ramblings on the record; I was reading from your policy which states you will encourage the education system to enhance the role of sport in education. Those are your words. How are you going to implement that in a school division?

**Mr. Stefanson:** Well, Mr. Chairman, this is interesting. The member for Radisson can find my answers as unacceptable as she wants. The reality is my answers are what they are, and she should be accepting and appreciating that from our point of view,

the most responsible thing to do is to get the facts, and I keep reminding her. I know she does not very often like to operate from facts. It is usually from innuendo and from lack of information.

I think the responsible thing would be to get—[interjection] Well, she refers to cheap. She should just reread her comments for the last 15 minutes if she wants to look up the definition of the word “cheap,” and she will see it in black and white, Mr. Chairman. I have indicated to her very clearly, we will get the facts. That is a responsible thing to do as government, which we have to do because we are in government, and based on those facts, we will determine whether or not it requires any other action or comment from us.

\* (1500)

**Ms. Cerilli:** Are you going to answer the question about the policy implemented in your sport policy document in a school division? That was my specific question. How do you implement your sport policy in a school division?

**Mr. Stefanson:** Mr. Chairman, sport policy is dealt with through the Department of Education and through the Manitoba High Schools Athletic Association. The Board of Directors of Sport Manitoba have one representative on the board selected from the field of the Manitoba High Schools Athletic Association and the universities and the Physical Education Teachers Association.

**Ms. Cerilli:** So how does it work? How do they ensure that schools in the education system are going to be following your sport policy?

**Mr. Stefanson:** Mr. Chairman, one of the key vehicles is the Manitoba High Schools Athletic Association. That certainly is a major part of their responsibility, and we work directly with them.

**Ms. Cerilli:** So the minister is saying that it is up to the Manitoba High Schools Athletic Association to ensure that Section 7 of his sport policy is followed by the education system.

**Mr. Stefanson:** No, I am not quite saying that, Mr. Chairman. I am saying that they are a governing body

for high school athletics. They are well aware of the sport policy document. They had involvement and participation in its preparation. So they certainly are one vehicle to assess the relationship between sport policy and implementation within the educational system.

As well, the Department of Education is aware of the sport policy, and there is liaison with the Department of Education. So, through those vehicles, Education is aware of the sport policy, and then Sport Manitoba, of course, is the governing body for sport that has an overall responsibility to assess the implementation of the sport policy.

**Ms. Cerilli:** We are still a little vague here. How does it work? How, when you have a situation like this, which you are now investigating, where you have said one thing that is clear, that there is a liaison between Sport and Education, who does that liaising in both Sport Manitoba or any other staff that you are involved with, and who is involved in Education?

Then, from there, what is the role of government in dealing with the school division, because they are the ones that are actually—as the Minister of Education and Training (Mrs. McIntosh), I am sure, would tell us—they are the ones that are responsible in dealing with any particular school in the school division?

**Mr. Stefanson:** First of all, Mr. Chairman, I am not sure it is fair to say I am now investigating this situation at Oak Park. We are certainly going to start by obtaining the facts from the school and the school division, but most importantly, there is a staffperson within Sport Manitoba that liaisons with Education. There also is the board member I referred to that is selected from a combination of the organizations like the Manitoba High Schools Athletic Association, the universities and the Phys Ed Teachers Association, so those are the vehicles of the liaising back with the Department of Education with bodies like the Manitoba High Schools Athletic Association and so on.

**Ms. Cerilli:** I am getting really concerned with the Minister for Sport here because it seems that you have a very nice policy, sport policy, in dealing with education and sport but it is pretty unclear how it is actually going to be implemented into any given school

and school division and how you are going to follow up. So now you are saying that there is a board member on the Sport Manitoba board. Would they be involved with having to liaise with all of the hundreds of schools we have in the province? I mean, that is impossible so there has to be a better way.

I am wondering if the minister has anything more that he can tell us to ensure that a type of practice—and what I would think is really going to have serious implications for the willingness of teacher coaches to participate in high school or any level of school sport if they are then going to have to be involved with their team in raising funds to pay for substitute teachers who are working in their absence, so it seems like, well, although we have a policy on paper, that the government is going to have difficulty in implementing this policy at the school and school division level. I am wanting for him to clarify for me specifically how that works.

**Mr. Stefanson:** Mr. Chairman, I am sure the member recognizes that we have one of the most comprehensive sport policies in all of Canada. In terms of its implementation, there are a few vehicles in terms of its interaction with the educational system. First and foremost, as I have already told her, is the Manitoba High Schools Athletic Association and they have the kind of ongoing contact that she refers to with individual high schools. They are the sport governing body for Manitoba high school athletics. They receive funding from Sport Manitoba for their organization to provide that service so they are a very direct link into high school athletics and certainly provide that service to sport in Manitoba.

There also is the link with the Department of Education, in terms of their awareness of the sport policy and the issues surrounding the sport policy in Manitoba, so those are the two vehicles for implementation of the sport policy. As I have indicated to her, in terms of our discussions with Manitoba High Schools Athletic Association, the one specific issue that she has brought up here today has not been raised by them but, more importantly, my understanding is they are very supportive of the sport policy and how sport is being treated here in Manitoba through the educational system and sport in general.

\* (1510)

**Ms. Cerilli:** I want the minister to know that I support the sport policy, but it is not worth much if we cannot ensure that it is going to be implemented, and that is what I am getting at. The minister has now clearly stated that there are three vehicles for doing that and it is going to be interesting. I have contacted the Manitoba High Schools Athletic Association on this issue and I sent them the same article that the minister has. I have been waiting for them to get back to me and I am wondering if they are aware of this. I am interested to hear what they have to say about the minister's perception of their role in terms of policy throughout school divisions in Manitoba, because I do not know if they have the resources or the wherewithal to be able to do that.

The minister has not mentioned the department heads for physical education in all the school divisions. He has not mentioned any of the consultants and their having a role in this which have some link with the Department of Education. In the past, there was a physical education consultant in the Department of Education and that person, I think, is gone. I do not know if they have ever been replaced. So there are some problems here, and I am going to be following this up, as the minister has said he will be, in the future.

This has raised a whole new area of concern, and already athletics are unattainable due to financial limitations for a lot of Manitobans, particularly young people. This kind of practice of having teacher coaches have their replacements paid as part of the cost to sport is going to be a real hardship. Again, the minister knows my experience, and I can tell you that this is a huge issue. I am not going to use the word "if." I believe this has occurred. We will see the implications it has for Manitoba high school athletic programs. I think it is a direct contravention of the stated policy of this government, and I think the government has to figure out how their policy is going to be implemented in all the school divisions so that sport is not compromised due to the financial constraints that the school divisions are under. I recognize they are looking for ways that they can cut costs and save money, and there is a real problem occurring in the school system because of the increases of user fees in a number of activities.

This is not just a problem for sport. A number of activities, drama, band, are having increased user fees attached to them. I know that sports teams are suffering from this. They are having to raise more and more finances on their own. I appreciate the minister has said there are some programs for scholarships, but they do not address the day-to-day costs of transportation, of equipment, of the costs that are incurred by the vast majority of young people participating in sport, particularly at the high school level. More and more equipment is having to be supplied individually, and this is a huge concern. I think that certain areas of Winnipeg in particular will not be able to participate to the level that they want to if they are now having to cover the costs for substitute coach teachers, teacher coaches.

I do not know if the minister wants to comment any more on that. I am quite willing to move on to another issue considering the time.

**Mr. Stefanson:** I guess the only concern I have is, again, I think what I would class as the member's exaggeration where she starts to talk about problems here and athletics being unattainable and sport teams suffering and so on. I know on a comparative basis within Canada, we on a per capita fund at amongst the highest levels of the provinces in Canada for sport. Certainly in terms of my involvement with sport and my travels, I get very few criticisms about our funding level for sport either from people directly involved in sporting organizations or just the public in general. I think there is a recognition that we certainly are very supportive of sport. We fund it to a very significant level.

Having said that, are there some areas that need to be addressed, areas that should be improved and so on? Absolutely. I think that is true of most areas of government and elsewhere. So certainly there are things we should be continuing to do, areas we should be continuing to improve in terms of delivery of sport, in terms of access to sport and so on, because I think the member and I, over the course of the next two hours or three hours or however long we go, or three days, will probably agree to disagree on a lot of issues but we probably can both agree on the merits of sport.

With that, Mr. Chairman, I do not think we need to feel that there are major problems, major shortages, that

our funding is certainly very significant, but there are certainly some challenges for sport in the years ahead.

**Ms. Cerilli:** I guess I wanted to just follow up by asking the minister to collect some more data and information for me, because I really believe that the cuts that this government has levied to Education are really affecting high school sport, and right now that is what we are talking about. We are talking about sport in education at the high school and junior high level. I open it up to junior high as well.

I would think that there are fewer teachers now who are willing and able to coach high school teams, because teachers are being stretched to the limit. I would think that if the minister would do some research on that he would find that is the case, that there is a trend that a number of teachers are saying, no, I cannot take on yet another duty associated with the school.

I think this government, which a few years back tried to eliminate completely physical education at the high school level as a required credit, has done damage to the morale of a number of the physical education and other teachers who coach and participate in athletics. I think that even though Manitoba government as a whole may invest in sport to a very comparable level in Canada, what is happening at the high school level, that is not the case. When we were looking into this whole issue of the fees being charged to teams for substitute teachers, we were looking at the number of programs other than the Manitoba High Schools Athletic Association that directly go to support high school athletics from the provincial government, and there are very few. I know one of the programs that used to exist through the Manitoba High Schools Athletic Association has been eliminated, and that is the drug awareness program.

There is not a lot of support there for coaches in particular who are teachers, and they are really feeling the pinch. They are having to pay for more and more costs in terms of transportation and all sorts of other additional fees, and now this potentially could be the thin edge of the wedge in the door in a new practice of charging for substitute teachers.

\* (1520)

The minister said I may be exaggerating the issue, but we want to catch these kinds of things at the beginning of the problem and not at the end when it has become a real detriment to the development of sport at that developing high school level and school level. Those are the concerns that I am bringing to the table today, and I hope that the minister shares my concern in this, that there is a problem at the high school level in terms of the availability of coaches and volunteers, officials and funding, and that there has been an increased pressure for more fundraising to be done.

Things that I would suggest in my day were more likely to be provided by a school division are no longer provided, and student athletes are having to pay more and more costs. This is reducing the number that can participate. It is reducing the number that are then able to develop and become more involved at the higher levels of sport. I would think that is a big concern for Sport Manitoba, and it should be a big concern of the Minister for Sport.

**Mr. Stefanson:** Mr. Chairman, I am not sure I can accept at face value a lot of the comments that the member makes about her perception of the problems at the high school level. I think there has been in some areas an expansion of sports in high school in particular. Although it is getting to be a few years now, I guess I think most particularly of hockey. But there has been some expansion of sports at the high school level, which has created a greater demand for coaches across the board, which has led I think to the use of some parents, some other people to help with coaching outside of teachers directly, which I do not think is necessarily a bad thing in terms of including either parents or other people from the community to assist with coaching hockey teams or whatever school team it might be.

In fact, on an overall basis, I think as the schools are becoming more and more active in more varied sports, that is a positive thing, that they are a natural vehicle for sport activities, for utilization of their facilities and so on.

I am not aware that there is a problem with a shortage of coaches within our high school system, that coaches are still coming forward. I still believe that the vast majority of teachers who also want to be coaches will

find the time to do that because it is important to them in terms of the service they provide to the students and in terms of what they see their role being. I have all the confidence in the world that our educational system with our teachers will continue to provide the coaches that are needed for volleyball teams, basketball teams, whatever it might be, but I think there always is a challenge to find coaches. I think some of the approaches that the schools are using to include other people from the communities are a healthy thing as well.

So, Mr. Chairman, I am not aware that it is a major problem, but I think I do agree with the member that high school athletics are extremely important, and we have to be sure that we always do have appropriate numbers of coaches and coaches with the proper training and so on.

**Ms. Cerilli:** Well, I must say that this minister is one of the best at putting his spin on an issue. Now, I asked questions about the reduction in the number of teachers willing and able to coach and you said that those who were willing, you think, are doing a great job. I do not disagree. I think they are doing a great job, and I know they are doing a great job under horrendous circumstances.

But I have talked to numbers of teachers and coaches who—especially as this government was cutting professional development days as you were reducing salaries and, at the same time, asking teachers to teach more classes, you were forcing school divisions to make cuts to teachers' salaries. I know in River East School Division all the teachers agreed that they were going to withdraw from extracurricular activities, period, in protest of this government and the school division being forced to take action, as I have just described, in terms of negotiations with teachers.

So I am wanting to see if the minister is interested in looking at this area, because I think I am correct. I am certain that there are now teachers who no longer either coach as many teams or are willing to coach at all because of the pressures put on them inside the classroom and in other school duties. They feel like they are being squeezed, Mr. Minister, and I think that this is affecting sport. I know it is affecting sport. So I am wanting to see if you would agree to do a study or

if you know if this is being done through any other agency in the province to look at the number of teachers who are doing extracurricular activities. This is a big issue among teachers, and I know that two of my colleagues have looked at this issue in their own school division, and teachers are listing the amount of time that they spend on extracurricular activities like coaching, as well as the amount of money they have to spend out of their own pocket related to school activities.

So I am asking if you are interested in this area, if you are willing to take a look at these trends in the area of the number of teachers coaching and participating in athletics programs in the different schools and if there is a reduction in the number of hours, the number of teachers, the number of sports that they are being able to coach in.

**Mr. Stefanson:** Mr. Chairman, once again, the member made some comments that I do not think were entirely accurate, although she sort of started correcting some of them as she concluded her remarks I think when she suggested that we were reducing teachers' salaries. I think she knows full well that teachers' salaries are not negotiated on a province-wide basis. They are done individually with individual school divisions and any compensation decisions for teachers are decisions made by the individual school boards in all of the school divisions across Manitoba.

Without taking away from the importance of discussing high school athletics, coaching availability, proper training for coaches, again, this is not a concern that has been brought to our attention by an organization like the Manitoba High Schools Athletic Association which is the overall governing body for high school athletics. I am sure coaches at the high school level, like people in all walks of life, like coaches in other areas, I think—it is sort of a trend of society, in many ways, that because of a lot of the restructuring that has taken place in the last many years in Canada and elsewhere, we all take on an awful lot more activities, and I think a lot of our teachers have done that and they are doing it very well.

I am a firm believer that people who are in the education system and are teachers and are interested in coaching and want to coach do it and find the time to

do it, just as people in other professions and other jobs find the time to do the things that they believe are important. So I think we are fortunate to be well served by the teachers and people in the education system who come forward and take on the coaching of all of these teams.

Having said all of that, I am certainly prepared to have a dialogue with the Manitoba High Schools Athletic Association and basically with the educational community in general in terms of, is the Manitoba coaching association helping to meet their needs in terms of coaching techniques, coaching seminars and so on and to determine how well they are all functioning in terms of the challenges and responsibilities that they have.

\* (1530)

I am certainly now prepared to pursue that, because I think the end objective is the same, that we wanted to be sure we have coaches in our educational system. We want to be sure they have the appropriate training, if necessary, in terms of coaching particular programs and so on. I am certainly prepared to have those discussions and to look into the issue, but I do not in any way acknowledge that there is a major problem out there.

**Ms. Cerilli:** I think that we will find out that there is a problem, but I want to go back and talk more about the Pan Am Games now because time is moving on.

**Mr. Stefanson:** I just want to correct some information that was provided yesterday when asked a question about the numbers of sports for the Pan Am Games in 1999 in Winnipeg in Manitoba, I believe I informed the member that there were 42 sports. There are, in fact, 41 sports.

She also asked the question about the numbers of sports at the Commonwealth Games in Victoria, and I believe I informed her that there were 22. There were, in fact, 11.

**Ms. Cerilli:** I was hoping that the minister would also let me know that he now has some other information for me in terms of some documents I was asking questions about yesterday, because I was surprised and

concerned that today in the Free Press it seems like Scott Taylor has more information than the minister does about the television contract for the Pan Am Games. If the minister has not yet seen it, there was an article close to the front section of the paper by Tim Campbell, but in the Sports section there was a more detailed article by Scott Taylor which went into some of the financial details of the contract for the television rights to the games.

I am wondering if the minister has had a chance to follow up on the questions that I asked yesterday, and if he can now provide me with more detailed information about the financial aspects of that contract.

**Mr. Stefanson:** Mr. Chairman, I am told in discussions as early as this morning with the Pan Am Games Society that from the perspective of the Pan Am Games and the Canadian Broadcasting Corporation, CBC, and the sport network, TSN, there are some concerns about releasing details relative to the contract. I believe their concerns relate most directly to the fact that they are the host broadcasters, and they have some additional negotiations to pursue with other networks and so on.

In terms of any issue where you have various parties, a part of an agreement, at this particular point in time, there are concerns about making all of the details and financial details public because they have to conclude all of their negotiations in terms of putting together what they would consider the best package.

I know her specific question about advertising rights and advertising inventory, that that will, in fact, belong to the Pan Am Games Society, but again they do not have a figure that can be provided today in terms of what that might generate in terms of revenue for the games. But they have retained that inventory or those rights in terms of the advertising during the Pan Am Games, they being the Pan Am Games Society.

**Ms. Cerilli:** There are a number of questions to be answered here, but first of all it seems that there are some really unusual things going on with this television contract, particularly in terms of the agreement with CBC where it seems that they have made this trade. I am wanting for the minister to confirm that in exchange for CBC covering the games that actually the Pan Am

Society is covering the costs of reconstruction and renovation on the CBC building in downtown Winnipeg on Portage Avenue.

I was actually just at the CBC building this morning and was told that construction on that renovation was starting this summer, and they are consolidating all their operations into the one building. I am wondering if that is what the Pan Am Games Society is paying for?

**Mr. Stefanson:** Well, Mr. Chairman, I know the member for Radisson is not going to like this answer, but I think I have to give it to her anyway. That falls within the total area of the terms of the agreement that was reached with CBC and TSN, and at this particular point in time that information is not available to be made public.

**Ms. Cerilli:** Well, Mr. Minister, it is public, it is in the Free Press. What I am asking for you to do is confirm it. I mean, are you saying that Scott Taylor is just speculating and his story is full of ifs? If this agreement goes through, then the CBC is going to get a new building. What kind of purpose do these Estimates serve if we cannot get any information?

**Mr. Stefanson:** This is an agreement that was entered into and announced yesterday, as the member knows. In terms of the accuracy or inaccuracy of Scott Taylor, I am not about to confirm that. Mr. Taylor has been accurate sometimes and he has been inaccurate other times, but in terms of all aspects of the final arrangement between CBC and TSN, Mr. Chairman, I am not in a position to provide that at this particular point in time.

\* (1540)

**Ms. Cerilli:** One of the concerns that I have about this is the amount of money that is going towards the broadcast centre for CBC. I am wondering if the minister has information about the amount of money from the federal government that is going towards that and if some of that money is Manitoba government money that is going to the broadcast centre?

I understand that the Pan Am Games Society has developed their budget and that they will be funding the broadcast centre from that budget, but I think it is a

concern if the federal government is in a way getting out of funding the CBC, yet again, for renovations on their site and that that money is now coming from the Pan Am Games.

The CBC, as I understand it, is going through a reorganization consolidation of their operations on Portage Avenue, and they are doing that to save money. They are doing that to deal with the cutbacks that CBC has suffered under the Liberal government, but I am wondering if what is also happening now is that they are saving more money by having the Pan Am Games pay for the refurbishment of their operations on Portage Avenue and that this is another way that the federal government is saving money at the expense of the Pan Am Games.

(Mr. Peter Dyck, Acting Chairperson, in the Chair)

**Mr. Stefanson:** That is actually a pretty good question from the member for Radisson, and I am glad to hear her concerns about the federal Liberal government and some of their decisions relative to the CBC and facilities in Winnipeg. But I think what is important from the Pan Am Games perspective is the Pan Am Games have a significant budget allocation for host broadcasting which the member is familiar with and aware of. What I am told is through this arrangement with CBC and TSN, they have been able to reduce what was their original budgeted amount for broadcasting downwards as a result of this arrangement that was entered into and announced yesterday.

I guess if that ends up being a part of an ultimate redevelopment of CBC in Winnipeg, some component of it, of the redevelopment in Winnipeg, I am not so sure that is a bad thing recognizing that with much of what we are doing with facility enhancement of the Pan Am Pool or the gymnasium out at the University of Manitoba, obviously it benefits all governments but most importantly benefits the public and those facilities for many years after the games.

But on an overall basis in terms of the impact on the Pan Am Games budget, this agreement, I am told, has reduced some of their costs in that area and, if and when I am in a position to release further details on the final agreement with CBC and TSN, I will certainly undertake to provide those to the member for Radisson.

**Ms. Cerilli:** Who does the Pan Am Games Society deal with at CBC in these negotiations?

**Mr. Stefanson:** Mr. Chairman, I am informed that the majority of the discussions and negotiations took place with the two individuals who were in Winnipeg yesterday, Mr. Alan Clark, I believe, the Director of Sport for CBC, head of CBC TV Sports, and Mr. Jim Thompson, who is the president of TSN, The Sports Network.

Those were the two principal contacts in terms of negotiations. Having said that, I am sure there might well have been other people involved in the process, but those apparently were the two key contacts for those two organizations.

**Ms. Cerilli:** Where is Alan Clark based out of?

**Mr. Stefanson:** Mr. Chairman, I believe both gentlemen, Mr. Clark and Mr. Thompson, are based out of Toronto.

**Ms. Cerilli:** This is an unusual situation, though, where rather than purchasing from CBC the time, on-air time, they have this arrangement where they are going to pay for this construction of the facility on Portage Avenue. I am wondering what costs more. I mean, the building here is—I do not know if I want to go according to this Free Press article or not, but they are saying the broadcast centre will be about \$20 million. No, that is wrong; that is what it was in Victoria. Ours is going to be cheaper than that, but it does not say how much.

The question I am wanting to ask, irrespective of the dollar figures here, is how this arrangement ends up being in terms of the bottom line, what the cost of the new building is and how that compares to the usual cost to actually just buy the on-air time with money, as it usually occurs.

**Mr. Stefanson:** I guess the member suggests the norm being to pay money and basically buy the rights, depending on the scope of the games and the viewing audience. Of course, we know when you get into an Olympic situation that networks actually pay the host societies for the right to televise various events. That, I guess, for any sporting event is the ultimate, if you can

get the networks to be paying you money for the rights to televise. In this particular case, I think the best thing to be done would be to hopefully be in a position to provide more specific terms once some of the concerns in terms of third-party confidentiality are addressed.

But each situation is different. In terms of the Pan Am Games, as I have already indicated, on the positive side in terms of their revenue, they have retained the advertising rights, the advertising inventory, which will generate revenue for the Pan Am Games, and any other specific details around the financial terms with CBC and TSN, I cannot provide at this time.

\*(1550)

**Ms. Cerilli:** This is very unusual and there was a lot of fanfare yesterday. Like I said, I was at the press conference, and the more we get into this, the more it is sort of coming back down to being very much the very beginning stages even. This is only dealing with Canada and the Caribbean and South America. There is no network coverage yet for the United States which is a big part of the action here.

I know that when I raised this issue last year in Estimates, we were having this same discussion about television contract and having an American network, and now we have the unusual situation of Canada, then, giving away the rights, or the Pan Am Games Society, in a sense, giving away the rights, and they actually having to pay CBC through the construction of the building.

What is the agreement with TSN? I will split these questions up because I want to deal with the other issue as well; so, first of all, to tell me what is the agreement with TSN in terms of exchange, and what is the situation in terms of having a U.S. network or programming for the U.S.?

**Mr. Stefanson:** As we have already discussed, I think each of these arrangements whenever there are major sporting events are different in some ways, and I am sure this is no exception. As we have already discussed, as well, the Pan Am Games will be retaining the advertising rights and the revenue that goes with those advertising rights.

In terms of the arrangement with TSN, obviously it falls under the same framework as the CBC agreement, and at this particular point in time no further details can be provided.

In terms of the U.S. network, negotiations are ongoing. I am told that the Pan Am Games Society wanted to specifically obtain the Canadian broadcasting companies, CBC, TSN, to get that arrangement in place, and they do continue to pursue various possibilities with distribution into the United States, because the member is certainly correct that that is a large viewing audience.

**Ms. Cerilli:** Well, I know the last time we had these discussions, there was a possibility that there was going to be a contract in the United States signed with FOX, and that did not happen, so who else is on the horizon? I mean, what is the status of any other network?

**Mr. Stefanson:** The member is certainly correct that going back roughly a year ago, there were some serious negotiations with FOX. Unfortunately, those did not lead to a successful agreement. Subsequent to that the Pan Am Games Host Society felt it was important to nail down the Canadian broadcasting rights and to at least get the mechanisms in place to start to move forward aggressively with some of the corporate sponsorships that we touched on yesterday and, as a result, the ability yesterday to announce IBM, Great-West Life, Investors, and Wawanesa.

Now that they have done that, I am told they have been in discussion with a few of the major networks down in the United States and that those negotiations will be ongoing. In terms of who they are currently in negotiations with, I would have to confirm they certainly have been in negotiations with organizations like NBC, FOX, certainly, on an ongoing basis, ESPN, to name at least three organizations that there have been various forms of negotiations with.

**Ms. Cerilli:** Well, I am just trying to do some calculations here and, given some of the discussions we were having yesterday too, where it looks like there is going to be an additional up to \$40 million added on in terms of expenses and how now that you have secured the Canada broadcast, and that is estimated to then lead to \$35 million to \$40 million in revenue I guess from

advertising with that programming, and there is about \$8 million to \$10 million for the Winnipeg corporations that have signed on, I am just trying to add this up and see that you have now got about \$50 million, but you are going to need probably at least another \$60 million in revenue from advertising.

\* (1600)

I appreciate that part of this agreement, all the advertising revenue from the broadcast in Canada, is going to come back to the Pan Am Games Society; it is not going to be going to these television networks, but that may not be the case for an American deal. So we are going to still be relying fairly heavily on an American agreement for the television rights in the United States. Is that correct?

I am wondering, though, if the games is considering not having them broadcast in the United States. I know that some of the comments are saying this has to be a world-class event or we are not going to do it at all. So it still seems like there has to be another major way of leveraging more revenue from advertising. I am wondering if the minister can confirm that.

**Mr. Stefanson:** Mr. Chairman, I do not think I can necessarily accept the numbers that the member has put out. As we discussed yesterday, the budget approved by the Pan Am Games Society is the one we have in front of us. As we also discussed, we do know that they are going through a review of their budget right now. We need their expenditures for the reasons we discussed yesterday, and so on. In fact, I am told that with the Canada Games that we are hosting in Brandon this August, that budget ended up being revised five times.

I hope that is not necessarily the case with the Pan Am Games, but I think it shows the nature of major sporting events, that as you get closer you do start to either firm up the kinds of things we are discussing today or you do not, and certainly some access to the American population is important for the games. As we have already discussed, the Games Society is pursuing that, particularly now that they have an arrangement made with CBC and TSN in Canada. What that ultimately means financially, I think again, we have to wait and see how successful they are in

terms of concluding any agreement, with whom, and ultimately what it will mean to their budget.

**Ms. Cerilli:** The question I am asking you is, do they have to have a television contract for viewing in the United States or is it possible that they would not have that and be able to go ahead with the games, because I think in the past they have not been televised in the United States?

**Mr. Stefanson:** Mr. Chairman, if the member is asking, is providing television into the United States a condition of hosting the Pan American Games, the answer is, no, they are not. So she is right that from hosting the games to televising into the U.S. is not essential. It might well be important for other reasons, but in terms of it being a requirement to host the games, it is not.

**Ms. Cerilli:** Then there would have to be some major revisions in the budget. Is that correct? If there is not going to be the revenue from a contract for televising the games in the United States, how would that affect the games? How would that affect the budget? Is there some kind of revision being anticipated for that or are you planning for that at all?

**Mr. Stefanson:** Mr. Chairman, I think what is important to note is unlike the Olympics where a broadcasting network will come in and pay a significant sum of money for the broadcasting rights, as we have already discussed to a limited extent, there is not a great deal of money to be made in terms of selling the rights whether it is to CBC or TSN or to any network in the U.S. But where there is a direct correlation is in terms of the private sector support. By having major Canadian television rights, which were announced yesterday, that broadens the scope to attract Canadian national firms.

Obviously, televising into the United States broadens that scope in terms of attracting support from international firms in terms of private sector contributions. So there is more of an impact on the revenue side of the budget from what these television opportunities can mean to soliciting private sector support. They are each important, and I think for the next period of time we need to wait and see how the Pan Am Games Society makes out in terms of

television into the United States and, ultimately, whether or not they have to revise their budget as a result of whatever happens in that area.

**Ms. Cerilli:** When is the deadline for deciding if they are going to go with Canada only in the Caribbean and South America as the televised agreements currently hold or when are you going to decide if you are going to give up on trying to get an American network to cover the games?

**Mr. Stefanson:** I am not aware of a drop-dead date in terms of this issue of go, no go on pursuing television rights in the U.S., but I think it is fair to say, in terms of the certainty of any budget, as the games are now just over two years away, that the next few months are important, and I would anticipate by the end of the year it is very important to have basically as firm a budget as is possible.

So from a budgeting perspective, from a certainty of everything that you are providing, I think roughly by the end of the year is a very important date. That still would not necessarily mean that if the games were not successful by that date in terms of television rights that they could not continue to pursue it. I have not been provided that kind of a drop dead date, but I think in terms of a \$122 million budget, all of the aspects that go with hosting the games, certainly the next few months are very important in terms of firming up the budget.

**Ms. Cerilli:** Well, the issue, though, now is that there are potentially a number of different scenarios that could occur, and I am wondering if the Pan Am Games Society has done budgets for those different scenarios with the television network in the United States, without one, with some of the different compilations of the number of athletes, the duration of stay. The minister is going by this one budget for approximately \$122 million, but we are looking at potentially a number of different scenarios, and I am wondering if the finance committee is anticipating that.

**Mr. Stefanson:** The Pan Am Games Society and their finance committee have certainly run various scenarios, various sensitivity analysis in terms of many of these variables that we have touched on over the last two days. So, absolutely, the Games Society are doing

those kinds of things. Now it is up to the finance committee and the Games Society to determine the status of their budget.

\* (1610)

**Ms. Cerilli:** One of the other issues that is raised by the Free Press coverage is a very different level of budget and, again, I am not sure where Scott Taylor gets his information from, but he thinks that the games budget is \$138 million. I am wondering if Scott Taylor knows something that the minister does not. I know that the minister keeps saying that the budget they are working from is \$122 million, and I am looking at the numbers that are quoted in Scott Taylor's column of the government's amount of money and—I am just going to compare these two because—he has the federal government—well, this is a little bit less, and again there was that \$7 million of in-kind federal government revenue.

He has the provincial government pretty much on and city pretty much on, so I guess he is anticipating that the difference between \$122 million and \$138 million is going to come from the private sector in revenue from advertising and tickets.

But what I am wondering is if the Pan Am Games Society has approached the provincial government or the federal government for an increase in the grant that they would receive, given the number of scenarios we have talked about and the possibility of having increased athletes and increased expenses.

**Mr. Stefanson:** I was just trying to see if anybody could piece together Scott Taylor's budget, but I do not think anybody can. The last approved budget is the one that we are working off here at this committee, the \$122,064,000 is the approved budget of the Pan Am Games Society. They are looking at a whole range of issues that we have touched on over these last couple of days in terms of some of their expenditure pressures. They now are firming up some of the revenue numbers as a result of yesterday's announcement and where they might be heading with television opportunities into the U.S.

At this particular point in time, that budget review process is being undertaken by the Pan Am Games

Society. As we touched on yesterday, their finance committee has to go through that process. Ultimately if there are going to be any changes to their budget, it has to go through their executive and through their committee. So that is the process that this is in right now, and we should wait for the results of that.

**Ms. Cerilli:** My question was have they asked for an increase from any level of government?

**Mr. Stefanson:** Mr. Chairman, they have identified some of the issues that we have talked about here. Right now they are going through the process of firming up their expenditures, seeing where they can control their costs and so on. They have pointed out that if there is still a shortfall, they will be turning to governments for additional support. I think we have to let them go through that process. But they have made it clear that by the time they firm up their expenditures, by the time they give their best estimate of their broadcasting revenues, their advertising revenues, their private sector revenues, the only other funding sources have been government. If there still is a shortfall, they will then be returning to government to have discussions on how to deal with that.

They have certainly made us aware of that, that that is a possibility, and they are now going through their process of firming up their budget. Depending on what that produces, I am sure we will be having further discussions with them.

**Ms. Cerilli:** What is the government's position on having more revenue go to the Pan Am Games Society? Would you be open to having an increase in their grant?

**Mr. Stefanson:** I think it is a little premature, and we certainly encourage them initially to focus on both their expenditure control and generating additional revenue from other opportunities. We view that there is a significant contribution from the taxpayers in the process now, some \$64 million approximately. In fact, if you factored in the federal government in kind, which I am not necessarily inclined to do, it takes the number to \$71 million, but there is at least a \$64 million contribution from governments, roughly 50 percent of this budget. So there is a significant contribution, and they are certainly being encouraged to look at those avenues first.

I guess I also would bring a view of what limited comparisons I have done of some other games, that in a relative sense the federal government has made a more significant contribution to other games elsewhere in Canada. I think a good case and good point could be made with the federal government in terms of what role they play with these games. But without getting too far ahead of ourselves, I think the most immediate is for the Games Society themselves to firm up their budget at this stage.

**Ms. Cerilli:** This may turn into another issue of trying to get the federal government to increase its donation, because this government feels like they are not contributing as much as perhaps they did previously, either with the Olympics or with Victoria and the Commonwealth Games. I know yesterday I asked questions about the Commonwealth Games and the amount of revenue. I had said that there was—I am trying to find it now—the amount of revenue that was available to the Commonwealth Games was quite a bit more, especially when you consider the number of sports that are involved. Now the minister has said that there are only 11 sports at the Commonwealth Games, not 22.

Does he have information about the amount of federal money that went to the Commonwealth Games in Victoria?

**Mr. Stefanson:** I guess the first point, the point I was making, is with what limited comparison we have. When we look at the relative contributions from governments, the municipal government, the City of Winnipeg, is certainly comparable with what has happened with other games. The provincial government contribution is comparable, and in a relative sense, the federal government contribution is somewhat less for the Pan Am Games.

We have been attempting to obtain an absolute firm number from the Commonwealth Games in Victoria. Because of some of the reporting and some of the disclosure, we have been in contact with them to clarify just exactly how much money the federal government has put into those games. Rather than provide what might be an inaccurate number today, I will certainly undertake to provide the member with that number, but

it is definitely an amount greater than what has been put into the Pan Am Games in Winnipeg.

\* (1620)

**Ms. Cerilli:** Well, like I had said the other day, I was of the understanding that they had a fraction of the sports. We have 41 sports and they had 11, but they had three times the budget that we did, and I am not sure which proportion of that was from the federal government, and I think it is important to get those figures. It still goes back to the whole issue that there is what seems to be a big problem here with the financing.

I am wondering with the budgets that are with both the federal government and the provincial government for the in-kind contributions, that the federal government and the provincial government have budgets for those mapped out already, if those could be made available.

I mean, that is all public money, so that should all definitely be made available to us here that would show in detail the in-kind donations. Then, I guess, the other money, as well, would be part of that budget, but those are just going to be simple line items from different appropriations, so that would not be as difficult, I would expect. But I am wondering if there have also been budgets prepared for the in-kind money.

**Mr. Stefanson:** Mr. Chairman, certainly, in terms of the in-kind contribution from the provincial government, I will undertake to provide the member with a breakdown of what has been spent to date and a forecast of the areas that we will be spending, providing in-kind services as we move forward to the games.

We will undertake to provide what we can from the federal government commitment, and as I touched on yesterday, I think there have been some general concerns about the firmness of that in kind and the areas that it is being allocated to. That has been one of the reasons that it is not basically being factored into any budgets at this particular point in time, because of some of the areas that it is going to and the lack of specificity around it. The city one, I would imagine, we do not have that, but, again, I would anticipate that the city \$2 million, there should not be a problem obtaining that breakdown either.

So we will certainly undertake to provide what we can, but there have been some general concerns around the \$7 million from the federal government.

**Ms. Cerilli:** I want to also ask some questions about the approval process for these budgets, the federal, provincial and city, how those budgets are approved. How is the entire budget for the Pan Am Games Society approved? Who approves it? When was it approved, and how does the provincial government play a role in that? What is the role of the provincial government in terms of the approval of that budget?

**Mr. Stefanson:** Mr. Chairman, the budget would be prepared by the Host Society of the Pan Am Games, obviously, in consultation with the levels of government as funding partners. Ultimately, the budget was concluded and a specific request made in our case to our government for the \$23,500,000, and we, through our process within government, approved our contribution of 23.5.

I am not sure what happened in terms of the federal process. I am imagining they go through a similar process in terms of their approval, and the City of Winnipeg, I am imagining, went to the floor of City Council.

**Ms. Cerilli:** I have just one more question on this, and then I am going to ask if we could take a short break, and the member for Interlake (Mr. Clif Evans) is going to ask a couple of questions.

I just wanted to clarify, then, with the provincial level, when was the budget approved, and, again, what is the role of the cabinet and the provincial government in terms of approving these budgets for the Pan Am Games?

**Mr. Stefanson:** Mr. Chairman, I will have to go back in the records in terms of the exact dates, but once the budget was concluded, it would go through our process of approval, as a government, to approve our contribution through our Treasury Board and cabinet process.

In terms of moving forward with the implementation of the budget, we have one individual on the overall board. We also have an individual on the co-ordinating

committee. We also have an individual on the finance committee. So, we, along with the other levels of government, have links to the various entities as we move forward dealing with the budget.

**Ms. Cerilli:** I am going to request that break now after the member for Interlake asks some questions, and maybe I will even be back by then.

\* (1630)

**Mr. Clif Evans (Interlake):** I know that my honourable colleague asked yesterday about the funding or grants or anything available for the Indigenous Games that are coming up in August.

There has been brought to my attention specific requests from the communities of Fisher River and Peguis with respect to obtaining some funding through Sport Manitoba or any other department. A letter has been written to the Minister of Northern Affairs (Mr. Newman), and I have been asked again to request some sort of support and/or ideas as to where there are funds available through the department or how these two communities can access some funds.

The last few times they have gone out, they have had to basically fundraise themselves. They are at a shortfall, and indication to me is that the last time they went—and I forget where it was; I believe it was in the States—everybody else pretty well was full regalia. Equipment, everything was provided, or some of the equipment and such, and funding was provided by the different provinces and jurisdictions.

I am wondering how we can support these two communities and any other communities that are looking for funding to attend these games and participate in them.

**Mr. Stefanson:** I think the member for Interlake and I have discussed this on at least a previous occasion, and the policy to date, as he knows, has been to fund provincial teams that attend major events like the Canada Games, the Western Canada Games or other international games.

We get all kinds of requests from individual teams or community teams that might be travelling out of

province and want some financial support. Now, having said that, we do recognize that there are some differences relative to this issue of our aboriginal community participating in the Indigenous Games. A meeting took place yesterday. Another one is taking place next week with individuals from Justice, Community Support Programs, Sport Manitoba, Northern Affairs and so on to assess the situation and determine specifically what is being requested and whether or not some provincial government support should be provided.

So we certainly are looking at the issue right now in terms of whether or not to provide support for the 1997 Indigenous Games in British Columbia.

**Mr. Clif Evans:** Mr. Chairman, I thank the minister for that. The minister indicated there will be another meeting next week. Can he provide a timetable as to when we can come to some conclusion, how soon, and come up with the numbers available?

**Mr. Stefanson:** Mr. Chairman, well, time is certainly a factor, as the member is alluding to because, as he knows, the games are in British Columbia from August 3 to 10. So subsequent to next week's meeting we will have to make decisions quite quickly as to, as I say, whether or not we can provide some support and, if so, at what level and under what terms and conditions. So time is a factor. We recognize that, and we will deal with the issue expeditiously.

**Mr. Clif Evans:** I do not know if that is really fast enough for me or for the communities, but I can say to the minister that if he—[interjection] Well, I am going to put that on the record. The minister is indicating that it is about as fast as I skate. Well, perhaps at this age of 49 not that fast but, in my day, quite fast. So I would sort of hope that the minister would look at that and say, well, let us get this money going as quickly as possible as the honourable member used to be able to skate. But I do have just a comment on that. I will take this to the communities. Saturday I am attending, and it would be nice if the minister could in the interdepartmental mail just pass on a cheque made out to the Fisher River Indigenous Games Committee, I will take it to the fundraiser dinner on Saturday. I would be honoured to present them with that cheque along with my donation to their efforts.

But, having said that, on a more serious side now, I do hope, I certainly hope that these meetings do come up positive for these communities and for all of Manitoba youth, aboriginal youth. Perhaps something can be put in place, a provincial body can be put in place that can deal with these types of things and include them with all the other provincial sport bodies that we have so that they can have available sources just like everybody else.

**Mr. Stefanson:** Well, the member also raises a key point, and I think he is aware that there are individuals working on the development of an aboriginal sport council, and we are working with them through Sport Manitoba. We are supportive of the establishment of an aboriginal sport council, recognizing that we still believe that participation should be within the framework of all of the sport governing bodies but that there is a role for an aboriginal sport council, but that still participation in hockey or soccer or whatever is still within the framework of the overall governing body. I think that is moving forward in a positive sense also.

We certainly are going to take a good look at this whole issue of participation in the Indigenous Games and whether or not we should be providing support and, if so, at what level. So I do want to assure the member that we are taking a very serious look at the entire issue.

**Mr. Cliff Evans:** I thank the minister for those answers, and I will be taking those answers to the community on Saturday, both communities, and try and work along with them to get involved with the whole picture as against individually funding and having to fundraise themselves for their athletes. I mean, there are well over 100 athletes between the two communities of Peguis and Fisher River that will be attending.

I know the minister can appreciate that it is certainly within their budget limits and scope of things to be able to get the proper funding. Sufficient funding is a major task. We do not want to see these young athletes not being able to participate. I can tell the minister that the quality of the young people out there in the sport field is exceptional. So we do not want to see them be short-changed or not be able to go and support their communities, not only the aboriginal communities but sport on the whole.

(Mr. Chairperson in the Chair)

**Mr. Stefanson:** Mr. Chairman, I am not surprised that there are, as the member says, close to 100 participants from Fisher River and Peguis, because I see on an overall basis Team Manitoba is comprised of 625 aboriginal young people, coaches, team managers and chaperons who will be participating. So it is certainly a very significant level of participation.

**Ms. Cerilli:** I want to go back to the questions I was asking about the budget for the Pan Am Games.

We had been talking about the procedure for approving the budgets and that, and I am wondering if the Pan Am Games Society has to make a request to the government to have its approval to increase the budget if it is not going to affect the revenue and grants from the government; so if the Pan Am Games Society wants to increase the budget beyond the \$122 million, and they are prepared to have that increase be covered through the private sector and through advertising and merchandise, et cetera, if they have to get approval for that from the provincial government and other levels of government that are funding the games.

**Mr. Stefanson:** The way I understand the member's question is if the expenditures go up on the budget but it is offset by other sources of revenue other than government support, does the Pan Am Games have to come back to government for official ratification of their budget. I am told, no, they do not. Having said that, I am sure they would, as a courtesy, provide us with the revised budget and offer us the opportunity for comment on it.

But, also, having said that, as I said earlier, we do have a representative on the board. We do have a representative on the coordinating committee, so we do have representatives involved directly in the decision-making process as well.

I do not believe that because there would be no request for additional support from government that they would have to come back for specific approval of their budget, but based on the fact that government is a significant funding partner, I am confident that the society would provide the budget to governments and solicit input and comment.

\* (1640)

**Ms. Cerilli:** In the budgeting for the games, are certain facilities being financed through certain levels of governments' budgets? This process is complex, but I am wondering if the minister can clarify.

I realize the amount of money that is going from the different levels of government to the Pan Am Games Society, and I am wondering if that is including all the money that the government is giving for some facilities, or if there is money on top of that for some facilities and if there are specific facilities that are being paid for by specific government budgets.

**Mr. Stefanson:** Mr. Chairman, my understanding is, yes, there are some costs over and above, but I think what would be the most helpful is the question I indicated I will provide more detail to the member on, and that is these services in kind, particularly from the City of Winnipeg, because a good number of the facilities are City of Winnipeg facilities. The way I understand the member's question is—let us take the Pan-Am Pool as an example. Is the City of Winnipeg merely providing that facility, or are they building in some costs relative to that as their contribution, the operating costs, the servicing costs and so on?

I am informed that there are some of both. Similarly, there are some programs that are being funded basically outside even of the Pan Am Games budget. Some of the improvements we are doing through the infrastructure agreement are benefiting the Pan Am Games. The \$1.5 million for the Pan-Am Pool is benefiting the games and so on.

So, the short answer is, yes, there are some areas of expenditure that are falling outside of the budgets.

**Ms. Cerilli:** So the budget that we have then is not a clear picture or is not the complete picture, let me put it that way, in terms of the total public expenditure that is going to be going benefit to the games, and I appreciate that the Pan-Am Pool, for example, will be around after the games and that the infrastructure money is going into it from there.

But what I want to ask now is about the question of the deficit potentially from the games and what happens

if there is a deficit from the games. How would that be dealt with in terms of government's responsibility? How is the budgeting process accounting for that?

**Mr. Stefanson:** Mr. Chairman, the member is correct that this budget, I would call it, mostly complete in terms of most of the expenditures that relate to the games, but as we have already discussed, there are some areas like the Pan-Am Pool being probably one of the better examples being funded from the infrastructure agreement that will benefit the games but will also benefit our community or the city of Winnipeg for many years to come. So this certainly would reflect the vast majority of expenditures related to the games.

In terms of her question about a deficit, from limited discussions I have had with the Pan Am Games Society and with the other levels of government is these games will not be run on a deficit basis. Any decisions required in terms of any adjustments will be made in advance of the games, as in keeping with our balanced budget legislation.

**Ms. Cerilli:** So the minister is saying that the games are subject to the balanced budget legislation—wow, we will see what happens in about three years. The minister is on record now as saying that there will not be a deficit for the games. We will see, I guess time will tell.

One of the things that I do want to ask about in more detail is the budget as it applies to the facilities. This is an area where there, again, have been problems in the whole process that was used. In talking to some of the sports, they are concerned about the delays in construction of facilities, but they are also concerned about the shortfall in revenue that is being given to construct a number of the facilities. They are concerned about the process that was used. It seems like, for example, some of the sports were approached and were asked how much is it going to cost to run your event. They did not take into account the need for some of the equipment and facilities that were going to be required, because of the way that they were approached.

Now, what we are finding is that a lot of the venues are going to be dealing with a shortfall in terms of the costs that they are going to receive in order to make the

necessary upgrades and preparations. I am actually wanting to go through the list that I have here, and I have with me, as well, the venue guide for the Pan Am Games. I will try not to make this more complicated than it needs to be. I am wanting to go through each of the sports and see what has been budgeted for each of the venues and have the minister let me know if the sport has now communicated to him if there is going to be additional revenue required.

Maybe the minister wants me to repeat that question. I am wanting to go through and see if any of these venues, going through each of them, is going to require some additional revenue as indicated by the sports or by the community where that venue is. I think it is worthwhile taking the time to go through this, so let us start off with—I will try and line this up here.

So for archery, for example, it is stated here that there is \$14,820 in the revised budget. I am wondering if that is confirmed and if there are any additional requests from the community where the venue is or from the sport group.

\* (1650)

**Mr. Stefanson:** I just want to touch on that issue of the games running at a deficit. I think what I indicated to the member is we have had discussions with the Pan Am Games Society and the other levels of government, that it is everybody's intention to ensure or attempt to ensure that the games do not run on a deficit. If we see areas that require adjustments, that, hopefully, we can identify them and recognize them in advance and make decisions well in advance of the games themselves.

That is certainly the objective of everybody, and that is why the Pan Am Games are going through the detailed review they are now, again, of their budget in terms of firming up their numbers, firming up their revenue sources and so on. Of course, I referenced the balanced budget legislation because like any good organization or good government, we all should be attempting to balance our budgets.

This list of the facilities for the Pan Am Games, the member will notice in the upper right-hand corner that it was prepared on May 14 of '97, so it is the most

recent listing provided by the Pan American Games. I should point out that what these expenditures do is they bring these facilities up to the technical standards that are required to host the games. Having said that, I am sure there are some organizations that have made additional requests, that would love additional expansions to their facilities and so on, so, again, there could very well be additional requests out there from organizations, but from the Pan Am Games Society perspective, these expenditures will bring all of these facilities up to the standards that we require to host an excellent games. We are fortunate in Manitoba that our facilities on an overall basis are in good shape.

To go through them line by line I do not think will accomplish anything because all I will point to is it is the most recent estimate from the Pan Am Games. If she wants me to attempt to get some additional information as to whether or not these organizations have made additional requests over and above, I can certainly undertake to do that. I know she is familiar with at least one request from an organization, the water ski association, relative to the retention pond in Transcona. So there are some of those kinds of requests that are outside of the budget at this particular point in time for the Pan Am Games Society.

I will certainly undertake to determine whether or not any of these organizations or facilities are making requests beyond what is being budgeted for by the Pan Am Games.

**Ms. Cerilli:** Well, I would like to get the information that the minister said he would provide in terms of any other requests, and maybe rather than going through line by line, I will ask some specific questions about some of the venues that I know are problematic.

I will start off with the Gimli Yacht Club and the sailing venue. That was one where I think that they were initially going to get \$127,000, and the renovations that were necessary were far and away beyond that. I think that they were more in the area of about a million dollars. I am just trying to find on the list now where sailing is.

**Mr. Stefanson:** Yachting and sailing, near the bottom of the list.

**Ms. Cerilli:** And there they are at the bottom of the list, so let us add these two together. It does not look like we are going to get much more than \$127,000.

So what is happening in Gimli? How are they going to deal with this problem? How are you going to deal with this problem?

**Mr. Stefanson:** Well, as I pointed out, this list is as at May 14, just two weeks ago, but having said that, there are still discussions taking place with some of the organizations and some of the facilities.

I am somewhat familiar with the Gimli request. Gimli is looking at a fairly significant redevelopment in their whole harbour area adjacent to the yacht club and so on. So there is, at this particular point in time, a much larger project that is being worked on by the Town of Gimli, by the yacht club and other supporting organizations.

But from the Pan Am Games perspective, this investment here accomplishes what needs to be done to bring the facility up to the standards for the Pan American Games. But having said all of that, I know in some of these cases, discussions are still not concluded, and there might very well be some further adjustments to what is finally allocated for individual facilities.

**Ms. Cerilli:** What are the facility improvements that have to be made in Gimli for yachting according to the Pan Am Games Society? Can you describe for me what has to be done?

**Mr. Stefanson:** Well, I certainly will undertake to provide specific details to the member, but I am told that they are basically related to renovations and maintenance that need to be done at the yacht club itself relative to shower facilities and other facilities in the club. I will undertake to provide any additional information on that particular project.

**Ms. Cerilli:** Well, according to the Pan Am Games Society, what is the capacity for the number of boats in the Gimli Harbour that is needed for the Pan Am Games?

**Mr. Stefanson:** I will get the member details on capacity, but certainly my understanding of that harbour

and feedback I have had is that it is classified as a world-class harbour facility and certainly will meet the needs of the Pan Am Games. But in terms of its capacity, I will provide the member with that information.

\* (1700)

**Ms. Cerilli:** Well, as I understand it, this is one of the problems, that they need to have a capacity for 100 boats. You know, when I asked the question of the minister of what facilities, according to the Pan Am Games, need to be improved, he said shower facilities. I do not know what else he was going to include in that, but that is a far cry from the kind of improvements and costs that would be associated with making a harbour able to deal with a large number more boats.

So I am wondering if there has been a change now in the plan for Gimli or—here it is here. The games will require accommodation for 138 boats. I do not know what the capacity is for now. Mr. MacKenzie was quoted as saying that. I am reading an article in the Interlake Spectator from Monday, August 5, 1996, and the mayor of Gimli is quoted as being concerned about the revenue that is going to be made available for them to increase the capacity of the harbour. So have there been changes in the plans for Gimli in terms of the kinds of facilities that were going to be included in the upgrading?

**Mr. Stefanson:** I will certainly undertake to get the member more current information, but I am told there is no problem with the harbour capacity, that the improvements that need to be put in place relate to the improvements in terms of the yacht club itself in terms of some of the areas inside of the yacht club and some of the services to the yacht club and that there is not a problem with the capacity of the harbour.

I know, as I say, that Gimli is looking at a much broader harbourfront redevelopment and land reclamation project and might certainly be viewing trying to do any adjustments related to that whole redevelopment in conjunction with or as part of the hosting of the Pan Am Games sailing and running events.

But in terms of the capacity of the harbour, I am informed that there is not a capacity problem with the

Gimli harbour to host the yachting and sailing for the Pan Am Games.

**Ms. Cerilli:** Okay, one of the other venues I wanted to deal with is, as the minister has mentioned, the venue for water skiing, and the budget quotes—where did it go?

**Mr. Stefanson:** About \$190,000.

**Ms. Cerilli:** Yes, about \$190,000 in total for water skiing. That obviously does not include the costs for the Transcona retention pond which, as I understand it, would not be used for the actual competition venue but would be some type of practice or venue associated with the Pan Am Games. Is that correct? Would the other money simply be reflected in the provincial government budget in some way for the games that the minister said he would provide, or is that money not being considered as part of the Pan Am Games budget?

I mean, it is really a flood protection pond. I am wondering now, too—I have heard different things, that perhaps that venue would not be available at all. We are concerned that it is not even going to have the funding approved to be constructed in time.

So could the minister clarify for us the plans in terms of the water skiing venues and if this \$188,000 is actually for the venue in I think it is Portage la Prairie that would be used?

**Mr. Stefanson:** Mr. Chairman, the member is right in terms of what this money in this budget is allocated for. It is basically allocated for Portage la Prairie where water skiing is to officially take place. She is also correct that there has been a request in terms of using what we will call the Transcona retention pond as a practice facility, training facility, for the Pan Am Games.

Now, in terms of what position the Pan Am Games have taken on that facility, we will have to contact them. The water ski association did make a request through the infrastructure agreement for some enhancements to the retention pond, so that request is before the infrastructure review committee, but I am not very optimistic that there will be funding available from that funding source for any additional enhancements.

In terms of the whole establishment of the retention pond, the member knows that we made a commitment to proceeding with that retention pond through the UCPA III agreement with the City of Winnipeg, and, as I told her the other day, I remain confident that the City of Winnipeg will accept our 50 percent offer of support and proceed with what is the most immediate need, and that is developing the retention pond.

**Ms. Cerilli:** So I just want to clarify that I am understanding the minister correctly. The money that is earmarked in the Pan Am Games budget is for Portage, that is clear, but that the retention pond which would be funded through Urban Affairs is going to need some additional upgrading to actually become a water ski venue of any sort, and that that money is not approved yet through infrastructure or any type of budget.

Would that have implications for the Pan Am Games? I mean, it seems water skiing in Portage would have a difficult time utilizing a facility in Transcona. How would that work? Is this feasible at all, in terms of the Pan Am Games using the Transcona site?

**Mr. Stefanson:** The member is right in terms of how she outlined everything. I think what we need to do is have a discussion with the Pan Am Games whether or not they view any enhancements to the Transcona retention pond as being of benefit or value to the Pan Am Games. That would be their first decision. If they did, then you would have to determine how you could fund any enhancements, either through their budget or elsewhere.

We will have those discussions with the Pan Am Games Society. At this particular point in time, my sense is that with all the requirements that the Pan Am Games have, that the establishment of the second site, the Transcona retention pond, is not a priority, but we will certainly confirm with them and have discussions with them on that project.

**Ms. Cerilli:** Would not having the retention pond in Transcona used as a Pan Am Games facility affect at all its construction for the retention pond? If it is not going to be needed for the Pan Am Games, is that going to affect at all the funding that is going to be made available to actually construct the retention pond,

because when this first became a potential project it was touted as being a Pan Am Games facility potentially, and that was sort of portrayed as being a way of sort of speeding it up and getting it done quickly, and I am wondering if that is the case.

**Mr. Stefanson:** From our government's perspective, no. We recognize the need for the retention pond and are prepared to proceed immediately with our financial support. I believe the City of Winnipeg agrees with that position, but we have to wait for confirmation from them.

\* (1710)

**Ms. Cerilli:** I want to ask some questions then about the athletics facilities at the University of Manitoba, and I see here that there is in the budget \$1,639,919 for that, and I am wanting to find out specifically what that amount of money is budgeted for in terms of the resurfacing of the track, stands, photo timing, other necessities that will be required to host a world class track and field competition and is this budget going to meet those needs? I want an itemized budget for track and field to see what, exactly, that money that is budgeted here is going to go to pay for.

**Mr. Stefanson:** The member is correct that resurfacing of the track is one component, but what I will do is I will provide her with a detailed breakdown of all components of those expenditures.

**Ms. Cerilli:** Okay. Just looking at the time and I would like to go into that kind of detail for a number of the other venues, but I do not think I have the time since I have made some agreements with some of my colleagues to get through this, so I want to go back and ask some more general questions about the budget before I move on to a few other things.

**Mr. Stefanson:** Mr. Chairman, for that reason, if the member has any additional areas that she wants to provide me a listing of at a subsequent date, we will certainly undertake to provide her details on the project.

**Ms. Cerilli:** I appreciate that. I just want to ask—to go back to the process for how these budgets were developed, and for the minister to explain to me when the process started in terms of having the sports submit

their requirements for facility upgrades and equipment, and how that was dealt with by the Pan Am Games Society.

Who in the sport groups generally was involved with that? I have heard some concerns that the people that are really in the know in some of the sports that do have world and international experience in hosting competitions were not necessarily the ones that were involved hands on at the outset in developing the facility budgets and equipment budgets. That is one of the reasons that there are problems is that the process was not as good as it needed to be to really get a clear understanding of the needs for the different sports in terms of facilities and equipment.

**Mr. Stefanson:** My understanding of the process is that contact was made with all the applicable sport-governing bodies in terms of their view of the facilities and that in most, if not all, of the cases they designated a technical contact person for that sport for the Pan Am facilities committee to liaison with in terms of what the requirements were. So, certainly, sport-governing bodies through a contact, through a liaison person, had input into the facility development for the final budget that was approved by the Pan Am Games Society.

**Ms. Cerilli:** So how does the minister explain all the concerns and the problems with the shortfalls in the budgets for facilities, that now there are sports that are worried that their facilities are not going to have the necessary upgrades so that they can be qualified and designated as a world class international facility?

**Mr. Stefanson:** I guess, Mr. Chairman, I am not aware of all of these concerns that the member points to. I have not had a concern expressed to me by any of these sport organizations about their ability to participate and host a Pan Am Games event. I know there are some organizations that would like to do more significant enhancements to their facilities but, having said that, I have not heard anybody suggest that their facilities will not meet the technical standards required to host the games. Of course, they go through a process.

The Pan American sport organizations send out representatives to inspect all of our facilities to make sure that they meet the minimum standards for us to host all of these events, so that has to occur. That is a

part of the process that we are going through right now and over the next several months. Other than some sports requesting some enhancements over and above what the Pan Am Games Society is budgeting, I am not aware of any problems in terms of our ability to meet the needs of hosting the games.

**Ms. Cerilli:** One of the concerns is in terms of the timing and the construction. The minister knows that a number of the facilities have to be tested with another sanctioned competition in order for the venue to qualify. I notice that in the budget there is a year-by-year indication of when the money is going to be expended, and it ends at 1997. I am wanting to know if the minister can confirm if all of the upgrades are going to be completed on time to enable sports to have the necessary qualifying competitions and reviewed by the international sporting organizations, given the authorization and the okay that they need in order to qualify as Pan Am Games venues?

**Mr. Stefanson:** Mr. Chairman, we are not aware of any problems in terms of meeting any of the test requirements for sporting events. The amount shown as expended for 1997, I am told, is what has been expended to date as at May 14. So it is certainly expected that there will be more dollars utilized during 1997. As the member knows, some events will take place in '97. A good number of them will take place in 1998. The Pan Am Games Society certainly have the cash available to proceed with any requirements that they need to do in 1997. We, as a provincial government, have advanced about \$14 million of our total commitment to date, so I am told that everything is more or less on track and that there are no problems in terms of meeting any of the testing of venues as required.

**Ms. Cerilli:** Would the minister provide me with another budget that would indicate the projected expenditures that are going to occur in '97 and then in '98?

**Mr. Stefanson:** Yes, Mr. Chairman, I will undertake to provide a breakdown of the capital expenditures over those two years.

**Ms. Cerilli:** One of the other things I am wanting to ask about is who and how will the Pan Am Games

Society decide, who is responsible for making the decisions about which sports will get complete coverage and partial coverage and the percentages in terms of the hours of coverage, given the existing contracts for broadcast so far?

**Mr. Stefanson:** I am told the process to determine the events to be televised will be done in conjunction with obviously the Pan Am Games Society, the broadcasters themselves, and the advertisers. Obviously, there is a linkage between what events are televised and what advertising opportunities there are to go with those events. That will be the process in terms of working towards what sports ultimately receive the television.

**Ms. Cerilli:** In terms of the budget revisions that have been done, and I appreciate that it does say on the budget that I have received it is a revised budget, I am wondering, so far how many revisions has the budget gone through and what was the impetus for making these revisions? Was it the Pan Am Games Society? Was it the government? Where did that requirement initiate from to make the revisions to the budget?

**Mr. Stefanson:** Mr. Chairman, in terms of any past comparisons, I will have to obtain and provide that information to the member but, as she can appreciate, they were original estimates based on preliminary assessment discussions with sport governing bodies.

As the Pan Am Games moves forward with specific development of the projects, as budgets get firmer in terms of the amounts, obviously the numbers change. Some budgets go down, some go up; there are some redirections to other facilities. So just like the overall Pan Am Games budget, I did the comparison to the Manitoba Games, which are a much smaller venue. That budget has changed five times. I think it is just the nature of hosting a major event, putting in place a budget four or five years in advance of the event and then moving forward with specific elements from firm contracts to a whole range of things that start to happen as you get closer to the venue. So I will provide what comparisons I can of previous allocations for the member.

**Ms. Cerilli:** The other part of my question was, how did these revisions come about? How were they initiated?

**Mr. Stefanson:** Mr. Chairman, they can come about, I think, in several ways. Certainly, from information provided by the sport governing bodies or the facilities themselves or the Pan Am Games going back with some additional changes or requests. Of course, as we get closer to getting firm estimates, as they get architects or contractors involved, then, of course, the estimates themselves become much firmer and more certain.

**Ms. Cerilli:** In talking about the facilities earlier, I am not sure if I asked the minister to provide me with a list of the facilities that the provincial government is putting money into specifically, but I am asking that now, if I did not ask it before. I just wanted to confirm because one of the things I did want to clarify is where those facilities are and the amount of money that is going from the provincial government into those facilities.

**Mr. Stefanson:** Mr. Chairman, I am assuming the question is whether or not we are doing anything over and above what is here because, as the member knows, this is out of the overall budget. So I am assuming it is things like our contribution to the Pan-Am Pool through the infrastructure, notional allocation for a baseball stadium through the infrastructure, anything we are doing outside of this budget that we have before us. Right?

**Ms. Cerilli:** Well, in the existing budget that we have just looked at, the revised budget, I am wanting to know if the provincial government has designated funds for any of those specific facilities, and which ones?

**Mr. Stefanson:** Okay, I just want to be sure, because this \$24-million allocation comes out of the overall Pan Am budget, which we contribute 23.5 to, so it is just one component of the overall. But if the member is saying, are we doing any, making any, additional contributions as a provincial government over and above the Pan Am Games budget to either these facilities or any other facilities, she would like to know that.

\* (1720)

**Ms. Cerilli:** I would like to know that, but that is not the question I was asking. The question I am asking is,

does the province decide which facilities are going to get the provincial government money at all for those existing facilities, given the budget that we have just been looking at?

**Mr. Stefanson:** No, we do not. Our contribution is to the total games budget, and then the facility improvement is just one expenditure item in the overall budget. So we are contributing whatever our percentage is of the total budget. We are contributing 20 percent or whatever it is of all of these projects as are all of the funders.

**Ms. Cerilli:** One of the other things I wanted to deal with is the broader question of the economic impact of the games. I know that there was a study that was done by the Manitoba Bureau of Statistics, and it did look at the economic benefits or impact. I am wanting to confirm if that study was released in its entirety to the public.

I do not think I have a copy of it. I would like to have a copy of it. I know that it was referenced in a publication through the University of Manitoba. Can the minister clarify that for me?

**Mr. Stefanson:** I am led to believe it was released in its entirety. I will certainly confirm that and undertake to provide the member with a copy.

**Ms. Cerilli:** Just so you know, the calls that we have made to the Pan Am Games Society, they were only willing to release to us the executive summary, and I would like to get the entire study. I wish that I had it in time for these Estimates because this would be a good discussion to have based on that study, but we do not have much time left anyway. The few notes that I do have from the study are that the Pan Am Games are expected to result in \$267 million in gross spending for Manitoba and generate 2,500 jobs or 2,030 person years of employment. The Pan Am Games Society is running the games on a budget of \$137.3 million, which now we know is not what the minister has been quoting.

So this is interesting because both newspaper articles that I have referenced have a similar amount of money. The one today in the Free Press was \$138 million as the budget, and this one is \$137.3 million. They are very

close to each other, but the budget we have been dealing with throughout this whole Estimates exercise has been much less than that, at \$122 million.

Again, I would like for the minister to explain that and if that is not going to have an effect on the anticipated economic impact.

**Mr. Stefanson:** Mr. Chairman, I will provide the member with a reconciliation. One area that it could be, as I pointed out on several occasions, is this budget does not factor in the \$7 million in kind from the federal government for some of the reasons that we have already touched on.

There might well be a few other areas where some similar treatment is occurring, so I will provide the member with a reconciliation between the \$137.3 million and the \$122 million.

\* (1730)

**Ms. Cerilli:** I am still getting a \$16-million difference, more than what would account for the \$7 million in federal services in kind, \$15 million, \$16 million, so we are still looking for an additional approximately \$7 million or \$8 million.

But I was wanting to raise this in the context of this economic impact report and study that was done. I am wondering if the minister has had a chance to review that study and if he can give more of a breakdown on those 2,500 jobs that are projected to be created.

Do you have any more information about where those jobs would be and how that calculation is done, just generally again. I realize that we do not have much time to get into a lot of detail on this.

**Mr. Stefanson:** Mr. Chairman, yes, I have had a chance to review that study, and at the same time as providing hopefully the entire report, as I have undertaken already to attempt to do, and unless there is some compelling reason why the entire report cannot be released, I will provide—[interjection] Of what I know of the document, I would expect that the entire document could be released unless there is—obviously, if it cannot be, I will provide the member with what I would consider acceptable reasons.

At this particular point in time, I will attempt to provide the entire document, and with that, I will also provide her a breakdown of the areas for the 2,500 jobs.

**Ms. Cerilli:** It is interesting; the minister is saying that he is going to provide me with reasons, but he does not know what those are yet, and he does not know if he can provide me the entire report.

I want to just get into the larger policy issue of utilizing large events like the Pan Am Games as sort of an economic, what would you call it, an economic benefit. The issue of the expense that goes into it, and the attitude is that it is going to generate a lot in terms of tourism and there is going to be a large impact, but that would only be for approximately two weeks where the large benefit would be.

I am wondering if the government has considered, given the expense, the millions of dollars it is investing in these games, looking at different approaches to economic development or a provincial and federally funded economic benefit, looking at investment in other areas that would be more long term, that could have the same number of jobs created, health care, education, housing.

Have you had those kinds of discussions, because these kinds of large events really do now get billed as real economic boom, and I am hoping that the study that you have done addresses that. I am wondering if your government has really taken a look at that whole issue.

**Mr. Stefanson:** Mr. Chairman, we have hosted several events in Manitoba over the last few years, and we certainly with any major events or even not necessarily major events, any event that we are looking to support, we look at issues like the direct payback to us as a government in terms of taxation generated from the event. Again, in this particular case, I believe we will basically have our investment returned in terms of direct taxes back to the provincial government. We also look at issues like what is incremental, how much are our dollars coming from outside of our province, tourism dollars, people visiting our province and so on, also attempt to get a sense of how many dollars are kept in our province, if they are either entertainment dollars that could be spent elsewhere, or if it is an event that

would be spent elsewhere and it would take parents and families and fans outside of Manitoba, so we very much do look at the economic side of any of the major events, as well as the intangible side in terms of what it can do for communities in terms of volunteerism.

I think, in this particular case we are looking at as many as 15,000 volunteers. If I recall correctly, the Western Canada Games I think had something like 8,000 volunteers; the Grey Cup had thousands of volunteers. There is the intangible side in terms of what it can do for your community in terms of all of those issues.

So we do very much look at it from an economic perspective, I guess, unlike some of the other areas that the member referred to, health care and so on. These kinds of activities do have a direct source of revenue and a significant amount of that revenue is derived from outside of our province, so it is bringing incremental dollars to our province that benefit many aspects of our economy, many businesses and certainly benefit the treasury of various levels of government.

**Ms. Cerilli:** Well, the brief notes I have about the economic impact statement show that it will have approximately 110,000 spectators spending \$28.5 million while visiting Manitoba. It is difficult to compare that with the long-term benefits of investing, say, in preventative health or investing in other programs for children, even recreation programs for children, looking at the long-term benefit that has in terms of them not then relying on government services later on.

These are difficult issues to deal with, but the question I am asking is did the impact assessment that was done try and look at those to compare the economic benefit of investing in this type of economic development as opposed to government investing the same amount of dollars into other types of economic development?

**Mr. Stefanson:** I believe the study looked at purely the economic impact of these games and did not do any comparisons with other kinds of investments. I guess I just reiterate one of the many key elements is that we will generate more taxes than we will actually pay in terms of support for the games, let alone everything else

that will happen throughout our economy. It is quite different from the kinds of investments that the member is referring to in other areas. In fact, one could argue if our taxation revenue here exceeds our direct input into these games, it actually creates additional dollars for other kinds of investment.

I think each individual investment is assessed on its own individual merits, and there are different criteria and factors that come into play, but when you look at major economic benefits from games, you have to determine what your direct payback is and then what the other ripple effect is through the economy, and when we look at the Pan Am Games, they will generate a significant economic benefit for the entire province.

\* (1740)

**Ms. Cerilli:** Well, the point that I am making though is, especially when you look at Manitoba and Winnipeg, with its high levels of poverty, and we know now of other studies done by Dr. Perry, who was recently in Manitoba, that looked at the cost saving to government in the long run when you invest into early childhood programs and other programs that would really try and deal with the costs of poverty so that in the long term government could save money—it does not have the same kind of short-term economic injection of activity as these games do.

But, in the long run, the amount of money that gets invested into some of these types of activities, I think there will be people in the community trying to make the argument that that could be better used by investing into the citizens who live here all the time, and we hope the young people stay here and make Manitoba their home and live here, and that if we invest that money early now, in the long run, it is going to save the government money sevenfold down the road when those young people graduate from school and do not have to put a burden on the justice system and on the health care system and on other public resources.

So that is the point I am raising with the minister, and I am interested in hearing his response to those kind of issues.

**Mr. Stefanson:** Mr. Chairman, I guess the key is, I do not view those as an either/or. I think you have to look at both. The investment in the games, based on all of

the data and the information provided by the Manitoba Bureau of Statistics, shows that, in effect, the games from a provincial government perspective pay for themselves with what they generate back in direct taxation. I think we can also agree that in many areas, early investments, particularly with children and our youth, can obviously reduce or eliminate costs down the road for government.

So I think, in principle, I certainly agree with that approach. I guess where we probably, again, agree to disagree is what those areas should be, how much money should be involved and so on but, as a principle, I would agree that early investment in those kinds of areas can also reap a benefit to society and to governments down the road. But I do not view them as one or the other. I view them as both having merit and both being doable by governments.

**Ms. Cerilli:** One of the other issues is sort of a smaller issue, I guess, that I want to bring to the minister's attention and relates to sort of the portrayal of the games and equity—the document that was done on the venues. It is called *The Venues, Winnipeg 1999 Pan Am Games*. One of my staff was looking at this, and I think that the pictures struck her. She did an analysis of them, and 57 of the pictures were male participants, versus 15 participants who were women participants. She put a note on here for me saying, it is another example of sexism in sport depicting that the idea of sports are mainly for men.

I just wanted to draw that to the minister's attention and see if he has any comments on that and assuring us that the games are going to be gender inclusive and they are not going to discriminate in any way against female athletes who, in Manitoba and Canada, do bring home the bulk of the medals. I just wanted to see if he has any response to that.

**Mr. Stefanson:** I would agree with the member that the ratio of pictures does not correspond to the ratio of participation in sport or success in sport by female athletes. It would probably be appropriate to have a more appropriate ratio in that document and certainly take her point as noted.

**Ms. Cerilli:** Okay, from there then I want to ask questions about the selection of one of the venues,

which is a men's-only venue, and it is for racquet sports. I am concerned that this venue is being selected. It is a private facility. It is getting public money into the tune of over \$50,000 potentially. Well, there are two lines here—\$48,000 and \$17,500 approximately for racquetball, and then there is also squash. That I think would be played there as well. Squash is getting over \$75,000 in renovations. I realize that there are at least two facilities for those racquet sports, but one of them is a private, men's-only club.

I think that, again, members of the public would have a problem with that, of seeing Pan Am Games public money going to a facility that is going to, during the games and after the games, be exclusively for men. I am wondering if the minister has any explanation for that, if this has been reviewed and approved by his government and the cabinet.

**Mr. Stefanson:** Perhaps, Mr. Chairman, I would ask the member to be a little bit more specific with her question. [interjection] I just asked the member to be a little bit more specific with her question. She referred to racquetball, squash. Could she just be a little more specific?

**Ms. Cerilli:** The facility I am sure the minister is aware of that is a private, men's-only racquet facility, it is across from the Winter Club. I am not sure if it is the Winnipeg Racquet Club or if it is called the Winnipeg Squash Club, something like that. It is an exclusively men's-only facility.

**Mr. Stefanson:** Mr. Chairman, I notice it is listed on the competition venue as one of the venues, the Winnipeg Squash Club, which my understanding of the squash club—I think the member is partly right—I think the club itself is open to both men and women, but I believe the games or exercise component is restricted to men, if I understand correctly.

The allocation for squash of \$70,000 and \$5,700, I will have to determine what the allocation is, what the breakdown is, and whether or not any money is, in fact, being provided to the Winnipeg Squash Club. So I will undertake to provide that breakdown.

\* (1750)

**Ms. Cerilli:** I have talked to the owner there. They are getting money, and it is a men's-only club. You know, you are open to verify it. I have raised the issue. I will look forward to your response once you have had a chance to look into it.

I want to raise one other question in terms of venues quickly and to see if there is any money going into Balmoral Hall School for girls in terms of it being a venue for anything to do with the Pan Am Games.

**Mr. Stefanson:** Mr. Chairman, I do not believe it is identified on the list that I provided a copy of to the member. I will undertake to check, and I will confirm with her as to whether or not Balmoral Hall is a venue, and, whether or not it is, if it is, whether it is receiving any financial support.

**Ms. Cerilli:** Is there any policy with respect to the public money going to facilities that are privately owned? Was there any attempt to be made to having the money going to public facilities, first, ones that are owned by the city Parks and Recreation, the universities, that type of thing, and how many private institutions are receiving grants to become venues for the Pan Am Games?

**Mr. Stefanson:** Mr. Chairman, just so I understand, my understanding is the first objective is to use community facilities wherever possible, and if they are not appropriate and/or available, then to look at nonprofit organizations. I am not aware of any private facilities, privately owned facilities that are receiving investments.

But I will confirm that with the Pan Am Games Society and get back to the member basically in terms of those criteria, confirming obviously if there was any privately owned facility that is benefiting or receiving support from the Pan Am Games.

**Ms. Cerilli:** I guess the last question I will ask is that we are having to close off yours—and I just want to make the comment. First of all, we spent a lot of time discussing the Pan Am Games, but, given the importance of this event in terms of the public expenditure, I think that it has been valuable. But I do want it on record that I had wanted to ask questions about a lot of the other issues that I mentioned in my

opening statement, but I think that it is good that we have gone into the detail on the Pan Am Games.

My last question has to do with the ballpark. In the minister's opinion, where is this at? What is holding up the decisions? Where are we in terms of the time line necessary for this facility to be constructed in time for the Pan Am Games and its approval as an international facility and venue for the games?

**Mr. Stefanson:** The issue of the ballpark proposal is currently at City Hall, the Winnipeg City Hall. I believe it is going to their next council meeting which is any day now. They will be making decisions in terms of providing the land, because they are looking to build a facility on City of Winnipeg land, so that is the next step in the process.

I think, as the member knows, under the infrastructure program we have notionally set aside \$3 million, which will be a million from the provincial government, a million from the federal government and a million from either the city and/or the project supporters for the facility. So that money is set aside pending, obviously, the approvals of City Hall and a satisfactory business plan and satisfactory community access, because if we are going to put money into that facility, we want to be sure that there is reasonable community access for the Pan Am Games, for other community events and so on. At this particular point in time, we are awaiting the decisions of City Hall, which I think they meet—it is either this week or next week.

**Ms. Cerilli:** Pass.

**Mr. Chairperson:** 28.1 Sport (a) Sport Manitoba \$10,065,000—pass.

28.1.(b) Major Sport Initiatives (1) Team Canada Volleyball Centre \$75,000—pass; (2) 1999 Pan American Games \$4,000,000—pass; (3) 1997 Canada Games \$694,000—pass.

28.1.(c) Manitoba Boxing Commission \$29,100—pass.

28.1.(d) Other Expenditures \$40,000—pass.

Resolution 28.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,903,100 for

Sport for the fiscal year ending the 31st day of March, 1998.

This now concludes the Estimates of the Department of Sport. The next item to be considered will be the Department of Family Services. We invite the minister and the critic to please come forward.

### FAMILY SERVICES

**Mr. Chairperson (Gerry McAlpine):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Family Services. Does the honourable Minister of Family Services have an opening statement?

**Hon. Bonnie Mitchelson (Minister of Family Services):** I am pleased to present to this committee for its consideration the 1997-98 Expenditures of Estimates for the Department of Family Services.

I look forward to engaging in the constructive discussion regarding the directions our government has set out for Family Services in these Estimates. I just wanted to say at the outset that I know that we have had several years of, I think, good dialogue and discussion around the issues in Family Services through this committee process.

The main factor which has challenged our ability to maintain social programs in Manitoba and in other provinces across the country has been the introduction of the Canada Health and Social Transfer, which replaced the Canada Assistance Plan funding last April. Despite the loss of \$227 million this year alone, I am pleased that we have been able to maintain our commitments to families and children.

In fact, I am pleased to say that we have been able to increase the funding to Manitoba Family Services in 1997-98. Particularly notable are the additional allocations to our Community Living Division, where we have an overall increase of 4.3 percent and to our Child and Family Services Division, which will have an increase of 2.7 percent over last year.

I will provide more specific information on the divisions later on, but first I would like to say a few words regarding the department as a whole. This

department provides a broad range of social services to Manitobans and is responsible for ensuring children are safe and protected; encouraging individual, family and community responsibility; fostering independence and self-sufficiency while assisting Manitobans in times of need; and supporting the development of sustainable communities.

The department has four main operating divisions: Administration and Finance; Employment and Income Assistance; Community Living; and Child and Family Services. In addition, the department has two internal service providers, Policy and Planning, and Human Resource Services. Two other units report to me directly, The Social Services Advisory Committee and the Children's Advocate.

The department has an ambitious agenda in the coming fiscal year. Some of the areas we will be giving attention to include continuing our efforts to reform Manitoba's welfare system by actively working in partnership with the community to help clients gain independence through employment; establishing a one-tier system of income assistance delivery in the city of Winnipeg; engaging in discussions with the disability community and the federal government to redesign vocational rehabilitation services; introducing an Adoption Act and implementing amendments to The Child and Family Services Act to reflect the results of community consultations; implementing pilot projects throughout the province which will engage families in decision making for care planning for high-risk children; redesigning youth emergency services to be more effective.

In January we announced our intention to close Seven Oaks Centre following the development of a continuum of services that will range from community-based support to short-term residential placement; implementing the findings of the child day care fact finding mission to provide better service to working families; working with the federal government and with other provinces and territories on the design of a new national child benefit system and on an integrated system of support programs and services for persons with disabilities.

Last year we embarked on an important new direction for our welfare programs. We introduced a new employment and income assistance program. The

changes that were made focused on employment first for those who are able to work. Along with this employment first strategy we have forged a new partnership with the Department of Education and Training to refocus existing resources to respond to the needs of clients, community and employers and to provide skills development and training that will lead to employment. This partnership has improved the quality of service to clients while eliminating duplication and overlap in assessment services. This initiative has been a major step forward because it represents a break from the old welfare system which fostered dependence and reliance on government.

With the very best of intentions, that of helping the most needy, we have encouraged a cycle where generation after generation of families remain on welfare. I am pleased to be a member of a government which is committed to assisting Manitoba families to achieve greater self sufficiency and independence. If we were not to encourage and facilitate the transition to employment, many families, including those headed by single parents, would be consigned to a life of poverty on income assistance. We have therefore placed a high priority on supports and services which enhance employment skills, encourage self-reliance, and facilitate the transition from income assistance to employment.

There are those who have taken issue with our policies to encourage single parents on income assistance to make the transition to employment. I have clarified our policies on numerous occasions. The changes we have made focus primarily on those who are most capable of employment. Clients who are not affected by the changes include the disabled, the elderly and single parents with children who are under six years of age. Single parents with children under the age of six will not be expected to work or prepare for work unless they have been supported previously in education or training programs designed to enhance their employability. Single parents with children under the age of six are expected to prepare a personal job plan and if possible to take steps to be employment-ready by the time their youngest child reaches the age of six and is in school full time.

Income assistance clients have responded positively to our government's challenge to seek work. It is clear that clients do want to work.

**Mr. Chairperson:** Order, please. The hour being 6 p.m., committee rise.

### GOVERNMENT SERVICES

**Mr. Chairperson (Ben Sveinson):** Order, please. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 resumes consideration of the Estimates of the Department of Government Services. When the committee last sat, it had been considering the item 8.1.(b)(1) on page 63 of the Estimates book. Shall the item pass?

**Hon. Frank Pitura (Minister of Government Services):** Mr. Chairperson, when we adjourned yesterday there were some questions with regard to cycle cleaning, that is the program implemented here at the Legislative Building and the Law Courts. I indicated yesterday to the member that I would try to give him some exact numbers today in terms of the impact on the employees. We informed the member that cycle cleaning has impacted three full-time employees and 10 part-time employees.

The remaining employees impacted are seven part-time employees that remain without offers of term or permanent employment as of May 26, 1997. I would also like to inform the member that opportunities continue to be explored including seasonal employment with Natural Resources, casual, term or permanent employment at the School for the Deaf, the Selkirk Mental Health Centre or casual employment at Red River Community College, the Manitoba Lotteries corporation and Manitoba Health, home care industry.

\* (1440)

I also want to inform the member that resources that have been made available to employees are in-house sessions with the Employee Assistance Program and in-house sessions with the Employment Insurance as well as educational and counselling programs in terms of resume writing assistance, career exploration and counselling and interviewing skills training.

**Mr. Jim Maloway (Elmwood):** Mr. Chairman, I thank the minister for that information. It take it then the minister is claiming we started out with three full-time

and 10 part-time people, that is how many people we are dealing with, and as of May 26 or thereabouts there were seven part-timers still looking for employment, so that would mean that the three full-time people have been taken care of and three of the part-timers have been taken care of, is that correct?

**Mr. Pitura:** That is correct.

**Mr. Maloway:** Mr. Chairman, then when does the minister anticipate that the remaining seven part-time people will be taken care of, by what date does he expect that to happen?

**Mr. Pitura:** It is difficult to be able to pin that down for the honourable member, but I would like to assure the member that with regard to other opportunities for these employees that the department is committed to attempt to place these employees at the earliest possible opportunity and are working diligently to that end. So with respect to exact dates, not known at this time, but I am sure that as time goes on it would be probably a staggered type of dates.

**Mr. Maloway:** I wanted to deal with security as far as the government was concerned, security services. What is the situation with the government and the security in its buildings at the current time?

**Mr. Pitura:** Mr. Chairperson, I would like to take this opportunity to introduce Hugh Swan, who is the assistant deputy minister for Property Management within the Department of Government Services.

Within the context of the member's question in regard to security at the building at present, I would like to inform the member that we do have a permanent security staff who are placed in the building at all times to look after the security for the building. There is also a mobile security staff that move from building to building, so they are always on mobile state. I would also like to inform the member that, within the Security and Parking section, there are a total of 81 staff who are looking after security and parking.

The security right now within the building administers policies and enforces regulations at all owned and leased parking facilities—these are the parking lots—provides surveillance, protection,

investigations and emergency response for government-owned and leased property and personnel. It maintains and controls a central monitoring and dispatch centre which provides telephone answering service, paging service, central alarm monitoring of all government-owned, leased facilities, and dispatch of security maintenance staff and emergency responders. It also administers and conducts physical security surveys, identifies requirements and recommends security systems, and provides user training. The security also promotes security education and awareness through the Security Awareness for Employees program and maintains the Manitoba Government Services Identification Card program.

**Mr. Maloway:** Mr. Chairman, I guess what I was getting at was wondering what was happening with security services in all of the government buildings vis-a-vis private security firms versus government-employed individuals, government employees.

**Mr. Pitura:** The Government Services now has the provision of government security services, which is our own staff at 12 locations—[interjection] That is correct, 12 locations. They have contracted security under parking services at two locations. We have the six mobile security patrols which are our own staff for 22 Winnipeg and 50 rural facilities.

**Mr. Maloway:** Mr. Chairman, does the minister anticipate any changes in the number of contracted-out security examples? Right now you are saying you have two buildings contracted out. Do you anticipate more of these in the future?

**Mr. Pitura:** Not at the present time.

**Mr. Maloway:** Before we get back to Fleet Vehicles, I wanted to ask the minister questions about the Headingley rebuild that is going on after the Headingley riot. Can he tell us just what is happening with regard to that? I recall at the time, the Minister of Justice (Mr. Toews) claiming that the inmates were going to be doing all this work. That proved to be totally false within a very short period of time after her saying this, within a day or two anyway. The government's initial reactions and so on did not seem to be borne out as to what they originally thought would be done here. So what I would like to know is, because

this seemed to be a changing project, just where we are with it right now and what is its costs?

**Mr. Pitura:** I would like to inform the member for Elmwood (Mr. Maloway) that with regard to the repairs to the Headingley Correctional Institute that were the subject of the riot, that the repairs there are essentially complete. I would share with the member that I had the opportunity to tour the facility earlier this spring. At that point in time they were almost complete. Now I am advised that the repairs are now complete in the main part of the facility. There is also the conversion of a facility known as Annex A, and this is for the segregated inmates. I am also advised that facility is also nearing completion.

I would also like to inform the member that design work is underway to construct the new intermittent housing for those inmates who would be spending weekends at the facility, and also the design work is underway for a new maximum security unit on the grounds as well. I am also advised that the total costs, when it is completed, is estimated to be around \$10 million.

**Mr. Maloway:** What were the improvements then over the old system at the prison that are built into this \$10 million? Presumably for \$10 million we are getting more than just an exact rebuild of what was there before.

**Mr. Pitura:** For clarification for the member, the new intermittent housing and the new maximum security unit are part of that \$10-million cost estimate. I would inform the member that with the rebuilding of the main security unit at Headingley that was affected by the riot, there were 15 enhancement items that were identified as immediate requirements and eight have been fully completed as of now. That includes the installation of rain separation barriers, replacement of electric metallic tubing with rigid conduit, installation of heavier gauge steel doors and frames, installation of fire stopping between floors in cell blocks, additions to the electromechanical locking system not required by fire code, modification and additions to the institution's telephone system, installation of a new security fence around Annex B which is the other annex, and renovations to Annex A to house the minimum security inmates.

Construction is also underway on six of the remaining immediate enhancement requirements with completion expected in early 1997 for all but the Annex B renovations and additions to the new fire alarm and smoke detection system, hardening of the main building guard stations and master control room, which when I went through the facility were very close to completion, installation of an expanded CCTV surveillance system, installation of a threshold noise alarm system, improvements to the exterior security lighting on the grounds of the institution, and the renovations to Annex B to house protective custody inmates.

\* (1450)

**Mr. Maloway:** Did the minister and the government at the time just after the riot receive any representations or have any discussions regarding the possibility of having the prison constructed and run by private concerns?

**Mr. Pitura:** I would like to take the opportunity to introduce Steven Kupfer, who is the assistant deputy minister in charge of Accommodation Development within Government Services. In answer to the member's question, no, we were not approached by any interests.

**Mr. Maloway:** Has the minister or any members of his department been approached by any private business interests regarding the whole area of private prisons, of running and owning private prisons in Manitoba or managing them?

**Mr. Pitura:** No, Mr. Chairperson.

**Mr. Maloway:** I wanted to thank the minister for those answers. Perhaps just before we get back to Fleet Vehicles—which I am sure we are all dying to do at this point—I did want to draw the minister's attention to one of the areas that I talked about yesterday and we discussed. That was the year 2000 problem.

Just today, just to indicate to the minister how serious this can be, I was reading an article in a trade magazine of May 26 this year, whereby the automobile insurance agency in Quebec, that is the agency, the SAAQ of which Manitoba's no-fault system was patterned on three years ago, was borrowed from the Quebec system which was set up in 1976 by Rene Levesque. So it is a

fairly large—I am not certain how many employees there are there—but it operates like Autopac does. It operates just the liability coverage for all of Quebec's citizens. It is a mandatory coverage.

Nevertheless, they have managed to quantify the amount of time that it would take for them to get this problem corrected. They are suggesting here that they will require 20,000 person days. That will give the minister some idea of what information I was looking for yesterday. I was expecting that he would be able to tell me that this committee was set up, had been meeting weekly or whatever, it had this person or that person on it who knew what they were doing, and that at this point in time they had determined that in department A it was going to take X number of hours to solve the problem, in department B it was going to take Y amount of hours just to solve the problem.

What they suggest is that—they have partners in this, IBM and another company, and they are suggesting that it is going to be corrected just in time. So their correction of the year 2000 problem is expected to take until December 1999, so these are people that seem to be on the ball here and know what they are doing and can tell you right now that they are going to take 20,000 person days. Now, they may be totally wrong when it is all said and done too, but at least that is the stage which they are at.

I read reports like this constantly over the last year about different operations that are at different stages, so I would ask the minister whether he could endeavour to get us a status report giving information like that as to how many person days that it is anticipated it will take on a department-by-department basis?

**Mr. Pitura:** As I indicated to the member yesterday, I am sure that that type of information or the information that he is requesting could be best routed to the 2000 committee, which is mandated under the Department of Finance, but I also want to assure the member too that probably having it just in time for December of 1999 actually makes a lot of sense, because you really do not want your conversion to happen before that time, otherwise you are going to run into problems with the 20th Century still. So you want to make sure that you do have the switchover just in time and, probably, from the standpoint of our abilities here in Manitoba, we

should probably be able to accommodate the switchover in the system once the directives are given.

**Mr. Maloway:** Perhaps we could get back to Fleet Vehicles now and deal with Fleet and the remaining SOAs in some sort of order.

**Mr. Pitura:** Mr. Chairperson, the member asked a question yesterday about the work that was done within the city of Winnipeg by dealership. Okay, we are looking at General Motors dealers. I want to clarify it for the member that, by and large, most of the work that is done on the cars that is not warranty work is done in-house. You have to keep that in mind, that vehicles for the most part are attempted to be fixed in-house. When I go over these numbers, I hope the member will keep that in mind.

**Mr. Maloway:** Meaning the Fleet does the warranty work themselves?

**Mr. Pitura:** No, not the warranty work. I said, excluding warranty work, that most of the repairs are done in-house. So if you want to take a look at the whole repairs that are being spent, Garden Gate Pontiac Buick, for example, \$32.85 was spent for repairs; McNaught Motors, zero; Park Pontiac Buick GMC, zero; Orion Chev Olds, \$9.15.

Now, we would also have a standing parts contract which is tendered on by the dealerships within the City of Winnipeg, and Murray Chevrolet Oldsmobile won the parts contract for a total price tag of a round number \$69,000. We have Vickar Community Chev Olds repairs \$57.56; Jim Gauthier Chev Olds \$801.82.

If we move into the Ford dealers, Cam Clark Ford Sales has the Ford parts contract for some \$16,280. Keystone Ford Sales had zero dollars on repairs. Landau Lincoln Mercury Sales \$49.23; Midtown Ford Sales Limited \$109; McPhillips Lincoln Mercury \$102.14; and Parkside Ford Sales, that is also a parts contract for \$39,868.

For the Chrysler dealerships, Midway Chrysler Plymouth Ltd. had the parts contract for \$27,812; Pembina Dodge Chrysler Ltd., \$446 worth of repairs; Eastern Chrysler Plymouth, \$851 worth of repairs; Royal Dodge Chrysler Corp., zero dollars for repairs;

and Westport Chrysler Dodge Ltd., a parts contract of \$61,300.

**Mr. Maloway:** So the parts contract, then, is tendered on an annual basis.

**Mr. Pitura:** That is correct.

**Mr. Maloway:** These parts then are sent to Fleet, and they are used to repair the vehicles at Fleet.

**Mr. Pitura:** That is correct.

**Mr. Maloway:** Now we have to deal with what my real question was, and that is the warranty work. How was that split up dealership by dealership in Winnipeg?

**Mr. Pitura:** It is very difficult to answer the member's question in the specifics that he would like to have it because, if a driver is assigned a fleet vehicle and the vehicle goes in for some warranty work, and the warranty is, for example, with General Motors, they go to the facility that is closest to them, or, if they are in the city, they would be directed to, say, a couple of dealerships that are the closest.

We have to keep in mind that once the warranty work is done, there is no billing system for it because it is all internal with General Motors, it is internal with Ford, it is internal with Chrysler. So to be able to get the exact numbers for the member would be very difficult unless we were to approach General Motors and ask them for specifics on the vehicles that we have from them as well as Ford and Chrysler. So it would be a very time-consuming task to get that information for the member. I hope the member will appreciate that this type of information is not that readily available.

\* (1500)

**Mr. Maloway:** Well, does the minister, if he does not have a dollar amount of the warranty work, have numbers of work orders then or numbers of times that vehicles were sent in to each dealership?

**Mr. Pitura:** I am advised that the work orders that would be produced on each vehicle, again because of the fact that it is warranty work, are kept internally within the automobile dealership.

**Mr. Maloway:** Well, then, surely Fleet Vehicles keeps track of just the numerical, the number of times it sends a car to each dealership. Forget about the dollar amount of the warranty work, forget about the invoice that would be issued, surely they know how many times, they have to know how many times each vehicle has been shipped in for warranty work and who they sent them to. They have got to know that.

**Mr. Pitura:** Mr. Chairperson, to answer the member's question, for each vehicle that Fleet Vehicles has, they would have to go through the history of each individual vehicle to be able to pull out the number of times that the vehicle was repaired on warranty, and I am advised that is a fairly onerous type of task to carry out to trace each vehicle's history through the computer system.

**Mr. Maloway:** Well, can the minister then tell us whether the work is spread evenly among the dealers in the city, or is there one that has preference over another?

**Mr. Pitura:** The information I have here is that for General Motors vehicles, Fleet Vehicles generally directs the driver to either Murray Chev Olds or Jim Gauthier because they are the closest; for Chrysler vehicles, they generally use Midway Chrysler because they offer to pick the vehicle up; and, for Ford vehicles, they generally direct the driver to McPhillips Mercury, Landau Mercury, or Parkside because they are the closest.

**Mr. Maloway:** Mr. Chairman, I wanted to deal with an SOA question and what happens to the retained earnings of the corporation and, seeing as how Fleet is the first of the SOAs, the first of many, we should probably take a look at its retained earnings position and try to find out where the money goes or where the money is. What I would like to know is whether or not, in the case of some of the other special operating agencies—in one of the other departments I was told that they sent the money over to Finance and it was kept over there. However, in this department, I get the impression that somehow the retained earnings of the company are kept and held with the company. So I would like to know just what the situation is regarding that as far as the Fleet is concerned.

(Mr. Denis Rocan, Acting Chairperson, in the Chair)

**Mr. Pitura:** Mr. Chairperson, I believe the member for Elmwood was referring to a discussion we had the other day in a discussion of Fleet Vehicles. I would advise the member that, from the standpoint of the comments that I made, I probably am in error on this, that the minister responsible for The Special Operating Agencies Financing Authority Act, and that is the Minister of Finance, would be in the best position to answer the particular question that the member has.

However, retained earnings is a sign in terms of the financial picture of the SOA, that a growth in returned earnings is a healthy sign in that it reflects the agencies have been able to maintain a positive bottom line while they are becoming established. It is also because of the fact that SOAs are relatively new, it is only prudent to ensure that they attain and maintain an appropriate level of financial stability before they begin to make significant adjustments to their asset pricing or equity structure. So retained earnings really is a financial indicator of an organization's financial strength in terms of the statement itself. I would also like to share with the member that when Fleet was first established, basically the objective of Fleet Vehicles was to reduce its long-term debt.

To that end, Fleet Vehicles have paid off their long-term debt, their start-up debt this year, some 15 years ahead of schedule. They have also, because of the fact that they are showing good financial strength within the operation, that they have been able to offer a \$15-a-month reduction in the Fleet Vehicles to a number of departments that are dealing with Fleet Vehicles.

**Mr. Maloway:** Mr. Chairman, I noticed that it has interest income. Where is it investing its money?

**Mr. Pitura:** Mr. Chairperson, the Department of Finance handles all the short-term investments for the SOA.

**Mr. Maloway:** Mr. Chairman, so what we have here is Fleet at 1997, March 31, has \$7 million in retained earnings. The projection here is it will increase by \$1.6 million next year, then \$1.4 million and \$1.1 million in the year 2000. So over the course of four years its retained earnings will go from \$7.3 million up to \$11.6 million.

Now, when it gets to \$11.6, then what, in fact, will happen with these retained earnings? Does it get

diverted into general revenues and at what stage? Is there a formula to divert it into general revenues? I mean, it is essentially there already, because what we have is it is under the Special Operating Agencies financing authority. It is controlled by the Minister of Finance (Mr. Stefanson). The investments are done by the Minister of Finance, so you really have no control over your investments. You really are not in control of this at all. This is the Minister of Finance's show here.

The question is what is he going to do or what does he do with this \$11 million projected for the year 2000? What portion does he divert off the general revenue, and what happens to it?

\* (1510)

**Mr. Pitura:** Mr. Chairperson, when the member references the fact that the retained earnings will go up to some \$11.6 million by the year 2000, I would at least indicate to the member that within the financial pro forma balance sheet of the SOA, if one was to take a look at the total assets of the SOA in the year 2000, that those total assets are made up of current and long-term liabilities, as well as the equity in terms of contributing equity in the retained earnings. So the retained earnings that the SOA has are, in turn, reinvested back into the physical assets of the SOA in order for it to generate and to keep operating its business.

**Mr. Maloway:** But what retained earnings really are is what would be left over if you liquidated the company today. I mean, that is basically what we are talking about here. If you were to liquidate the company and sell off its assets and pay down its liabilities, what you have is the residue, and the retained earnings figure represents what that company is actually worth. So today, if we were to sell off its assets and pay down its debt and take care of its liabilities, what we would have in the bank, or what the Minister of Finance would have in the bank, would be \$7,320,000 and whatever. That is what we would have here. As each year progresses, the retained earnings account either diminishes if you have a bad year or it increases if you have a good year.

Now your projections are all good; your projections are to—and I do not know, maybe you are going to get

heavy competition for your leases, and maybe you will not perform as well as this indicates. But let us say that you do perform as well, you are going to have retained earnings of \$11 million in the year 2000, in just what, three, four years from now. My question is: At what point does the Minister of Finance start siphoning off this money to be used for general revenue or something else?

**Mr. Pitura:** Again, I point out to the honourable member that, if he takes a look at that balance sheet data, you have the current liabilities and long-term liabilities plus the retained earnings and the contributed equity that make up the entire total assets of the SOA. So the member is right that, if you liquidated the entire operation, you would be left with the so-called retained earnings as your cash that you could carry away, but, at the same time, the retained earnings as part of the equity is invested in the business. It is not kept out as a cash surplus. If you take a look at the total long-term, short-term liabilities plus equity, it brings you to the total assets. Of the total assets, there are some \$30.96 million invested in property and equipment, of which a portion of that is equity from the total equity value on that sheet.

**Mr. Maloway:** Well, the corporation is showing interest income of—is it \$15 million here and 16 projected, page 78 of the statement? So clearly it is earning interest on its investments. I mean, your retained earnings—I know what the minister is suggesting. He is saying that, if you have a good year, you take the money and you put it in retained earnings, and you reinvest it in the company. Well, then, it is not really in retained earnings anymore. Basically, it is money that is part of the company's investments.

**Mr. Pitura:** I think, in response to the member, that the retained earnings are part of the internally regenerated investment that takes place within a business, because when I operated a farm, at the end of the year I did not call it retained earnings, but I did call it profit. As such, the profit that was generated by the farm was reinvested back into the farm in either paying down some long-term debt or investment in equipment, which was the way that I would not keep the profit separate from the farm and put it into a separate account. It would be reinvested back into the business.

**Mr. Maloway:** Mr. Chairman, well, let us go back for a moment to Autopac, for example, which is supposed to be keeping 15 percent of earned premiums in a basically retained earnings account. They do not call it that, but that is essentially what it is. Of course, they never seem to have it; they get close to their \$50-million reserve and then boom, down it goes in the tank, and it gets down into even negative amounts. Well, that is the retained earnings account that we are talking about here. So this agency can operate with as much retained earnings as the government deems is necessary. All I want to know is, just where are the retained earnings being streamed, and at what point does the Minister of Finance take it away from the SOA? That is where we have got to come down to here.

I mean, let us take the Workers Compensation Board. I do not have the figures here. But they showed projections as well to the year 2000, and they were going to have enormous retained earnings in the year 2000. Now what they have already done to short-circuit what they are going to have in 1999, year 2000 is, they announced just recently that they are giving major reductions to the employers in terms of their premiums. That is one of the things you can do with the retained earnings and a healthy financial picture. All we have said is that in 1999 just before election time the WCB would turn around and either reduce the premiums substantially and increase the benefits substantially or do both. It would do a combination of the two. It was not going to let this money sit there; this was essentially just another slush fund of the government's in a way. It was going to be used like Autopac; it would be used in the same way.

All we are trying to find out is to discover how many of these SOAs have the potential to have a good retained earnings position by the year 2000, and what will the government be directing the use of these funds for? Will it be in the case of Vital Statistics a reduction in the death certificate and the birth certificate prices to make the consumers happy with the government's performance in that area? In the case of SOAs, because you do not deal with the public here, at least in this one, right?—I doubt whether you are going to be reducing the price of the lease vehicle. You might because of private competition. But what I am trying to get at here is, what is the formula, or does Eric not tell you what

the formula is that he uses to determine how much of this money you can keep in the SOA before he starts taking it for his purposes?

\* (1520)

**Mr. Pitura:** Mr. Chairperson, the member had a fairly extensive question here, and I hope I will be able to address it properly. When the member suggests and makes a comparison to Autopac as a fact that they are—were you referring to the rate stabilization or whatever they had? But that is an area that this is quite different from in terms of retained earnings. It is possible for Fleet Vehicles to also operate with very little retained earnings. As the member can appreciate from the financial statement, all we have to have happen with Fleet Vehicles is that we do not lease in large numbers of cars one year and our retained earnings are blown out of the water.

So, with respect to the whole financial statement and any particular little formulas, there are none because the retained earnings that are shown on that sheet end up the following year being invested back into capital assets, which, in this case, an SOA for Fleet Vehicles, is property and equipment so that Fleet Vehicles can continue to generate a cash flow which, hopefully, will result, once expenses are taken off—will generate in additional retained earnings the following year. But I would like to point out that because of the fact that we have competition within the SOA for Fleet Vehicles, the Fleet Vehicles SOA, indeed these projections are only that; they are projections. If we do not do our job in Fleet Vehicles, those projections can change dramatically to show us having a bottom line with very little retained earnings and, perhaps, even negative results at the bottom.

**Mr. Maloway:** Because he has the money, you are turning the money over to him, he is keeping your books right now, at what point is he going to allow you to proceed with increasing the amount of retained earnings? At what point is he to tell you that they will divert a portion of it? I mean, is it a percentage? Surely when you get to 10 times the retained earnings you have by now, something is going to give. The government is going to be demanding the money be spent elsewhere. What is the formula that is going to be used?

**Mr. Pitura:** I think a very short answer to that question is the fact that when Fleet Vehicles continues to have ever-increasing retained earnings, what that does for Fleet Vehicles is it allows them the flexibility to remain competitive in the market and to be able to, as they have done this year, offer fleet vehicles at a \$15-a-month reduction to the government departments that deal with Fleet. In fact, from the standpoint that Fleet Vehicles is looking at the other public areas of government as well, that it certainly is having strong, healthy retained earnings out of the SOA, allows the SOA to be able to be very competitive.

**Mr. Maloway:** Mr. Chairman, I was tempted to say that I would not tell Eric you have all this money, but I think he already knows. So you are not going to be able to hold on to it, if he wants to take it from you.

Before we go on to the next special operating agency, I would like to know what the computer system situation is with regard to this one, because from the answers I have got over the last two days, this Fleet Vehicles Agency probably needs a more efficient computer system that can give us—like next year when we sit here, I am sure they will be able to crank out all this information on the warranty work for the cars. Each car's warranty work will just be spit right out on a command basis, almost. So I would like to know just what is the current state of computerization at this SOA, because I do not think it is part of the government's overall plan right now, or maybe it is.

**Mr. Pitura:** I am advised that at Fleet Vehicles there are two basic computer systems. One is an equipment repair management computer system. The second is the financial computer system, and both of these systems are 2000 compliant.

**Mr. Maloway:** But these new systems that you have, are these systems that are going to be replaced with this new Desktop Management system or are they something that is totally independent of that?

**Mr. Pitura:** I am advised that the systems will not be replaced as a result of Desktop Management.

**Mr. Maloway:** Just a couple more general questions regarding the remaining SOAs. I would like to know just what—let us pick one of these SOAs that actually

deals with the public. I think the minister said Materials Distribution, was that the one that deals with the home care people?

**Mr. Pitura:** I would just like to introduce Tracey Danowski, who is the chief operating officer for the Materials Distribution SOA, who is at the desk with us at the front now.

**Mr. Maloway:** Could the minister give us a brief history of the Materials Distribution Agency and what its retained earnings, current position, and projections are, just exactly what this agency is doing and how it is progressing?

**Mr. Pitura:** Mr. Chairperson, just as a brief background for the member, the Materials Distribution Agency became an SOA on April 1, 1993, and it was the second SOA in Manitoba and in Canada. This agency has dedicated a fairly significant amount of time and resources towards improving operations, implementing new automated systems, developing new markets and improving marketing and communication tools, including providing services to all three levels of governments.

The agency presently provides management services to over 2300 government offices in Manitoba, including government departments, boards, commissions, agencies, Crown corporations, municipal and federal government offices in Manitoba. While the agency offers transportation and moving services, disposal services and storage services, the backbone of the operation and its major revenue source is from the sale of commonly used items. With the transfer of the Home Care Equipment and Supply Program to Materials Distribution Agency, the agency now provides medical and ostomy supplies, medical equipment directed to over 22,000 Manitobans.

\* (1530)

The provision of these supplies and equipment allows individuals to reside in the community rather than institutional facilities and improves their quality of life. Currently the agency stocks over 4700 line items in its newly expanded 35,000 square foot office and warehouse complex located on Church Avenue in Winnipeg. The commodities currently available

include stationery, office furnishings, refurbished office furniture, janitorial and maintenance supplies, computer licences, software manuals and peripheral items, medical and ostomy supplies, medical equipment for the Home Care program, and laboratory, X-ray, ECG and ultrasound products, and personal care reproductive health supply.

The agency tenders for annual contracts for these items and sells them to clients on a cost-plus percentage markup basis to cover the costs incurred in procurement, warehousing, picking, packing, shipping, and invoicing. So that brief is, in brief, kind of the history of the Materials Distribution Agency, Mr. Chairperson.

**Mr. Maloway:** I note that it did not start its involvement in the Home Care program until April 1, 1997. So that would mean that it has only been in that business for just a short period of time now, is that correct?

**Mr. Pitura:** That is correct.

**Mr. Maloway:** Now back to the retained earnings position of this SOA. On page 92 what we see there from 1997 to the year 2000 is a projection of retained earnings that is going to increase substantially between this year and the year 2000. So what I would like to know is: Where are the projected retained earnings coming from and just at what level does it have to get before the government takes the retained earnings for other purposes?

**Mr. Pitura:** Mr. Chairperson, in answer to the honourable member's question, basically if you look at the pro forma balance sheet, that if you take the total assets minus the current and long-term liabilities, you end up with your equity in the SOA, and the equity is made up of contributed equity and the remainder is retained earnings. Retained earnings, again, is an indicator of the financial progress of the SOA, and as such that having a positive bottom line for retained earnings is an indication that the SOA is indeed heading in the right direction. Then retained earnings in turn become part of the equity in terms of the assets that are required to generate the cash flow for the ensuing year.

**Mr. Maloway:** Mr. Chairman, but once again, what guarantee do we have that this SOA with its retained earnings in 1999 or the year 2000 if \$2 million is not going to be using this SOA, this retained earnings amount as a pre-election slush fund? Because clearly the home care component here is a case where they are dealing directly with the public, and come election year there is a good possibility that they will be deciding to reduce the prices substantially, basically an election year reduction of home care products. Does the minister see that in our future?

**Mr. Pitura:** In response to the honourable member's question, simply taking a look at the balance sheet is what the SOA, the Materials Distribution Agency, has projected as a long-term outlet for the health of the SOA. The member will note that when you take the retained earnings from any given year that they are invested back into the SOA, it is very difficult to be able to access it as a slush fund for pre-election campaign goodies, because it does form part of the agency as such. All it does is reflect the fact that the SOA is performing well, and certainly it can end up providing reduced cost to service for clientele. One has to also remember that the basic objective of the SOA would be to remain in a competitive environment, and using up retained earnings in that fashion would not be a very astute business move.

**Mr. Maloway:** This government is expert at doing things like that. I mean, that is what it does; before an election it sits on the Autopac rates or reduces them. It will do the same thing here. You have the Workers Compensation Board where they are projecting a huge retained earnings position just prior to the election. Mark my words that when the time comes, there will be huge reductions in Workers Compensation premiums. By then the Autopac reserves or retained earnings will be back up to where they should be, and it will be time again to deplete them as part of the Tory election machine.

This one—and I had already mentioned Vital Stats where they are all lined up, the projections are right there, for a nice fat retained earnings position to be able to reduce their rates for death certificates and marriage certificates and whatnot just before the election. This one here is lining up in the queue with the rest of them. I mean, it has retained earnings of \$691,000 right now,

and they are going to jump within the next couple of years to \$2.2 million. Now \$2.2 million is a nice big chunk of money to have right around election time to start reducing the cost to people who use home care supplies.

I am not faulting the government for wanting to do this. I am just pointing out reality here. I am saying that the Minister of Finance (Mr. Stefanson)—the minister keeps pointing out it is, whoops, I do not know what is going on with the investments; I do not know what is going on with the money; the Minister of Finance has it. You bet the Minister of Finance has it. He has it, and it is part of the overall plan of the government. The whole plan here is to run these things like businesses and have them multiply wherever possible, and then come election time you have these 10 or 15 little slush funds, and you can just start doling out the cash to earn re-election. I do not know why the minister would not just admit that.

**Mr. Pitura:** The honourable member makes statements about using the SOAs as a potential source of slush funds for pre-election goodies. Mr. Chairperson, we are only in year two of our mandate, and if you take a look at the special operating agencies I do not think you have to look very far to see that this is indeed a very practical way to be able to operate various areas of government that have the ability, from the standpoint that they are not involved right within government, to be able to operate on a basis of being able to provide a cost-efficient, customer-oriented type of service.

\* (1540)

If you take a look at any of the SOAs that are present in the Department of Government Services, all four SOAs do have a customer clientele. Whether it be within the government, the public, such as the Materials Distribution, Mail Management or Land Management, we always have as an objective to be able to give top-quality customer service at a very cost-efficient price to the customer and thereby, overall, reducing the cost to the taxpayer of Manitoba. Fleet Vehicles is often used as the example where the amount of cost or the amount of dollars that was saved as a result of switching over to Fleet Vehicles as an SOA has had a dramatic effect on the bottom line for the government and being able to

create a more efficient use of Fleet Vehicles, and actually a far superior service to the clientele as a result of them adopting some businesslike objectives within the SOA.

So I think the member for Elmwood is fishing a lot here for something that is not there. I think that if one were to take a look at these special operating agencies and look at the performance sheets, the balance sheets, as they are presented and try not to read, make a short story into a long essay, then you will see with regard to these SOAs, that they are showing a good performance and that the retained earnings are not going to be used as a slush fund for future election goodies, but they are used to bolster the strength of the SOA.

**Mr. Dave Chomiak (Kildonan):** Mr. Chairperson, my questions are along the lines of the home care equipment special operating agency, as well. I would like to ask the minister if any pricing changes or policy changes have occurred with the move of the agency from the Department of Health to Government Services?

**Mr. Pitura:** Mr. Chairperson, I am advised that with regard to the Materials Distribution branch that the Materials Distribution branch is basically the supplier of service for the home care medical supplies. The Home Care Branch of Manitoba Health pays for all the medical supplies equipment with the exception of the ostomy supplies in which there is a \$300-maximum-per-year contribution for that, but the whole area of the home care equipment is paid for by the Home Care Branch of Manitoba Health.

**Mr. Chomiak:** Mr. Chairperson, I thank the minister for that response and I realize that, but who determines the cost and the cost-plus nature of each, who determines the cost and has there been any change in cost since the changeover; and secondly, what does the minister mean by cost-plus? What is entailed under cost-plus in terms of administrated and related costs?

**Mr. Pitura:** Mr. Chairperson, I am advised that with regard to the pricing of the medical equipment, right now the cost to the client is the same as it was before directly through the Health Home Care Branch. Materials Distribution is responsible for the pricing.

The choice is to keep the pricing the same as it was previous. Since it has just taken over the distribution of that equipment, the objective of the Materials Distribution is to actually offer that equipment to home care patients at a price less than what it is priced at now from the Home Care Branch, and that is due to just the way the operation of the facility in terms of the efficiencies that it can impart.

**Mr. Chomiak:** Mr. Chairperson, so just for clarification, the minister is saying that in fact it is the objective of this special operating agency to offer the home care equipment supplies and the ostomy supplies at a price less than what has been previously offered?

**Mr. Pitura:** The intent is to be able to, because of the way the SOA operates, make the overall cost of the home care supplies less costly to government over the long run. I have to clarify for the member that it is the cost to government that they are looking at reducing, because, am I correct that the home care equipment is all paid for by the provincial government?

**Mr. Chomiak:** I think that is not entirely correct. A portion is paid for by members of the public with respect to home care equipment. Certainly the first \$300 of ostomy supplies is paid for by the public as well as any costs under \$50 of items, and there have also been a number of items that were delisted recently.

Having said that, the minister clarified the difference between the cost to government and the cost to public. The minister is saying that overall he anticipates that the operation of this agency will reduce the overall costs of home care equipment, period.

**Mr. Pitura:** Within the home care products within the Materials Distribution SOA the objective of the Materials Distribution SOA is to result in the lower unit cost of procurement of the product. I am advised as well that there are over 500 items in the catalogue that are printed this year where their price is indeed lower than it was last year, but the total cost of home care products may indeed in fact go up as the volumes increase. The overall objective of the materials distribution agency as an SOA and being able to operate in the way it is is to procure the product at a lower per unit cost than previous.

**Mr. Chomiak:** Can the minister indicate whether or not the overall catalogue of products offered has increased or decreased since the changeover?

\* (1550)

**Mr. Pitura:** Mr. Chairperson, I would like to correct for the record, what I indicated to the member for Kildonan in my last answer was that, when I referred to the 500 items that were lower than last year, this is 500 general items in the catalogue that were lower last year. I am also advised that the Department of Health sets up committees to take a look at health care products, and that the Department of Health essentially determines what products will be offered through the Home Care Supply through Materials Distribution.

**Mr. Chomiak:** Can the minister indicate whether any employees were carried over from the previous operation to the present operation, and how many employees that entails? In fact, who is presently operating the program?

**Mr. Pitura:** There were eight permanent employees and four term employees that were transferred over with the program.

**Mr. Chomiak:** Can the minister indicate whether any employees were let go?

**Mr. Pitura:** Mr. Chairperson, I am advised that the Department of Health, because of the fact that it was operated under the Department of Health and all the employees were employees of the Department of Health, the employees I indicated transferred over to Materials Distribution. So the remaining employees are Department of Health employees, and so that question would probably be best addressed to the Minister of Health (Mr. Praznik).

**Mr. Chomiak:** So the minister is saying that eight Department of Health full-time employees and four temporary employees were transferred over to the special operating agency?

**Mr. Pitura:** That is correct.

**Mr. Chomiak:** Mr. Chairperson, I am sure the minister is aware that the unit costs for ostomy supply and the

administrative costs in Manitoba are probably the lowest in the country, if not in North America, as a result of the procurement procedures that have taken place in the past, and I wonder if the minister could explain to me how they intend to decrease those costs with the movement into this new operating agency.

**Mr. Pitura:** Mr. Chairperson, with the overall objective of the Materials Distribution Agency in handling these products, there are various areas that can contribute to a lower cost per unit of these products. First off, there is the consolidation of all the warehouse space, so that there is a cheaper cost of storage. There is also now the efficient use of staff in the distribution of these products. There is also the reduction in the administrative costs associated with the distribution of these products, i.e., in the number of vehicles required and so on. So there are a number of areas that the SOA, the Materials Distribution SOA, can take a look at with regard to reducing the per unit cost of these supplies.

**Mr. Chomiak:** Can the minister indicate whether or not there are any studies either ongoing or concluded concerning the entire area of the home equipment supply branch?

**Mr. Pitura:** Our department has not done any studies, but the studies done on home care products, I am advised, have been done by the Department of Health, and, as such, they would be the best source of information for that question.

**Mr. Chomiak:** Can the minister indicate whether or not there are any plans or discussions at the departmental or cabinet level, for that matter, concerning the possible privatization of this particular branch?

**Mr. Pitura:** Not that I am aware of. I have not heard.

**Mr. Chomiak:** For clarification, therefore, the minister is saying that it is his view that this particular branch will be maintained within the ambit of government, albeit within a special operating agency in the medium- and long-term future?

**Mr. Pitura:** I would like to share with the honourable member that I would say, no, there are no immediate

plans with regard to privatization of the materials distribution agency for the home care. I know that the member asked a question about medium and long term, and I think that it is very difficult to project that long a time into the future, to say that forever and a day that there will not be any privatization take place, because of the fact that there are many changes occurring within the field, and the materials agency is simply a service agency for the distribution of home care products.

That is not to say that maybe in the purview of home care itself that that part may well be privatized. We do not know what is going to happen, for example, with the RHAs and how they are going to establish their line of home care products.

So there are a number of ifs in the future to say definitely that in the medium to long term that it is not, but I would say, in my foreseeable future anyway, I would say that this probably—the answer is no.

**Mr. Chomiak:** I thank the minister for that response, and I wonder if the minister would not agree with the proposition that with respect to the home care equipment, we are talking about something that is somewhat different than other material distribution products. In fact, it is something that is for most individuals not an option but a necessity and in some cases a matter of life and death, and to that end the consideration, in fact, of a changeover into the private mode is something that would have to be dealt with independent of the overall materials distribution branch, which actually was one of the criticisms I had of the move in the first place.

Would the minister not agree that there is specifically a difference with respect to Home Care equipment?

\* (1600)

**Mr. Pitura:** Yes, the member makes a good comment about the specific use for the equipment, the necessity of the equipment. I think we are all cognizant of that within the Materials Distribution and as such, as long as it is part of our mandate within that SOA to be looking after the distribution and handling of home care products, we will always be cognizant of that fact, and we will do the best job we possibly can in making sure that all of our clientele are well looked after.

**Mr. Chomiak:** The minister made reference to the fact that when dealing with the medium and long term to the RHAs and the fact that they may have a different viewpoint with respect to the purchase, does the minister not see it as somewhat contradictory that the services are centralized? The minister earlier on in his statement in one of his comments indicated that the system was brought under special operating agencies to deal with economies of scale and the like. Does the minister not agree that it would be, in fact, contrary to that purpose to have the service fragmented off to individual and other organizations and agencies and in fact that that would counteract the stated intention to provide for cost effectiveness?

**Mr. Pitura:** I think in response to the honourable member's question then, with the Materials Distribution SOA, I would say that our overall objective would be to work with the RHAs and actually develop a relationship with them to be able to serve their needs. I think that the Materials Distribution SOA operating along that line can provide a very cost-efficient service to the RHAs. But that is not to say that when all is said and done that Materials Distribution SOA will be the contractor of supply that the RHAs may wish to deal with. We are certainly going to do our bit from Materials Distribution Agency to ensure that RHAs know that we are there and that we are able to provide them with a very cost-efficient service for their home care clientele within their administrative boundaries.

**Mr. Maloway:** Mr. Chairman, has the minister or his staff received any representations or presentations from private companies or private individuals seeking to privatize this particular SOA?

**Mr. Pitura:** The answer is no.

**Mr. Maloway:** I would like to ask a couple of quick questions about the Land Management Services SOA and the Mail Management SOA. Before the Materials Distribution SOA is finished, I did want to know what their situation was with their computer systems as well. So it is essentially the same questions for all three SOAs, the computer systems, the status of them, the retained earnings positions, and just what the government is up to with regard to these SOAs.

**Mr. Pitura:** I am advised that Materials Distribution has a Great Plains accounting and inventory control

computer program. With the addition of the home care products to their list of inventory, it has been upgraded to accommodate that. I am also advised that it is 2000 compliant. In fact there was a little voice around here saying that it might even be 3000 compliant for all we know, it is so sophisticated.

**Mr. Maloway:** Regarding the Land Management Services SOA, could the minister give us a brief update on what that SOA is up to and what its retained earnings position is, and what its computer system is like, and whether he has had any representations from individuals wanting to privatize this particular SOA?

**Mr. Pitura:** I would like to advise the honourable member that, in terms of the historical background for Land Management Services, it began as a special operating agency on April 1, 1995, and its mandate is to provide a comprehensive real estate service to various levels of government as well as to boards, commissions, corporations and agencies.

The agency conducts all appraisals and negotiations related to acquisition or expropriation of land by an authority. It directs payment of all monies, compensation and consideration paid to the party from which land is acquired or expropriated. Upon request, the agency does provide land appraisal service and sells or leases land surplus in accordance with the immediate needs of government.

In order for the agency to operate on a cost-recovery basis, a service fee structure was approved by the Treasury Board for '95-96. Following its first year of operation, the agency realized a net income of \$524,000, which was almost double the amount estimated in the business plan projections.

So that briefly is some of the background behind the Land Management history. The member has asked about the retained earnings for Land Management, and again we are looking at a fairly positive bottom line with regard to retained earnings which again will be utilized by Land Management in order to shore up its capital assets and current assets within the operation of the agency.

**Mr. Maloway:** How many properties has this SOA sold in the last year and since it was established?

**Mr. Pitura:** I will just provide the member with some information on appraisal acquisition of properties, that there were 56 projects involving 27 clients. The Land Management Services secured 328 mutual agreements, 306 on behalf of Highways and Transportation, with the remainder conducted for three other clients. There were 71 real estate appraisals that did not comprise an acquisition. Seven properties were expropriated for three projects. Mr. Chairman, 1,528 acres of land were acquired at a cost of \$1,469,000, of which \$959,000 was paid in the current fiscal year. It also undertook a review of appropriate levels of assessment for government properties to determine fairness and equity of grants in lieu of taxes. This review resulted in a net saving in taxes to the Land Management agency, and also 1,500 parcels of surplus land were sold, including abandoned rail lines.

**Mr. Maloway:** Then I would like to ask the minister how it makes its income then. Is it based on a commission on the sale, or how does it fund itself?

**Mr. Pitura:** The Land Management agency has a schedule of fees as it pertains to the various services that they offer. There is not a percentage type of fee that they charge, so basically the income comes from those fee services.

**Mr. Maloway:** Mr. Chairman, I wonder if the minister could endeavour to provide us with a list of all the properties that have been purchased and sold by this particular SOA.

**Mr. Pitura:** Is the member asking for the 1,528 parcels of land listed?

\* (1610)

**Mr. Maloway:** The minister had indicated there were 56 projects that had been worked on, so I think it would be sufficient just to give us a list of the 56 projects or the number of projects and the value of the land that was sold. I do not think we need the legal descriptions of all the different parcels.

**Mr. Pitura:** With regard to the acquisitions of property, I am advised that, yes, there should be no problem getting you the 56 projects that were acquired.

**Mr. Maloway:** It would indicate the purchase price and who bought them, and all that information.

**Mr. Pitura:** Just to give some clarification as to what the member is after here because within each one of these 56 projects, a project may be a highway project, in which case we might be dealing with 50, 60 individual property owners in which case in order to break out that project, you would have to have the listing of each individual property. Is that what the member is asking for?

**Mr. Maloway:** I think for now we should just deal with the general—if you give us a list of the projects and the amounts that each involved—yes, and then we will take it from there.

I would like to also ask about the computer system for this SOA, and perhaps we could quickly deal with the final SOA as well, the Mail Management Agency.

**Mr. Pitura:** Mr. Chairperson, I am advised that the Land Management Services right now is transferring off a Hewlett-Packard proprietary system to a personal PC system. The software they are using is a Lotus notes base with a data conversion scheduled for June 1997. It is 2000 compliant, and I think that for the member's use and reference I will also supply him with a fee schedule for Land Management Services, which I will transfer to the member and not table at this time.

**Mr. Maloway:** Perhaps we could deal with the Mail Management Agency, if the minister could give me a very quick rundown as to what the current status is of that particular SOA.

**Mr. Pitura:** Mr. Chairman, it was an oversight on my part, but I wish to introduce Doug Parnell, who is representing the Land Management Services at the table.

I would like to now introduce Mr. Don Katz, who is the chief operating officer for the Mail Management Agency.

**Mr. Maloway:** If the minister knows the formula by now, if he could give us the rundown on the current status of the agency, its retained earning projections, and what sort of computer system it is using.

**Mr. Pitura:** Just to give a brief historical background to the Mail Management Agency, the Mail Management Agency is designated as a central agency within the Manitoba government for processing of intragovernment mail to and from the public. It provides administrative management, mail preparation, pricing, metering, sortation of interdepartment and Canada Post mail, and distribution of government mail throughout provincial government offices at the most advantageous rates and means available. The Mail Management Agency provides a centralized written communication handling service to over 870 government offices located throughout the province.

Mail processing is also provided at two rural government buildings through provision of centralized mail rooms equipped with mail machines. Mail Management annually sorts and distributes approximately 2.5 million pieces of interdepartmental mail and incoming federal mail. They also process approximately seven pieces of mail and perform nine million preparation procedures annually.

(Mr. Chairperson in the Chair)

They also provide facilities for bulking mail to and from rural provincial buildings. This has resulted in savings in excess of \$370,000 per annum compared to mailing on an individual basis. They are also in the processing of high-volume mail initiated by various departments and is co-ordinated by taking advantage of incentive rates by Canada Post. They are also a resource centre for mailing information to government users to ensure Canada Post regulations are followed. They do bursting, folding, inserting, addressing and sorting of mail by Mail Management, and this has resulted in postage savings of about \$175,000 annually.

I believe the Mail Management Agency is just a little over a year old, so it is in its infancy. They have, as well, a retained earnings projection over the next four years showing a positive bottom line, albeit at a very much reduced scale as the member can relate to other SOAs. However, the Mail Management Agency, I think, given the short period of time that it has been operating, has produced some remarkable results in the ability for mail to be moved efficiently within government. I think even the member's own mail is handled by the Mail Management Agency, so you tend

to get your mail on time. As well, the retained earnings for this SOA will be used with regard to their being able to invest in capital assets to improve their efficiencies of operation within the agency.

**Mr. Maloway:** I would like to know then what this particular SOA is doing or the government is doing in the area of movement towards a paperless office. I mean, the minister is making this great initiative in desktop publishing or desktop management of computers, and it seems to me that the days of mail delivery are fast coming to a close because today people are—I know that in my own case when I deal with reporters and so on, I have reporters that will not even take faxes from me anymore; they demand that it be e-mailed to them. So we have to scan in news articles; then we fax them to the reporter, and the reporter pulls it off the machine. There is no hard copy here at all unless the person wants to pull it off.

I do not know what your office looks like, but I know that mine has got too darn much paper in it, and I can never find what I am looking for in the first place. What we found is, by scanning over the last couple of years, scanning important documents that we need and so on, that we can call them up whenever we want them; we can find them a lot easier. If we want to send them somewhere, we send them through the computer, and we have no way of knowing whether the other people at the other end of the computer, whether it be in Ottawa or Free Press or wherever we are sending the document, actually run this copy off or whether they just simply read it and cancel it or save it on the hard drive.

Now what are you doing? Because there is a tremendous amount of paper that goes back and forth between all of our offices, and that paper could very easily be reduced if we simply e-mailed one another rather than send this stuff in writing and paper all the time.

\* (1620)

**Mr. Pitura:** Mr. Chairperson, in response to the member's question, certainly it would be one's objective to be able to shift over to a paperless society, but I think we all realize and know that that is certainly something that is not going to happen, because even the member's requests here and the questions and the information that

he has asked for require us to be able to provide him with a whole bunch of paper. To achieve the paperless society, I think, is a goal that we all have, but, in reality though, there always will be mail for many years to come. There still is that segment of our society that would only appreciate things if they were written down on paper rather than seeing it on a television screen or screen monitor. I take the member's comment seriously, but at the same time, I think it is desirable, but mail is here for quite awhile to come yet.

**Mr. Maloway:** Mr. Chairman, just before I finish, I do want to suggest to the minister that one of the reasons you are going to be spending these tremendous millions of dollars over the next three years is not just to become 2000 compliant. One of the reasons you are doing this is so that Fleet Vehicles will have the information that I am asking for on warranty work and who is doing it and what not. They will be able to pull that stuff out by computer, and they will not have to print all sorts of reports and so on. They can simply e-mail them to wherever it is they want to do it. The goal of this whole computerization project that you are involved in, a big part of it is to eliminate paper. That is what it is all about, at least it better be. If that is not what you are looking at, then I want you to take a look at this whole project again. But that is what this is all about is trying to reduce the amount of paper that is being produced and stop people chasing paper around all day, to get it at one place so that people can use it more effectively.

So, with that, Mr. Chairman, I wish to conclude the Estimates and we will now pass all of the relevant sections and we will move on to the Health Estimates.

**Mr. Chairperson:** Item 8.1. Administration (b) Executive Support (1) Salaries and Employee Benefits \$374,300—pass; (2) Other Expenditures \$69,200—pass.

8.1.(c) Finance (1) Salaries and Employee Benefits \$572,000—pass; (2) Other Expenditures \$183,400—pass.

8.1.(d) Human Resource Services (1) Salaries and Employee Benefits \$437,100—pass; (2) Other Expenditures \$174,700—pass.

8.1.(e) Information Technology Services (1) Salaries and Employee Benefits \$339,700—pass; (2) Other Expenditures \$285,800—pass.

8.1.(f) Lieutenant Governor's Office (1) Salaries and Employee Benefits \$97,700—pass; (2) Other Expenditures \$62,500—pass.

8.1.(g) Land Value Appraisal Commission \$27,400—pass.

8.2. Property Management (a) Executive Administration (1) Salaries and Employee Benefits \$156,800—pass; (2) Other Expenditures \$22,500—pass.

8.2.(b) Physical Plant (1) Salaries and Employee Benefits \$13,840,500—pass; (2) Other Expenditures \$29,810,200—pass; (3) Preventative Maintenance \$161,000—pass; (4) Less: Recoverable from other appropriations (\$57,000)—pass.

8.2.(c) Leased Properties (1) Salaries and Employee Benefits \$49,500—pass; (2) Other Expenditures \$17,258,000—pass.

8.2.(d) Property Services (1) Salaries and Employee Benefits \$334,100—pass; (2) Other Expenditures \$244,700—pass; (3) Less: Recoverable from other appropriations (\$247,000)—pass.

8.2.(e) Security and Parking (1) Salaries and Employee Benefits \$2,629,900—pass; (2) Other Expenditures \$603,700—pass; (3) Less: Recoverable from other appropriations (\$1,633,000)—pass.

8.2.(f) Accommodation Cost Recovery (\$41,052,100)—pass.

Resolution 8.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$22,121,800 for Government Services, Property Management, for the fiscal year ending the 31st day of March, 1998.

8.3. Supply and Services (a) Executive Administration (1) Salaries and Employee Benefits \$169,700—pass; (2) Other Expenditures \$16,200—pass.

8.3.(b) Government Air Services (1) Salaries and Employee Benefits \$3,367,300—pass; (2) Other Expenditures \$5,134,400—pass; (3) Less: Recoverable from other appropriations (\$8,501,700)—pass.

8.3.(c) Office Equipment Services (1) Salaries and Employee Benefits \$484,800—pass; (2) Other

Expenditures \$1,764,100—pass; (3) Less: Recoverable from other appropriations (\$2,248,900)—pass.

8.3.(d) Purchasing (1) Salaries and Employee Benefits \$1,087,800—pass; (2) Other Expenditures \$378,500—pass.

8.3.(e) Telecommunications (1) Salaries and Employee Benefits \$942,200—pass; (2) Other Expenditures \$5,039,400—pass; (3) Less: Recoverable from other appropriations (\$5,313,000)—pass.

8.3.(f) Mail Management Agency, no funds—pass.

8.3.(g) Materials Distribution Agency, no funds—pass.

8.3.(h) Land Management Services, no funds—pass.

8.3.(j) Fleet Vehicles Agency, no funds—pass.

Resolution 8.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,320,800 for Government Services, Supply and Services, for the fiscal year ending the 31st day of March, 1998.

8.4. (a) Accommodation Development (1) Salaries and Employee Benefits \$1,915,900—pass; (2) Other Expenditures \$715,500—pass; (3) Less: Recoverable from other appropriations (\$495,000)—pass.

8.4.(b) Workshop Renovations (1) Salaries, Wages and Employee Benefits \$1,955,400—pass; (2) Other Expenditures \$248,900—pass; (3) Workshop Projects \$2,575,000—pass; (4) Less: Recoverable from other appropriations (\$4,779,300)—pass.

Resolution 8.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,136,400 for Government Services, Accommodation Development, for the fiscal year ending the 31st day of March, 1998.

8.5. Emergency Management Organization (a) Salaries and Employee Benefits \$643,300—pass; (b) Other Expenditures \$297,500—pass.

Resolution 8.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$940,800 for Emergency Management Organization for the fiscal year ending the 31st day of March, 1998.

6. Expenditures Related to Capital (a) Capital Projects \$16,175,100—pass.

Resolution 8.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$16,175,100 for Expenditures Related to Capital for the fiscal year ending the 31st day of March, 1998.

The last item we have is the Minister's Salary. The staff are gone. 1.(a) Minister's Salary \$25,700—pass.

Resolution 8.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,649,500 for Administration for the fiscal year ending the 31st day of March, 1998.

This completes the Estimates of the Department of Government Services.

### OTHER APPROPRIATIONS

**Mr. Chairperson (Ben Sveinson):** The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates of Emergency Expenditures.

Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of Emergency Expenditures. Does the honourable Minister responsible for Emergency Expenditures have an opening statement?

\*(1630)

**Hon. Frank Pitura (Minister of Government Services):** Actually, Mr. Chairperson, I do not as such have an opening statement. It think that I will just pass it off to my critic for questions.

**Mr. Chairperson:** We thank the minister responsible for those comments. Does the official opposition critic, the honourable member for Elmwood, have an opening statement?

**Mr. Jim Maloway (Elmwood):** Mr. Chairman, I think at this point we will agree to pass this particular section, and we will deal with this matter again in the concurrence section when it comes up after Estimates are over.

**Mr. Pitura:** I appreciate the member's comments. I think that some information I would like to leave with the member is from the standpoint that I think we all realize that we have just come through a very major disaster within the province of Manitoba and that, in terms of the funding allotment in the tabling of Estimates for this disaster, at the present time we do feel that there is an adequate funding on that line.

However, I would like to point out to the member that, with the fact that the disaster is approximately midpoint and that the calculation of all the costs as related to this disaster are not known yet, if indeed the costs are much greater than we anticipate, then we will probably have to—our intent would be to come back to the Legislature if the House is sitting for some supplementary funding or to provide supplementary funding for Emergency Expenditures should the need arise.

So I think I have to be fair to the member to inform him about that from the standpoint of this disaster that we are presently faced with right now.

**Mr. Maloway:** Mr. Chairman, I would like to thank the minister for that statement.

**Mr. Chairperson:** 1. Emergency Expenditures \$20,000,000—pass.

Resolution 27.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$20,000,000 for Other Appropriations, Emergency Expenditures, for the fiscal year ending the 31st day of March, 1998.

That ends the Estimates for Emergency Expenditures. That concludes the Estimates. Thank you, Mr. Minister.

The next Estimates will be Health, and we will take a five-minute break to give the minister a chance to get in here. Thank you.

*The committee recessed at 4:34 p.m.*

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### After Recess

*The committee resumed at 4:43 p.m.*

## HEALTH

**Mr. Chairperson (Ben Sveinson):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Health. Does the honourable Minister of Health have an opening statement?

**Hon. Darren Praznik (Minister of Health):** Mr. Chair, I think people would be surprised if I did not have an opening statement. First of all, it is certainly my great privilege to be here as a new Minister of Health and my first Estimates with this department. It is for the fiscal year ending March 31, 1998.

Today I am asking this committee to support our department's request for \$1,825,551,100 inclusive of operating and capital expenditures. At the outset I want to acknowledge and thank all health care providers and professionals within the system, community groups, professional associations, voluntary agencies and individuals for their support, participation and contributions to operating our health care system here in our province which is of great quality; a very high quality system in the world.

I extend a special thanks to the 10 regional health authority boards who have just completed their first anniversary. I also want to thank the people who have been working and developing the Brandon regional hospital authority, to which the first tranche of appointments have now been made as well as the Winnipeg Hospital Authority. I look forward to making very soon the first round of appointments to the Winnipeg community and Long Term Care Authority.

I would also like to pay tribute to my predecessor, the Honourable Jim McCrae, the new Minister of Environment, who I think through some very difficult years steered this department through a host of issues, did a great deal of work on planning for where we need to take our system and reorganizing it to meet changing realities. I certainly want to pay tribute to his efforts. He has been very gracious in the transition. We worked very closely together over the years and certainly in the last few months as he has brought me up to speed on much of the work that he has done during his tenure here. My mandate from the Premier (Mr. Filmon) is to

get on with implementing many of those plans, and so his contribution in bringing me up to speed is very, very much appreciated, and I want to thank him today.

I would also like to thank my critic, Mr. Chomiak, the member for Kildonan. We have had an opportunity to speak, and he has been very gracious to a new minister in the opening weeks. I know our issues have remained debates about facts, debates about policies, debates about directions. They have not been ones of a personal nature, and I certainly admire and respect that in colleagues because that is what I think the public expects of us in this place, and I wanted to make that comment today to him.

My predecessor, the Honourable Jim McCrae, laid the foundation for a renewed health care system and the mandate that I have been given is to implement and build on that foundation.

The department is continuing to move from a treatment and institutional focus to one of prevention, health promotion, and community- and home-based services. This is a similar trend that is being followed across the country, indeed most of the western world, and really is a trend that knows no particular political base, but one that is being followed by governments of all stripes. Recognizing the broad determinants of health, we are implementing a multisectoral approach aimed at a seamless continuum of care.

The reduction of over \$7 billion in federal funding to the provinces in the last three years alone has resulted in severe pressures on all provinces including ours. We cannot afford to wait; we must act now. Manitoba is taking the necessary steps to ensure the sustainability of our health system and to provide Manitobans with the health care system they deserve, and one that they can expect to be sustainable into the next century despite those reductions in dollars from the federal government.

\* (1650)

Mr. Chair, the funding and delivery of health services historically has been a provincial responsibility. That is even more so today. Today the Canadian health and social transfer through the Canada Health Act provides for funding of necessary hospital and physician and

other health services, but federal cash transfers have decreased from 30 percent in 1980 to less than 16 percent today for comparable services.

Even with these reductions, Manitoba has a health care system that I believe is exemplary not only in Canada but throughout the world. Our system is broadly based and includes a wide range of treatment, prevention and support services, such as ambulance and emergency medical services, a prescription medicine program known as Pharmacare, personal care homes, a home care program as well as physician and hospital services. Although these are not perfect in any way, they certainly provide a foundation and a delivery mechanism for a broad base of services which is not replicated in many jurisdictions throughout the industrialized world.

Mr. Chair, this reduction in federal cash contributions which we have seen has constrained Manitoba and other provinces in the provision and introduction of extended programs and services. However, our province is meeting the challenge of reduced federal contributions to health care in a manner similar to that in which we have met the challenge of this flood in this particular spring. We have met that challenge head on. We did not shirk from our responsibility to the residents of our province and have worked to ensure that Manitoba's health care system continues to deliver as high a quality product as we possibly can with the resources available to us.

The major challenge facing Manitoba is to preserve, protect and promote our health system in the face of these reductions in funding and also increasing costs from a variety of factors including technology as well as changes and increases in demands with an aging population. The demand for increases in health services, as I have indicated, is attributable in part to the pace of technological advances not only in health but in other areas of communication, technology, transportation, et cetera. Progress and diagnosis and treatment have changed the way we do business, the way we provide health care and the kind of health care we as consumers expect and use. We must be certain however that the new technologies, such as those in diagnostic imaging, surgical procedures or pharmaceuticals represent a true improvement in health

care and are not simply an add-on, because the ultimate goal of our system is of course a healthier population, not just the expenditure of dollars.

Let me explain if I will for a moment: The population health approach focuses on the things that enhance the health and well-being of the overall population. This concern with the impact of our living and working environments as well as our other social factors on health status requires a co-ordinated effort across government departments to address these broad determinants of health. They also, perhaps even more importantly, require the willingness of individuals and communities to improve their health. My department is committed to working co-operatively with other departments, with health care providers and professionals, and with the community and individuals to achieve a co-ordinated and integrated approach to services which enable Manitobans to attain improved health status.

Health care renewal and restructuring in Manitoba is evolving along carefully designed pathways leading to better co-ordinated, integrated health services. The rural and northern health associations or authorities are providing new approaches for better management of the service delivery system. It is our hope that more services will be provided closer to home, such as dialysis, chemical dependency programs, mental health programs and of course an expanded home intravenous program. We are aware that 20 to 30 percent of rural residents today must leave their community to obtain necessary services. At the same time, many rural hospitals and facilities have occupancy rates below 50 percent. Moreover, virtually all medical specialists practise in Winnipeg. The challenge is to ensure that, regardless of place of residence, all Manitobans have reasonable access to specialized diagnostic treatment and therapeutic services.

The development of the Brandon Regional Health Authority, the Winnipeg Hospital Authority and the Winnipeg Long Term Care and Community Health Authority is well underway. One important result will be more effective health care services that will be provided in a system that is widely based and makes more effective use of our facility resources and our human resources as well.

The result of that is that each patient will receive the care that is needed in an efficient way. Each patient will be properly matched to the hospital or community environment that best meets their care requirements. In Winnipeg, clinical program managers are being recruited to oversee and co-ordinate the delivery of clinical services throughout all health care facilities.

We believe in doing things right to the best of our ability, and we believe in doing the right thing. The way we know we are doing the right thing is to base our decisions on evidence. Health service utilization data are a key element in determining the appropriate range and distribution of services. Manitoba has one of the best hospital and medical care databases in the country. As just one example, the Manitoba Centre for Health Policy and Evaluation has an international reputation in the analysis of health services utilization data. The centre is playing a key role in providing Manitoba Health with the evidence needed for determining priorities in necessary services which should be available and accessible to all Manitobans.

However, we must balance the need for information with the need for individual privacy and confidentiality. This will be addressed by the privacy legislation that is being introduced shortly in this legislative session. We do know from our information systems that considerable efforts are still required to improve the health status of the most vulnerable segments of our population. That is why the department is committed to working in partnership with communities and other departments, such as Education, Justice, and Family Services, to improve the health of Manitoba children, especially those who are living in poverty and aboriginal children. Accordingly, my department is an active partner with the Children and Youth Secretariat on the co-ordination and integration of services for children at risk.

Manitoba has the highest proportion of aboriginal people in its population in the country. Health among urban aboriginal groups is poor compared to that of the overall urban population, generally speaking. Hospital utilization patterns are significantly higher, particularly for acute respiratory infections and other illnesses associated with low income.

I am concerned about services for aboriginal people within our system, and that is why the department is

very supportive of aboriginal health initiatives which focus on health status or disproportionate use of medical services and inaccessible or unavailable health services which have also seen their difficulties because of reduction of federal support over the last number of years.

Consistent with this concern, the department is establishing an aboriginal health unit to interact with communities, regional health authorities and the governance mechanisms that First Nations are in the process of putting into place as part of the devolution of authority within the health budget of Health and Welfare Canada for First Nations people.

An aboriginal health and wellness centre in Winnipeg is also being developed and funded as a pilot project to provide primary health services and community development and community education and outreach. I believe this facility is located in the new Aboriginal Centre of Winnipeg, the old CPR railway station, and I know we are very much firmly committed to funding this pilot project.

I want to touch, Mr. Chair, briefly on some of the other ways in which we are striving to improve the health and well-being of Manitobans. Foremost among these, efforts have been aimed at reducing the fragmentation and inappropriate duplication of services, particularly in our large urban centres, principally Winnipeg. This includes the realignment of the service provided by our teaching and community hospitals, consolidation of laboratory services, as well as other support services, and the expansion of nursing roles, as well as the establishment of midwifery. We, of course, will remain vigilant, ensuring that the appropriate array of services for our seniors through additional personal care home beds, coupled with alternative support of housing and other community-based support services, continues to be built as needed.

The department has established a framework for renewal that is consistent with the renewed vision of Canada's health system and the consensus of provincial and territorial ministers of Health. The world, as we all know, is changing at an ever-increasing pace. We cannot try to keep trying to do new things in the same old way. This is why we are moving to a broader approach with emphasis on the development of

strategies, policies, priorities and accountabilities in an overall funding allocation framework. This has also become so much more important as we recognize that, if we are to afford the next advances or improvements in diagnostic and medical technology, for example, which inevitably will be upon us, that we have a structure that is going to be able to best use them to continue to make them affordable.

The goal, of course, is a high-quality accessible health care system for our province, the wise use of our health care resources, and, of course, most importantly, a healthier population. As Minister of Health, I am determined to pursue and achieve these goals, but, of course, one cannot do it alone. The department has already received the help and assistance of literally thousands of Manitobans in helping us move towards change in our system and improvements in our overall health delivery system. I also ask for your assistance as members of this committee in co-operation as we continue to work towards developing an appropriate health care system for our province of which we can all be proud. Thank you, Mr. Chair.

**Mr. Chairperson:** We thank the Minister of Health for those comments. Does the official opposition critic, the honourable member for Kildonan, have any opening statements?

**Mr. Dave Chomiak (Kildonan):** Mr. Chairperson, I thank the minister for those comments. Due to the fact that the Estimates process has proceeded in the way that it has, I am severely limiting my remarks to thanking the minister for his comments and anticipating moving on to the questioning lines.

**Mr. Chairperson:** I thank the critic for the official opposition for those remarks.

**Mr. Praznik:** Mr. Chair.

**Mr. Chairperson:** Yes, Mr. Minister.

**Mr. Praznik:** Mr. Chair, before we go on, I would just like to ask my critic how he would like to proceed.

**Mr. Chairperson:** If we might just hold on, we will get there.

Under the Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of the department. Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line. Before we do that, we invite the minister to introduce his staff present.

\* (1700)

**Mr. Praznik:** Mr. Chair, before I introduce my staff here today, I would just like to seek the recommendation of the member for Kildonan, my critic, because, as he knows all too well from his years as critic, this is a large department with lots of staff in a host of different program areas; and, over the next number of days, as we go through this, it would be most helpful to us if he could at least provide us with what areas he would like to cover in a given day so that we can arrange to have the appropriate staff here. Obviously, that, I think, makes it move much more smoothly. I understand as well that there is usually a list of particular information that he requests each year to be provided to him, and if he had that list, then we could proceed to gather that information that he requests, and this is something we can have staff work on. So I would ask your advice or his advice as to if that is acceptable.

**Mr. Chomiak:** Yes, Mr. Chairperson, I have had discussions with the critic for the Liberal Party in the Legislature as well with respect to how we should proceed. Generally, we have tried to proceed on a line-by-line item basis and try to deal with the matters under their appropriate allocation, which has not always been the case in Health previous to my tenure.

In discussions with the member for Inkster (Mr. Lamoureux), I am under the impression that because there are a number of broad policy issues that we will be dealing with, I was going to recommend and suggest that we try to deal with as many of them—and I look around and see the staff that is available, and I think it probably would be appropriate that we tend to try to deal with the larger, broad policy issues under line 1.(b), for several days, I would suggest, and then proceed on a line-by-line basis as expeditiously as we can, coming back to issues that perhaps have not been addressed.

But I think that if the minister feels comfortable with that, and I believe the member for Inkster does, and if he feels that is appropriate with his staff, that is what I am recommending we do this time.

**Mr. Praznik:** I have no problem with that. I think it allows us to address the larger issues in a broader context. All I would ask is if I could perhaps have the day before some sense of those issues, so that I could arrange to have the appropriate staff here for those discussions. It would make life easier for all, and I would be prepared to agree to that.

**Mr. Chairperson:** Agreed?

**Mr. Chomiak:** I will endeavour with my colleague the member for Inkster to provide that, as well as to provide tomorrow a list to the minister of documents that are normally tabled during the Estimates process.

**Mr. Praznik:** I would now, Mr. Chair, like to introduce my staff; first of all, not a member of my staff but a colleague who serves as my legislative assistant, the member for Turtle Mountain (Mr. Tweed), who has been assigned those responsibilities by the Premier (Mr. Filmon). The member for Turtle Mountain has been working with me since, I guess, the end of January when he came on board as part of our team, and I want to thank him for his efforts and work. He has been very, very helpful and a good part of the team, and I wanted to recognize him here today.

Since this committee last met to consider Estimates of this department, there have been some very, very significant changes in the senior levels of the department, of course a new minister but also a new deputy minister. Mr. Frank DeCock joins us today as the new Deputy Minister of Health. I believe that took effect on the 1st of April.

I want also to recognize the departure of Dr. John Wade who very ably served this department for a number of years. Dr. Wade has retired from his active role as a deputy minister to go on to do other things, but he certainly was a very committed deputy and worked very hard on behalf of the people of this province, and I want to pay tribute to him here today.

In introducing Frank, I think he is no stranger to anyone at this table. He has been a long-time member of the provincial public service. He was a former Associate Deputy Minister of Health, and his appointment to this position I do not think surprised anyone in the province. It was certainly well deserved, and I am glad to be working with him.

We have reorganized our department as a result of those changes, and where we used to have one associate deputy and three assistant deputy ministers of Health at one time, we have flattened our organizational structure for a variety of reasons, and we now have a deputy minister and three associate deputy ministers. Part of the reason was the individuals whom we recruited. One is a former deputy minister who is no stranger to me, who served as my deputy minister in the Labour department for quite a number of years, and that is Roberta Ellis who is here today. She is the associate deputy minister in charge of Human Resources and Planning, and her role is to work on many of the human resource issues that are a big part of health care as well as a number of special projects that come our way from time to time.

Also joining us from another department is Mr. Don Potter who is formerly an associate deputy minister of Finance, and we have recruited Don to be associate deputy minister of Health for internal operations.

The way, in fact, we have reorganized the department, in addition to kind of a special project piece that Roberta Ellis manages of which Human Resources are a part because there are many human resources issues, physician remuneration being one that she manages, with the movement of so much of our department into the regional health authorities, we have divided the remaining part of our operations into internal and external operations. So Mr. Potter joins us as the associate deputy for internal operations of the department. He is responsible for finance, administration, audit function within the department, standards enforcement, province-wide programs such as Pharmacare, the Ambulance program, Public Health, et cetera. So items that we would administer within the ministry, in essence, are housed within Mr. Potter's bailiwick.

Also joining us, the third associate deputy, no stranger, a former assistant deputy minister promoted to this position is Ms. Sue Hicks who was responsible for the operations of the department, and she now takes on the role of associate deputy minister for external operations. She is responsible for the operation side of all health delivered through external agencies, primarily the regional health authorities. So she joins us today. So that is in essence our new team, and I am very pleased to have them with us here today.

**Mr. Chairperson:** We will now proceed to line 1.(b)(1) Salaries and Employee Benefits on page 68 of the Estimates book. Shall the item pass?

**Mr. Chomiak:** Mr. Chairperson, I thank the minister for that introduction. It kind of circumvents my first line of questioning insofar as the Organization Chart in the Supplementary Estimates book dated January 31, 1997, is obviously significantly changed, and I would hope—I would wonder if tomorrow or as soon as possible we could have a new Organization Chart in order to—I might ask also at the same time if the individuals who are assuming each of the positions within the Organization Chart can be named, because the January 31 chart does not have the names, although previous organization charts had done that as a matter of course.

**Mr. Praznik:** Mr. Chair, no problem at all with that. I apologize that we did not have that available today, but we will have that tomorrow. We will undertake to have that for the member.

**Mr. Chomiak:** Mr. Chairperson, for clarification, under the item Executive Support, are we talking about an increase in staff years within the Department of Health or a decrease, the reallocation? How is that expenditure item under 21.1(b) going to be reconciled with the new organization chart?

**Mr. Praznik:** Mr. Chair, my understanding on the senior staff side—our staff are checking because we are just putting this together from the reorganization, but we understand we have the same number of staff years although all of them are not filled. At one point we had one associate deputy and three assistant deputies. One of those assistant deputies has been seconded to the Health Sciences Centre, Finance, Mr. Tim Duprey.

Another is vacant, that was Mr. Glenn Alexander, and Ms. Sue Hickes has moved into a new position. So we have the same number on the books, but we have not filled all of them.

\* (1710)

**Mr. Chomiak:** So could I ask also tomorrow if the reconfiguration will also include the names so that we can have some ideas to the—the reconstruction of the department is significant in so far as there was some previous reconstruction, some significant reconfiguration of the department, but I will leave that until I have an opportunity to view the flowchart.

My next question is: The minister made reference to the former deputy minister, John Wade, and I understand that Dr. Wade has been given a role with respect to health and some form of a contract. I wonder if the minister might outline for us specifically what that is.

**Mr. Praznik:** I believe he is referencing an Order-in-Council that was required for him to be able to do some work with us should we require his services. To date we have not negotiated a contract. Dr. Wade indicated to us he is doing work across the country in a variety of areas, and he indicated to us if there were some areas where his services could be of use to us that he would be available, hence, we passed the Order-in-Council.

My immediate concern was, and at any time you have a transition, that there were a number of projects that Dr. Wade had been pursuing. Some of them had been the regionalization of various surgery programs on a western-Canada basis, et cetera, and we wanted to assure that he was available to us should we need his expertise and experience in completing that work. To date we have not asked him to take on a particular function as of this date, so that is why we have not put a contract in place; but should we require his services at some point, then we will, and I would be pleased to provide that at that time.

**Mr. Chomiak:** Dr. Wade is not working in any kind of capacity with the Premier as was reported at one time with respect to Health projects?

**Mr. Praznik:** I believe the reference or the point that the member makes may come from a decision by the

Western Premiers to have deputies work on a variety of these consolidation of services. In his capacity as deputy, Dr. Wade was pursuing those, but since his departure as deputy minister, other than the Order-in-Council that puts the mechanism in place for us to have him work with us, we have not yet required those services. So he is not working for us anywhere to my knowledge in government as of this day.

**Mr. Chomiak:** Can the minister confirm that Dr. Wade acted as the interim chair of the board of the Order-in-Council of the Winnipeg Regional Health Authority that was set up?

**Mr. Praznik:** Yes. After I was appointed, Dr. Wade informed me that he had put himself in or had been placed in that position—and for a logical reason. There were certain program functions that required some central direction, and under the plan as developed, the CEO was required to appoint some interim program heads. So Dr. Wade as the deputy took on that particular responsibility which, of course, has now ended and, in that capacity as an interim CEO in that position, made, I believe, nine interim appointments of program heads, which we have now as the new board and CEO has certainly in their purview to review and change, but they were there because there was some central direction. Dr. Wade felt needed at that particular time, and that is why he proceeded to make those appointments.

**Mr. Chomiak:** The minister has referred to the Winnipeg Regional Health Authority as well as the continuing Long Term Care Authority. I wonder if the minister might, tomorrow, table the list of members on the Winnipeg Regional Health Authority. If it is just the press release, then that is fine. We already have access to that, so I thank you for that.

Can the minister indicate what the policy was with respect to nominations to that board, what organizations were contacted, not only with respect to the Winnipeg Regional Health Authority Board, but the Long Term Care board that the minister indicated earlier in his comments was going to be shortly appointed?

**Mr. Praznik:** Mr. Chair, I will endeavour to get him the complete list. The intention in setting up that board was to have the minister appoint a chair and two vice-

chairs to that board, as well as, a number of citizen representatives. But the current facilities, I believe, nine in total plus university, the Manitoba Cancer Treatment and Research Foundation—and we will get him the complete list—we are asked to submit names to us for consideration as appointments out of those facilities. I know some of those appointments have been made in the case of the University of Manitoba. Also, I believe the Keewatin, I believe it is, health council, because part of the arrangement in them using that territorial council, using facilities in the city, was to have an appointment. They submitted nominations, one of whom has been appointed in the first round.

I know we have had to go back to some organizations, because of a variety of issues surrounding nominations that were put forward. We also identified off the facility a list of nominations, individuals who will be appointed upon the decisions by their boards or upon the completion of an agreement in principle for either operating or evolutionary agreements with the Winnipeg Hospital Authority. My concern was that I did not want individuals nominated from existing boards as part of the hospital authority until the relationship with their facility was established at least in principle, an agreement in principle, because we did not want to see the accusation of various facilities being on both sides of the bargaining table in that process as they are developed. So most of those facilities, at least orally, have been informed of which of their nominees will be appointed in due course to that board. I would be prepared to share that with the member tomorrow.

**Mr. Chomiak:** Is a similar process taking place with respect to the long-term board, and can the minister enlighten us as to what the process is in that regard?

**Mr. Praznik:** Yes, Mr. Chair, very similar process. I think there is only one vice-chair. The board is a smaller board; I think, it is 15 members as opposed to 21 for the hospital authority. We have gone to the various associations representing many of the players, stakeholders in that area, and asked for nominations. There will also be a number of community citizen representatives on that board. We have not yet appointed it. I am still working through that list, regrettably. The flood delayed that process somewhat,

as I know the member appreciates and understands, but I hope to have that completed by the end of June.

**Mr. Chomiak:** Does the minister anticipate legislation with respect to either of those boards this session?

**Mr. Praznik:** An excellent question, and I must offer somewhat our apologies. This whole process of the flood has delayed and put some pressure on other areas. But within the next few days, it is my intention to be introducing a bill in the Legislature which will, in essence, be an amendment bill to the previous legislation. It is our intention to amend that legislation to allow for the creation of the two Winnipeg authorities and basically to follow the same rules and provisions of the existing statutes for rural and northern, for the two Winnipeg boards with the obvious provisions that are somewhat different. In the case of Winnipeg as a region, it has two authorities instead of one. This will also be applicable for Brandon as well. So this way there is really no great surprise.

\* (1720)

As a minister, my preference, I think there might have been some plan at some point in time to have separate legislation, but in reviewing the matter, coming in as a new minister, I thought it was important to have a consistent legislative base for regional hospital authorities as much as possible, and this was felt probably the best way to do it. So I will be able to share with him that legislation very, very shortly.

**Mr. Chomiak:** Because a lot has not been said about the long-term care board, it is a relatively unknown quantity. I am wondering if the minister might explain perhaps the difference with respect to having a health authority look after long-term care vis-a-vis Winnipeg and the regional health authorities look after long-term care outside of Winnipeg and how that matter can and will be reconciled.

**Mr. Praznik:** Mr. Chair, the member for Kildonan, who has been in this business of health care somewhat longer than I in his role as a critic, I think, in the tone of his question, flags one of the ironies of these boards. In many ways, the board where so much of needed care will be provided is through the long-term continuing care board, but the area that will always seem to garner

the greatest public interest, of course, is the hospital authority. It is the nature of a building and bricks and mortar and what goes on there that I think does that. In reality, it may be that the long-term care board is, at the end of the day, more significant in terms of the number of people it deals with and so much of the needed care, and it is unlikely to garner the same public interest. So an interesting irony.

My understanding in taking over this plan was, given the size of the city of Winnipeg and the number of services delivered, that the task of having one health authority at this stage of the game to govern all of Winnipeg was very daunting indeed and that it would take a very large effort to integrate the services between our existing Winnipeg hospital long-term care facilities—I am thinking of really Riverview and Deer Lodge plus the seven hospitals being the nine facilities being affected by this board. The efforts to take those independently governed boards today and to be able to amalgamate the service-delivery parts of it, still recognizing some of the unique parts of governments locally in some of those facilities, would be a fairly daunting task. So it was felt that it was best to separate those two functions at this stage of the game.

At some time in the future, and I believe our draft legislation, as the member will see when we table in the House, will address and provide some authority. It would be my intention to provide some authority at some point if it was felt that bringing the two together would best serve the needs of the city and the province that that could happen.

The difference, of course, with rural and northern boards is that their populations are so much smaller, the service is much more local, smaller centres. The task of amalgamating and integrating facilities and community service I think is much easier in those rural districts by and large than they are in Winnipeg. So that was the logic behind it.

You know, we recognize, and I think the member may point out that not having our community care side integrated with the hospitals does create a little bit of a void, maybe a large one, that we are going to have to manage over the next while. At some point in time, when the facilities integration is done and the Long Term Care and community facilities board have done

their work, amalgamating the two might be the logical thing to do, and I would certainly want to provide for that should that become the right thing to do.

**Mr. Chomiak:** Continuing down this line, I wonder if the minister might outline for me structurally how the process will function. I will use the example of Home Care, recognizing that we are not in that line item and I am not really looking for specific details, but rather a structural understanding of how the matter will function.

We will have home care come under the auspices and delivery of the rural health authority outside of Winnipeg, and presumably the Long Term Care Authority. I am assuming the Long Term Care Authority within Winnipeg, and I am wondering how that will structurally function, how the department sees the functioning in terms of the services provided.

(Mr. Mervin Tweed, Acting Chairperson, in the Chair)

Of course that raises the larger issue which I am sure we are going to get into in terms of who in fact is employing employees and the like, but just in terms of the structural and the initial stages how that is in fact envisioned by the department to function.

**Mr. Praznik:** Mr. Chair, with respect to rural, the rural services home care—and I just want to separate that for a moment, because on the 1st of April under an agreement that Roberta Ellis put together with the Manitoba Government Employees' Union for a year of transition, the employing authority and direction of our staff, our provincial staff transferred to those rural health authorities and that integration is now beginning as regional health authorities take over.

In Winnipeg our provincial staff continues to report to the department, to Sue Hicks' side of it of external operations. As the Winnipeg Long Term Care Authority board gets up and operational over this transitional year, we will do the same kind of evolution into that board over the year. That is part of it structurally.

One concern that he flags, and I am glad he flagged the labour employing authority side, because one of the

things we are trying to achieve with this, and we are not there yet, and I recognize it is going to take a number of years to do, is to be able to achieve the kind of organizational structure that gives us as much flexibility as possible in being able to accommodate and move staff with need. I am not trying to do that to circumvent any collective agreements or rights that people have, and that is why it is going to take some time to properly sort those things out, but what I would like to do, and I heed his advice that he does offer in Question Period in our exchanges. So many of the times the moves we have to make result in unnecessary pain to people working in the system because it leaves their future, whether they are going to be employed or their job, in doubt.

So we have a lot of work to do there. I have begun some discussions with union leaders in the health care field. Certainly with our planners we have certainly involved the Labour Board because we would like many of these things to be worked out in existing mechanisms and not imposed. So we are going to give it a couple of years to do, but ultimately that is our goal.

The other part of his question that I want to address is the continuum of care for patients, which ultimately is why we are doing all of this. We would expect that the authorities, whether they be rural authorities working with the appropriate Winnipeg authority in movement of patients and clients or between the two authorities, and obviously in Winnipeg being able to have a good working relationship between home care and the facilities so that as people are able to be discharged that they are being dealt with in that facility and moved out to their homes and get the care so there is not a lapse or not a breach in that continuum of care is a great concern to us because, if there is, then it is not working. So that is going to be a fundamental charge to these new managers in the system, to make sure that component is put together. I am hoping there will be a minimum number of glitches.

Today we have the void in essence, and we have before the regionalization 180 different facility boards, government delivering service, often despite ourselves. It was managed reasonably well on an operational basis and other times it was not, but we are hoping to make improvements in there. I do not know if I have

answered the member's question specifically. It was a broad-based question. I hope I have.

**Mr. Chomiak:** Yes, that has been helpful. Just continuing down this line, the individual who requires home care, be it an individual who is being discharged from hospital or an individual who is resident in their home are now assessed by Continuing Care and the services put in place. Presumably that process will continue except it will be under the direction of the Continuing Care board to be put in place.

\* (1730)

**Mr. Praznik:** The Home Care program will function hopefully where there are improvements that we can make in terms of relationships with hospitals, because that is an ongoing complaint about how the two function together and we hope to improve that, but ultimately the direction and responsibility for that service will be with the Winnipeg Long Term Care board. They, in essence, will be running and be responsible for the Home Care program.

**Mr. Chomiak:** So structurally the one-entry system that we have, multiple points, one-entry system, will still exist but it will be under the auspices of that board within the city of Winnipeg.

**Mr. Praznik:** Yes, that is correct. Obviously there is an integration in operations between long-term care facilities, home care and a variety of the programs that we deliver, and we will integrate them in that way. Eventually, if the system can handle it, that may even get integrated with the hospital authorities in one, in essence, health authority for the city of Winnipeg. We did not think at this stage that was possible, given how large a task that would be.

**Mr. Chomiak:** At one time the plan was for the Home Care group, if I can put it in those terms, Continuing Care portion to be under the auspices of a Winnipeg regional authority and there was a manager that was advertised for in terms of co-ordinating that role. Is that function still in place?

**Mr. Praznik:** Yes, Mr. Chair, in this transition period that position was advertised. A successful candidate was recruited and hired, and they are doing their work

and amalgamating and integrating our programs which are today housed in the ministry and report to Sue Hicks. That will evolve at the end of the transition year into the Winnipeg long-term care facility with that individual.

**Mr. Chomiak:** Outside of the city of Winnipeg, the reporting structure will be not through the Department of Health Continuing Care in Winnipeg, but rather will be through the appropriate regional authority in that jurisdiction?

**Mr. Praznik:** As of April 1 of this year, that is in effect, in fact, and in law the case. Our Home Care programs, our Continuing Care programs were transferred on as effective April 1 to the regional health authorities, and I just add this caveat that we negotiated with the Manitoba Government Employees' Union an agreement that allowed for up to one year for the continuation of all of the benefits, payroll, et cetera, by the Ministry of Health, and then we just work out the difference in accounting.

In essence we gave the regional health authorities a year to set up their own payroll systems, work out any issues in transferring these employees, et cetera, so no employee of our provincial programs—I did not want anybody losing a pay cheque or a benefit or anything during this period. So today their pay cheques come with Province of Manitoba, but they work for the regional health authority. We do the accounting. By the end of this period, I guess by April 1 of next year, their cheques will be from their regional health authority.

**Mr. Chomiak:** What central authority is in place to determine the extent of services and the base line and standard of services that are offered, and I am using home care only as an example of all activities with respect to health.

**Mr. Praznik:** I am glad the member used this as an example, because one of the accusations against the program generally over the years has been inconsistencies and differences in the delivery of the program in various parts of the province. So a lot of work is going on currently to make sure we have a common standard of expectation and what people are entitled to, and it will be Sue Hicks' responsibility as

the associate deputy minister for external operations and part of the mandate for which we will fund the regional health authorities to deliver and meet a common standard of service across the province.

Obviously, there is going to be some variation in delivery mechanism to suit individual needs in different parts that require some uniqueness in how you deliver a program, but the expectation of the public is that they are entitled to the same type of service wherever they be served in Manitoba, reasonably entitled, because there is always an isolated spot that people cannot get to, the odd one here or there, but the same degree of service.

Now, the other part of this that I raise with him, and it comes from discussions we have had earlier in the year on other issues, is that we would like to be able to put in place not only the standard or expectation or model that we fund which Sue Hicks will be responsible for ensuring the RHAs are delivering, but we want to be able to have a service-audit function independent of that process which will be housed in the internal operations of the ministry in Mr. Potter's section, which will be able to do the checks from time to time, not only audit it financially, but very importantly, a service audit. It gives us, I think, a little bit of an independent check, obviously, on ensuring that the standards as developed by the ministry are, in fact, being met and adhered to.

The other component, of course, is appeals as another mechanism that we want to ensure is there, not only in home care and long-term care issues but others, and we are addressing now how we can ensure that there is a very good appeal function. We have a number of appeal bodies in the ministry now. Can they be appropriately consolidated to ensure that there is always a public appeal mechanism and that if there is a consistent number of appeals coming on an issue demonstrating there is a problem, that we are reacting quickly to get on that problem.

So we are trying to put those mechanisms in place to ensure that there are standards that are delivered, program expectations and deliverables, and they are delivered across the province, ensuring that they are meeting the standards we set and that the audit of those is somewhat independent from the program delivery.

**Mr. Chomiak:** I thank the minister. That has been useful. What form will these standards or directives take? Will it be internal? Will it be an Order-in-Council; will it be regulation? What guarantee, because I am sure the minister is well aware of the oft-repeated phrase that home care, for example, is not a guaranteed service. What form will these standards take?

**Mr. Praznik:** I want to be careful on definitions of words, because they often have different meanings. I think it is important to recognize that home care or any other area has a program with services that we provide. Whether they are guaranteed or not guaranteed, I guess, is always a concern to the users, whether government guarantees them or not, but there is a bundle of services that a program is expected to deliver through the appropriate delivery agent, if that is the regional health authorities. The ministry funds for those services, and they are there.

The standards I guess are not the bundle of services, but it is the manner in which the services are delivered. My experience in the ministry in some areas, as we are going through some of these questions, is sometimes the standards and service deliverables become somewhat confused. I would like to separate them, because I think standards say how you will deliver a service, what expectation that people have as to how that service will be delivered. That question of how services, agreed-to services are delivered, I want to make sure are somewhat separate from the delivery mechanism.

The issue the member raises about guaranteed service, I know that Paula Keirstead, who chairs our, I think it is the advisory committee, has raised this issue about guaranteed services. I guess, guarantees, what do they really mean? If one is worried about losing something you may have a comfort level, but ultimately what we are talking about, whether we use the word or not, is the bundle of services that our Home Care program will provide to all Manitobans to which they are entitled under that bundle that we have agreed to provide, and that obviously we want to make sure is consistently delivered across the province, and I think, most importantly, adequate for our expectations of the Home Care program. That will probably be an evolving and maybe even expanding bundle over time as there are changes in hospitals.

So I appreciate the concern of some who talk about guarantee. I do not foresee reductions in home care deliverables over the years. In fact, if anything, I see them somewhat expanding in the fact that we are looking at the home IV program and other services that we can now, with technology and other changes, deliver in the area. But there will always be some, and perhaps rightly so in areas of restraint, who would like to see a guarantee, and I appreciate that. Thank you.

**Mr. Chomiak:** Mr. Chairman, it becomes extremely important, and I appreciate this distinction, but it becomes very important when one considers that the final authority for the various regional plans is in the hands of the minister, and the minister is going to have to have some base level in order to make the determination.

So I guess my next question is: Where are we at with respect to the delineation of core services?

\* (1740)

**Mr. Praznik:** I am informed by my associate deputy that the core services are the ones that have always been in place. I think they are fairly well defined currently. We want to, of course, make sure that they are delivered on an equal basis across the province, and that has been of some concern from time to time, but they are there.

I would hope that—we are working on it now. I do not know if it is completed. Have we completed our document, our manual on what we provide? We have not quite completed our document. When it is, I want to make sure the member has a copy.

We want to be able to define the services in general terms, I guess, as specifically as we can, the bundle of core services we provide and ensure that it is in a document that outlines the program, what people can be expected to—the processes and procedures including the appeal mechanism, if they disagree, and have it in a plain-language format that we can provide across the province. That is one of the things that I have asked for and that we are working on now.

I think that will go a long way to give Manitobans, particular elderly Manitobans who look to the program

as something they will need at some point in their life or need now, a sense of what they can expect, the information they need and the comfort level they need to know that service will be there. So we are working on that document.

**Mr. Chomiak:** When we have been dealing with home care, as an example, will the core services document and the delineation apply to all services offered by the minister?

**Mr. Praznik:** Just to clarify, is that everything we offer in home care or everything in the department? Yes, eventually we would love to be able to do that. I just hesitate to say absolutely yes, because this department is so broad in every service it provides, I would be very surprised if we had—I am advised that we have a document. I would like to have a look at it to make sure it is there, to be blunt. I am sure the member appreciates that this is such a broad department, I am sure there are services that we provide that may not necessarily be listed in that document. I am thinking of certain things we do in public health or other areas. But his point, I gather from his question, is a very important one I think. People like to see what services are there that they are entitled to receive, and it has always been my belief that should be there as much as possible.

**Mr. Chomiak:** Mr. Chairperson, I thank the minister for that response. It also goes further, because each of the regional health boards, of course, have to know what their legal responsibilities are, and they must have—so clearly there must be more than just an information package available. There are clearly some guidelines, probably further than guidelines, some—would, in effect, amount to regulations or some kind of directive and some kind of bottom line that has to go to regional health authorities. If that is available for our perusal, following review, we would certainly appreciate having a chance to look at that.

**Mr. Praznik:** Mr. Chair, the member is right. The authority has to be there, the direction to regional health authorities. The exception to his comment that I take is that because we are moving to a needs-based model of funding and we are doing needs assessments now, and because there is a great variation into just physically what regional health authorities can provide in different

areas based on the availability of specialists or the needs in their area, we recognize that there may be some very significant differences between the services that regional health authorities will be able to provide to their populations. That does not mean that their populations are not entitled to the service. They may have to receive the service in some other place.

Just for example, in the north Eastman Region that I share with the member for Springfield (Mr. Findlay), who is in this committee today, we do not have a chemotherapy program in our region. We are currently not likely to get one in the foreseeable future because of the need. We have a chemotherapy program in the Selkirk General Hospital which is right next door to us. So every citizen of our health region is entitled to use that program and will be directed there, but it will not be delivered by their regional health authority. So there is likely to be those variations.

Obviously, if you take the member's concern to its logical, extreme conclusion, you could have a health authority that delivers nothing. Well, obviously, then you do not need a health authority. So, yes, we want to certainly work towards that. Citizens are entitled to the same services all across the province; it is just they may not be delivered in their specific health authority depending on the nature of the service. I am sure he appreciates that.

**Mr. Chomiak:** I did not intend to take it down this road, but we are sort of going down this road. So again this is the abstract, and the minister used the chemotherapy program. How in fact will that function? Will the regional health authority in northeast be reimbursed in terms of the cost from the Selkirk program? How will the funding model—I was given to believe earlier that the funding model will be following the patient. How will that be reconciled?

**Mr. Praznik:** Mr. Chair, ultimately the funding follows the patient. Now, whether that be in a direct payment from one authority to another or it be into taking account what we fund in the region and the services they provide—so, if the Interlake Region, for example, is providing chemotherapy services on a basis of so many people from northeast—we might fund them directly for that and that would be part of their service deliverables with the province would be to provide that particular service to a larger group than their own

health region. I am sure we are going to have a number of these happen across the province. I know Brandon, for example, by its very nature is a region that is providing a higher degree of service than the two rural health authorities that surround it just because the Brandon General Hospital is a regional hospital. So they will be funded for that service.

In the initial stages, we will be funding directly for service as opposed to having dollars flow through one health authority to another. Now over time that may change somewhat, but if it works well, I would not see the reason to change it.

**Mr. Chomiak:** It does lead to the question of the contracting for service and the competitive nature of it, and the minister used the example of Brandon and the two corresponding rural regions. Are we in a situation where regional health authorities will be forced to go to the lowest-cost provider on a sort of contractual competitive basis, rather than what might be the logical or the, and again I am only dealing in the abstract, but would we be forced to go with the lowest-cost provider in competitions between various centres, to provide that lower cost as opposed to something that might be, say, logical or normal for the process?

**Mr. Praznik:** You know, I think what we want to apply is paramount, and I appreciate the abstract discussion and one has to have it, and so I think it is a good way to sort of flush out where we are moving here, and I appreciate the member's questions. Ultimately, we would like common sense to apply, and whenever you set up any type of governance system, sometimes common sense does not always apply, but ultimately the rule of thumb is common sense should apply.

We are not going to necessarily be able to have, say, a surgical program in every regional health authority based on numbers, the type of facilities. Some may be able to do that. Some may be able to attract a surgeon, an anesthetist and a team on an itinerant basis to bring a surgery program to the area, frequently or infrequently, depending on need. So we want what works best to apply.

There will be time—I am sure we all know that two services may be available from relatively close areas

with significant differences in cost, in which case the ministry, I think, in its role as funder would want to be involved to ensure that we are getting—where the common sense says you could use one or the other equally so and one is considerably more economical to use for whatever reason, that that would probably be the one that would be the provider. Ultimately, the dollars you save there are available for other services, and I would not expect the member to say we should do it otherwise, nor has he ever suggested that, but common sense is going to be the rule.

\* (1750)

From time to time we may disagree on what makes common sense, but that is what we are trying to see happen within the system. One interesting comment I would like to add is, our council of CEOs and chairs which I meet with, most weeks we have a conference call. We have been conferencing weekly since January, and now I think we are every couple of weeks simply because the workload has changed somewhat and many of the issues that need my involvement are not as great as earlier, but I meet with them personally every month.

The sense we are trying to build among the chairs and CEOs who meet together as councils of the regional health authorities—and I am pleased to tell you that the Winnipeg chair and CEO of the hospital authority, we have asked to join that group, because I think it is very important that they function as chairs and CEOs and together and not have a rural and northern and a Winnipeg component.

There are obviously issues that the two Winnipeg boards will have to work on together, but they should still be part of that overall group to be sharing and working together and working out deals, as opposed to separating Winnipeg from the rural and having two organizations. So the Winnipeg chair was at the last meeting I attended, and the CEO, I believe, was not available that day but will be at the next one.

In working with them and seeing how they are looking at things, the real spirit there, interestingly enough, is not to be competing against each other for work but to really co-operating to get the best efficiencies in the system and the best delivery of service.

This becomes very important on border areas. I am sure as the member appreciates, in western Manitoba a number of our health districts have areas where communities are in one district, but many who come to them—you know, there are areas where people go 50 percent to, say, Minnedosa and 50 percent to Neepawa. So they have to adjust to make sure it makes common sense, and we will probably end up making a few boundary revisions as well over time. One that your colleague, the member's colleague has suggested, I think, had to do with one of the northern—the Mathias Colomb community that was placed in one region and should be in another. We are just waiting for a confirmation letter there, and then we will make the appropriate change. So, again, common sense is what we want, and we hope we get it most of the time.

**Mr. Chomiak:** Mr. Chairperson, perhaps I can give a brief listing to the minister of some of the lines of questioning and documentation that we will be requesting. Certainly we will be requesting an update of the list of all of the various advisory committees and composition of those committees and the status of those committees that the department kindly provides us every year.

Also, we will be asking for—now this is not necessarily in the context of the appropriation 1.(b), but we will be asking for the status of most of the major reports' implementations, including the personal care home report from 1993-94, the status of the emergency care report, the Lerner report and subsequent actions in that regard. I was hoping to also get an update from the minister with respect to the blood—the meeting that he had with his fellow ministers yesterday, the status of the Urban Health Advisory group, any information the minister might have with respect to waiting lists as they relate to the hospital, mostly surgical functions, reports of the status of the palliative care committee, the AIDS strategy. Of course, we are also awaiting the capital reports.

I will also be requesting reports from the advisory committee on continuing care, as well as any data the minister or the department might have with respect to population health, population needs analysis statistics and information, because it forms the basis of so much that is going to be done in the short term and in the long term. As well, if the minister—if it is possible to table

the names of those hospitals with vacancy rates below 50 percent that the minister has referred to on numerous occasions. Just as a start, those are some of the areas that I will be requesting from the minister.

With respect to a question, the minister made mention of the aboriginal health unit. I wonder if the minister might explain what the function of that body will be and where in the department it will be located, reporting to whom and its function.

**Mr. Praznik:** Mr. Chair, currently that is housed under our Rural Operations with the rural health authorities group and working under John Gow, who is part of the team setting up rural health authorities. It is temporarily housed there because many of the issues that we have to address first deal with our regional health authorities and their relationships with the soon to be emerging governance of aboriginal health.

If I may just for a moment indicate to the member that in the last number of months, I have been visited by a number of organizations: MKO, a number of tribal councils, Manitoba Assembly of Chiefs, and I am informed that there are negotiations under way to transfer the dollars provided under Health and Welfare Canada's budget for health promotion and community health in First Nations communities to some sort of organization or structure run by First Nations people that they take on those responsibilities.

There are obviously some jurisdictional issues here, and a number of his colleagues have criticized from time to time how these can appear to get in the way of solving problems. We all agreed in those meetings we did not want that to happen. We want to make sure we respect each others' jurisdictions, but we want good working relationships between our regional health authorities and whatever structure those communities put in place, because obviously we are serving the same people in different ways through different budgets, and we should make sure we are working together.

They appreciated very much that approach, and we left it with them to be speaking with Loretta Bayer, who is our person in that office, to ensure that as they develop their structures we are able to meet with ours to work together. There were still a lot of questions as to whether their structures would be a province-wide,

a tribal-council basis, a community basis. So they have some decisions to work out. The reason why I say these are so important, the member and his colleagues have rightly flagged issues like diabetes as being one of almost epidemic proportions in First Nations communities. That particular ailment or illness requires a huge amount of community work, and I do not think it is going to work if we send an army of public health nurses from southern Manitoba into those communities to deal with it. We require the community to take on that issue.

There are dollars available. The federal government has earmarked, the federal Liberal Party has earmarked additional dollars that they would like to spend. We have suggested that they look at these areas as something to put those dollars in that would be of greater use to us in Manitoba than some of the areas they are planning currently, but we want to make sure that those aboriginal communities are really in charge of this. It is going to work if it is from their community and they are making decisions and really taking this on.

So all of these things sort of fit in together as we move forward and we can talk about that more as we move through the Estimates. If the member is willing, tomorrow when we reconvene, perhaps I can begin with a report on the meeting on blood.

**The Acting Chairperson (Mr. Tweed):** The hour now being six o'clock, committee rise.

## JUSTICE

**Mr. Chairperson (Marcel Laurendeau):** Committee will come to order. Anyone wanting to carry on a conversation, I ask you to do so in the loge or out in the hall.

The committee come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Justice. Would the minister's staff please enter the Chamber at this time. We are on Resolution 4.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$406,200. Is that not where we were yesterday?

\* (1430)

**Hon. Vic Toews (Minister of Justice and Attorney General):** Just in respect of a few issues, Mr. Chair, the member for St. Johns (Mr. Mackintosh) raised a couple of matters some days ago in respect of the employment of Mr. Wyman Sangster as well as what is known as an Adjusted Vote.

Dealing firstly with the issue of Adjusted Vote: In both the main Estimates of Expenditure book and in each department's Supplementary Information for Legislative Review book, the figures quoted under Estimates of Expenditure 1996-97 represent the previous year's Adjusted Vote. An Adjusted Vote is defined as a realignment of the previous year's vote for any organizational change to provide for more accurate and realistic comparison from one budget year to another. This definition is contained in the glossary on page 111 of the Justice Estimates supplement.

Net transfers of voted authority between departments are noted in reconciliation statements provided in the main Estimates book for each department. Transfers within departments that do not affect the total voted authority may be included in the Adjusted Vote or may be shown as offsetting increases and decreases in separate appropriations. In deciding whether to use an Adjusted Vote transfer or to show year-over-year changes, a materiality test is applied. If the total funding level changes, or if the transfer is significant in terms of the amount of funding involved, it is reported as a separate increase or decrease. Likewise, if a change flows from a government decision to vary the services being provided or the method of program delivery, it is also reported in detail. However, if the change is small, is administrative in nature and is being accomplished without any impact on service delivery, it is usually included in the Adjusted Vote. This keeps unnecessary detail to a minimum.

Secondly, in respect of the employment of Mr. Sangster specifically, Mr. Sangster was originally retained in 1996 as a special advisor to the deputy minister. He was hired in a term status. His initial hearing was facilitated by the use of a temporarily vacant position in the Land Titles Office. In April of 1996, Land Titles was transferred to Consumer and Corporate Affairs, and so Mr. Sangster was transferred to a vacant position in Legislative Counsel. In developing the 1997-98 Estimates, having determined

that the Legislative Counsel could continue to provide existing levels of service without the staff year in question, the authority was transferred to criminal Prosecutions in a 1996-97 Adjusted Vote transfer. Mr. Sangster, as I indicated earlier, was subsequently selected as director of Public Safety after an internal competition in criminal Prosecutions.

**Mr. Gord Mackintosh (St. Johns):** What skills were sought then for the director of Public Safety?

**Mr. Toews:** I do not have the specific selection criteria or any ads that might have been circulated in the department here, but I can determine if that information is still available, and, if so, I can provide it to the member.

**Mr. Mackintosh:** Would the minister provide a copy of the ad or the posting that details the qualifications sought and the rate of pay for the position?

**Mr. Toews:** To the extent that that information is still available, I will provide it.

**Mr. Mackintosh:** Is one of the skills that was sought managerial experience, given that this individual would be overseeing the functions of various branches of the department?

**Mr. Toews:** I will take that as part of the question.

**Mr. Mackintosh:** I am wondering when the minister can provide the answers to me on that.

**Mr. Toews:** I indicated if that information is available, I will provide it to him.

**Mr. Mackintosh:** Would the minister advise what the rate of pay for the director of Public Safety is currently?

**Mr. Toews:** I do not have the rate of pay that he is being paid, but I will obtain that and provide that to the member.

\* (1440)

**Mr. Mackintosh:** Can the minister tell the committee what arrangements were entered into with regard to pension for this particular position?

**Mr. Toews:** Yes, to the extent that that information can be disclosed, we will disclose it. I do not see any problem in respect of providing the member with the salary range of the individual in question or any benefits that he may have in respect of his position.

The extent to which that can be detailed is another question, but to the extent that we may, we will provide that information to the member.

**Mr. Mackintosh:** Can the minister advise whether the pension scheme available for the director of Public Safety is the same as that available for the directors of, say, Law Enforcement Services, other directors in the Criminal Justice stream?

**Mr. Toews:** I am advised that the officials here are only aware that it is the standard provisions and benefits, and if that is altered in any way I will advise the member.

**Mr. Mackintosh:** Can the minister tell the committee whether there is a position or whether there will be a newly created position of director of aboriginal policing within the Department of Justice?

**Mr. Toews:** Yes, there is a position to that effect.

**Mr. Mackintosh:** Can the minister tell us when that position was created?

**Mr. Toews:** Yes, I can provide the member with those details.

**Mr. Mackintosh:** I am wondering where the appropriation is for that position in the current Estimates.

**Mr. Toews:** Yes, Mr. Chair, the position came from the subappropriation number 04-2D. That is right. That is where the position is, and it is at the line under total Salaries and Employee Benefits, 14 staff years, there was an Adjusted Vote transfer, and this accounted for two positions, a director and a support staff.

**Mr. Mackintosh:** The total SYs are the same year over year. I am just wondering, were there two positions, two SYs, taken from somewhere else in Law Enforcement?

**Mr. Toews:** Yes, those came from 04-4D, which on the prior year's vote would have been 164.26 and is now 162.26. That was done through that Adjusted Vote transfer.

**Mr. Mackintosh:** Is the minister saying that the SYs came from 04-4D, Community Corrections?

**Mr. Toews:** That is correct.

**Mr. Mackintosh:** I do not see any difference year over year for SYs there either. I am wondering if the minister could clarify that further.

**Mr. Toews:** If one looks at the prior year's vote, it would have been, as I indicated, 164.26, and the transfer was done through an Adjusted Vote transfer last year.

**Mr. Mackintosh:** Would the minister tell the committee whether there has been a hiring yet for the director of aboriginal policing?

\* (1450)

**Mr. Toews:** Yes, there has. Mr. Jack Gashyna is the director of aboriginal policing.

**Mr. Mackintosh:** When did Mr. Gashyna effectively become the director?

**Mr. Toews:** Unless the member wants any more specific information, all I can indicate here is that it was some time within the last year.

**Mr. Mackintosh:** Was that position, that of director of aboriginal policing, posted? Was there a competition, and if so, who was the position open to?

**Mr. Toews:** In respect of the actual details, I do not know. I do not have those, and I will make those available to the member. I might indicate that I know that Mr. Gashyna has been a member of the Attorney General's department for some number of years. I recall last working with him in 1989 and 1990 when he was administering the motor vehicle impound in respect of the drinking-and-driving initiative that the government of Manitoba initiated in those years. So I know that he was a civil servant, has been one for some

number of years, and exactly the process by which he became the director of aboriginal policing I am not clear, but I will get that information and some of the background material.

**Mr. Mackintosh:** Can the minister, with the staff here, confirm whether or not there was a competition for this position?

**Mr. Toews:** I would rather not speculate. I would prefer to provide the member with absolutely accurate material.

**Mr. Mackintosh:** What skills were sought of the person to fill this position?

**Mr. Toews:** I will provide that material along with the background of the nature of the competition or appointment, if that is in fact what it was.

**Mr. Mackintosh:** Is the minister aware of whether Mr. Gashyna has a background in policing or policing administration or dealing with aboriginal communities?

**Mr. Toews:** I do not know his specific background, other than I know him to be a very competent administrator. He virtually set up the administrative process by which he would liaison with the various garage keepers and lien holders in respect of motor vehicles. I know that he has, I believe, an accounting background, but I know him to be a very good administrator of various programs that he has been involved in—certainly had nothing but good experience with his ability to administer the seizure of motor vehicles. Mr. Gashyna had a number of duties in addition to liaising with various interest groups, including the police at that time, which he had very close and continued contact in administering these contracts.

He also worked with the garage keepers. I can recall a number of times when we either consulted directly or I would go out to meet with members of the garage keepers industry to discuss the setting of fees, the establishment of regulations and getting input from these groups as to what they considered an appropriate level of fee. I know we consulted with RCMP. We consulted with members of the public. We consulted with all sorts of people. Mr. Gashyna was able to take

a lot of this information and indeed, I think, had a large part in the actual drafting of the applicable regulations, either through the provision of the raw material for the draftspeople or assisting in the wording or setting up of the structure.

Mr. Gashyna not only then liaised with the police departments, the industry—as I recall, it was not just the RCMP, but the City of Winnipeg Police that he spent quite a bit of time with. I know that there were many concerns, and I remember him dealing with these situations very, very well. He had an incredible ability to get to the root of a problem to ensure that the people involved in these discussions realized that the government was concerned about the particular situation that they found themselves in, particularly the garage keepers.

One of the fascinating features about the Seizure and Impoundment Registry and program was the amount of co-operation from private industry. I doubt if it could have been done without the co-operation of the private industry. There had been suggestions that we should be creating a whole new government department to deal with these seizures and creating a huge lot that would be fenced in where all these motor vehicles would be kept.

Now that may make sense in the context of perhaps the city of Winnipeg where you could have a central impound lot, but when one realizes that the problem of drinking and driving and suspended driving occurs not just in the city of Winnipeg but also in rural areas, it was clear that that was not a feasible alternative, and we did not want to set up separate impoundment yards and all the additional cost and personnel that would involve.

So I recall Mr. Gashyna and I had numerous discussions with garage keepers, realizing that the RCMP at the time utilized garage keepers to impound motor vehicles when they were doing an investigation and that throughout the province these garage keepers had appropriate facilities to store cars. I recall one of the issues that Mr. Gashyna had to deal with, in terms of dealing with the police in the communities and with the garage keepers, is to ensure that there was an appropriate impound location in each area.

\* (1500)

One of the other things, I might add, is that he provided a lot of practical assistance to the police forces with specific problems that would come up in the course of the administration and also with the garage keepers who had concerns, like concerns about liability, who was liable for the motor vehicle when it was stored on their property. I know we discussed that and resolved some of those issues. So, again, to my recollection and indeed my direct experience with him, he was quite capable of liaising, discussing contracts with police departments, with garage keepers throughout the province and not only that, he had another side to his job and that was to deal with members of the public. Members of the public whose motor vehicle had been seized would call up and ask how to proceed, and he certainly gave them the appropriate advice, directing them to the appropriate magistrate's office in their area so that if they wanted to they could commence an action to release the car.

As you may recall, Mr. Chair, the legislation deals with the registered owner being responsible for the motor vehicle. So, even if it was a driver of the motor vehicle who was suspended, the registered owner would be the one who would make the application to release that motor vehicle.

So he, in fact, was very adept at providing the advice and indeed administering communications with the police. He would receive hundreds of the documents that related to the impoundment, and it was his responsibility to administer that office to ensure that cars would be tracked and kept track of. He also identified the problem where the amount of the lien exceeded the value of the motor vehicle and then devised a mechanism which was sanctioned by legislation to ensure that there was a mechanism for the garage keeper then to be able to sell the motor vehicle where it was evident that the owner no longer had an interest in that motor vehicle and that the garage keeper could do so without fear of civil liability.

Much of this is coming back to me, and I know that some of the staff here would have worked very closely with Mr. Gashyna. I know that one of the staff here, Mr. Pat Sinnott, has worked very closely with Mr. Gashyna over the years and, without putting words in

Mr. Sinnott's mouth, I think it is a fair comment to say that Mr. Gashyna has broad management experience both in the private sector and in government. He has, aside from the areas that I know directly about, that is, the seizure of motor vehicles, worked on financial reporting and management improvement projects.

He has reviewed and streamlined the Freedom of Information processes. As you know, it was our government in 1988 that brought into effect The Freedom of Information Act, and while it might be simple in terms of philosophy, often the administration or the implementation of these plans are very, very complicated and require much thought and consideration. Initially, sometimes you will find that administrative processes that are brought in get the job done, but they are cumbersome and they lead to the types of complaints from the public that indicate, you know—that raise these spectres of red tape and bureaucratic boondoggling. I know that is not a fair thing to say about our public service. I think our public service works well if one gives them the appropriate tools to work with.

So one of Mr. Gashyna's tasks, as I understand it, was to review and streamline the FOI process, the Freedom of Information process, so that members of the public, who were anxious or for whatever reason of their own wanted to acquire government information, would in fact have a positive experience in the sense of not being unduly burdened by bureaucratic or technical demands. I know that he is also worked on enhancing case-file tracking in Prosecutions.

This is all to say that he has a very good understanding of the administrative workings of government, has improved many systems, has worked in terms of negotiating contracts and arrangements with members of the public, special interest groups who may in fact have a legitimate concern. If we are going to rely on them as a part of a government policy, then we in fact need to ensure that they understand it.

I think that from the experience of my staff and certainly myself personally, he is well suited to negotiating and managing agreements, and he certainly has developed quite a bit of expertise on policing and works very well with the RCMP and other police forces in that respect. I think also it should be noted, it has

been brought to my attention, that the Ombudsman complimented the department of the Attorney General regarding the Freedom of Information after the reorganization after there had been some criticism, and I think that this is, again, some credit—to the extent I cannot exactly say, because I do not want to overplay the role of one public servant in the context of an entire department. But this is an individual who I know reviewed and streamlined these processes, and in that respect I think there is a portion of that credit that was given by the Ombudsman to the department to individuals working in his branch and specifically to Mr. Gashyna.

I could go on for a bit in respect of some of the other attributes, but I think in terms of a summary and a preliminary indication of the quality of some of the public servants that we do have here in the Province of Manitoba, that is sufficient, and I can undertake to see what other information is available and discuss that with the member for St. Johns in the near future.

**Mr. Chairperson:** Item 4.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$406,200—pass; (2) Other Expenditures \$81,000—pass.

4.1.(c) Policy, Planning and Special Projects (1) Salaries and Employee Benefits \$208,400—pass; (2) Other Expenditures \$147,200—pass.

4.1.(d) Financial and Administrative Services (1) Salaries and Employee Benefits \$791,000—pass; (2) Other Expenditures \$233,300—pass.

4.1.(e) Human Resource Services (1) Salaries and Employee Benefits \$600,100—pass; (2) Other Expenditures \$148,100—pass.

4.1.(f) Computer Services (1) Salaries and Employee Benefits \$472,300.

**Mr. Mackintosh:** Under this branch, is there knowledge of what our fine collection rates are?

**Mr. Toews:** My information is that would more appropriately come under Courts 5.(a) or 5.(b).

\* (1510)

**Mr. Mackintosh:** As well, I ask whether there is any centralized traffic fine processing? Is that here or under Courts?

**Mr. Toews:** That would also be under Courts. I understand that there is a common offence notice computer system which would probably deal with some of the concerns that the member might have.

**Mr. Chairperson:** 4.1 (f) Computer Services (1) Salaries and Employee Benefits \$472,300—pass; (2) Other Expenditures \$404,100—pass.

4.2 Criminal Justice (a) Prosecutions (1) Salaries and Employee Benefits \$5,954,100.

**Mr. Mackintosh:** Is the minister aware of concerns expressed from Crown attorneys as to their workload?

**Mr. Toews:** It is always our concern that the professional people, our public servants who work for the public of Manitoba, have an appropriate workload, and we do want to, as much as possible, ensure that, working within our fiscal framework and the demands of our legal system, Crown attorneys have an appropriate amount of time to prepare cases and to fulfill their obligations in law.

I know that from time to time concerns are raised as to workload, and one of the things for which I am very complimentary of the administration is the proactive way in which they react to complaints, but not only react to complaints but to also move in a very proactive way. One does not simply look at a department and say, well, we have reorganized and now it is going to be okay. I think the issue is a constant challenge for administrative staff.

For a number of reasons there was a Prosecutions reorganization to address problems that have been identified or problems that have been perceived, or simply to reduce administrative issues that perhaps were in the way of these individuals completing their job or indeed not assisting them in completing their job.

I know sometimes the criticism of administration in government is that it stands in the way of what everybody knows needs to be done and quotes from various books and manuals that were all enacted and all

passed and all developed for good purpose, but sometimes the issue of service to the public is lost. I think more and more what the department has been concentrating on is to ensure that the administration facilitates, especially in this context, our criminal Crown attorneys to get the job done. So rather than administration blocking, it is facilitating the work of the Crown attorneys. I know it is sometimes very difficult to see, if you look at the black and white of paper, if, for example, Crown attorney numbers are exactly the same. I am not stating that that in fact is the case here, but even if numbers are unchanged in terms of actual people working in the courts, sometimes with the change in administrative processes, the individual workload on a Crown attorney can be substantially reduced.

With certain concerns in mind, there was a reorganization of the Public Prosecutions branch, and I think one of, if I can say, the defining moments or high points was in October 1996 when Mr. Rob Finlayson was selected as the director of Prosecutions. Now Mr. Finlayson is here, and I would say the same things behind his back as I am going to say in front of him, and fortunately they are all good. I know Mr. Finlayson for a number of years. He certainly has a very, very good reputation as a criminal prosecutor, has a very good reputation among his colleagues, not just in the criminal bar, in fact that is the criminal Crown attorney bar, but the defence bar as well.

I think when he was appointed there was very substantial concurrence with that selection process, which again went through committee. Mr. Finlayson, I know, would be the Crown attorney probably getting on to 20 years, and one of the things that was recognized about Mr. Finlayson was not just that he is a good courtroom lawyer, but that he has administrative skills.

One of the things that I have mentioned earlier in this discussion is that it is sometimes very difficult to recognize people appropriately in government. It is always seen as, well, give them a promotion, they will get a little bit more money and, thereby, recognizing them. Sometimes people have been promoted into administrative positions in order to recognize their good qualities or to recognize their past contribution. I think this particular appointment is an appointment that does

not simply recognize past contributions but indeed recognizes good skills that make him particularly suited for a position, essentially an administrative position, yes, in a legal position, but an administrative position as the director of Prosecutions.

\* (1520)

In January of 1997, two deputy directors were selected. Ms. Lynn Stannard, was appointed the deputy director of Intake, and Mr. Mike Watson, Q.C., was selected as the deputy director of Trials. Now, of those two, I would know Mr. Mike Watson perhaps better than Ms. Lynn Stannard. Mr. Watson certainly has a very, very good reputation, originally coming as a Crown attorney from Alberta, where he had a very good reputation I believe in some appellate work, did a lot of Alberta Court of Appeal work and was certainly well recognized for administrative abilities that he had. He was selected. Unfortunately, Mr. Watson has just recently announced that he is moving on to British Columbia, where he is going to take up a position with the Securities Commission, and I think that is a real loss for the Province of Manitoba.

I wish him well in his new duties, but, certainly, I think his skills and his contribution will be missed, which is not to say that there are not others who could fill his position, but I know that this was a difficult process to select two people in these positions, Ms. Lynn Stannard and Mr. Mike Watson, and sometimes you feel you have exactly the right person and, indeed, we believe we did. He, of course, is going on to other things, other professional challenges, and we believe that we will, of course, find another person to take that place in due course.

Then, following the appointment of these two individuals, a number of senior Crown attorneys were selected, five in Winnipeg and five in rural Manitoba. I think the member will be happy to know that I will not go into all of these, but I think, again, indicative of a very high quality of Crowns that we have here in the Province of Manitoba.

A senior Crown attorney was selected for each of the following rural areas, Portage la Prairie, Brandon, Dauphin, The Pas and Thompson. In each of these areas, we were taking positions from within the

department, so it was not a competition that was open to the general public or the general legal profession but, in fact, simply a reorganization of existing staff years. There were not 10 new positions that we could fill. These appointments were made, and these senior Crown attorneys, that is, all 10 of them, report directly to the director of Prosecutions. We anticipate that the complete reorganization of the Winnipeg Crown attorney's office will be completed by the early fall of 1997.

In getting to the member's point—and I am glad I had the opportunity to raise, I think, what is a proactive measure on the part of the department—are a number of points that must be raised which deal directly with the concern that Crown attorneys from time to time might have about a large workload.

What the reorganization does is place a greater emphasis on the early screening of all police reports with a view of disposing of all cases at the earliest possible date. Screening plays a very important role in lessening the trials that are eventually going ahead or indeed the cases that need to be put into the system for an extended period of time. If one looks at the particular police reports and determines that perhaps the charge is inappropriate or indeed the charge is the wrong one or if, in fact, an appropriate conviction can be secured at the earliest possible time, this changes and saves a lot in terms of the resources that are required of Crown attorneys.

It is a simple mathematical equation. If you have a hundred cases coming in and you are effectively able to screen out 30 or 40 on a preliminary basis to review the work that has been done by the police and determine precisely what is the best Crown case in each case, that has a tremendous beneficial impact in terms of the workload on Crown attorneys further down the system or further along the system, if I could say that rather.

Under this reorganization, the specialized units of Family Violence and Youth Prosecutions will continue to operate. I think it is always important to remember that when you are reorganizing, one has to determine, are there, in fact, any existing resources that are, in fact, doing a very, very good job or an acceptable job. We do not want to throw out the baby with the bath water. So when you reorganize, make sure that you keep that

which is in fact good in the system. I think the youth prosecutions, specifically, and family violence are good examples as well as special prosecutions which is also continuing as a part of this reorganization, have demonstrated their effectiveness over the years.

As well, to assist in the early screening of all cases, what is going to be happening is that the Prosecutions Branch will be locating Crown attorneys at the Public Safety Building. One of those Crowns started on April 28, 1997, and a second Crown should be in place shortly, within the next month or so.

What these Crowns will then have is the responsibility for screening out all custody police reports to determine if they should be referred to alternative measures or be referred back to the police for further investigation or forwarded to the Crowns in intake to be prosecuted. So we have, I think, a very good example of how closely Crown attorneys work with the police. It is not simply the police creating a case in isolation, but in fact there is an opportunity to consult and provide guidance and direction in respect of particular cases. So I think this again is another example about how the Crown attorneys at this particular place will then create a beneficial effect for the other Crown attorneys who are responsible for the actual formal prosecution of a case such as a case going to trial or indeed a person pleading guilty and a sentencing hearing taking place.

Again, the importance of alternative measures cannot be underestimated. I want to say in respect of the youth justice committees which are under a different appropriation, but I think it also should be noted how important those committees are. As I understand it, there are over 70 youth justice committees here in the province of Manitoba, and they in any one year—I believe in the last year dealt with 2,400 cases. When you think of 2,400 cases taken out of the system and dealt with, not in order to avoid responsibility for action, but indeed allowing the community to have input in how these individuals should be dealt with, I think, is very, very positive.

\* (1530)

One of the things about alternative measures is that then creates a sense of responsibility by a potential or

an accused, indeed someone who has admitted that he is liable for the act, because that is how they get into this particular system. So there is a sense of responsibility that is created on the part of these individuals. The measure, I think, is very, very successful, not only in the low amount of recidivism that is demonstrated by people who go through this system, but also by the beneficial impact on Crown attorneys in terms of lessening their workload and that they can focus their skills on the cases that truly require their specific expertise.

In saying this, I am not saying that one system is more important than the other, but this is in fact an ability to utilize community resources in an appropriate way and indeed utilize Crown attorneys more effectively. I would not say that Crown attorneys indeed have an easy time of it because of this, but certainly it assists in lowering their caseload.

I think also it should be stated that there will be and is a greater emphasis on the Crown attorneys in the intake unit as I had indicated that Ms. Lynn Stannard who is a prosecutor of some years experience—perhaps not quite as many as Mr. Finlayson—but certainly some years of experience, is the director of intake. What this in effect does is to ensure that only appropriate cases are forwarded on for trial and to ensure that these cases are trial ready. So that again will be the focus of this particular group.

One of the things I think that I know, speaking as once having worked as a line Crown attorney, often the line Crown attorney years ago was responsible for all types of things, and still is, but what we try to do is lessen the things that Crown attorney should be worrying about and focus on the matters where he or she has particular expertise. So we are looking forward to this particular unit assisting in the prosecution of cases by taking care of administrative concerns and also perhaps evidentiary issues as well.

The trial units which Mr. Mike Watson was responsible for will have then the ultimate responsibility of doing final screening of all files and setting these matters down for trial. What the trial units then will do is help ensure that individual Crown attorneys follow through with their files until they are

ultimately disposed of, that is including appeal if appropriate.

One of the things I think that can be said is that even though we have people screening at the various levels, we want to emphasize more and more Crown ownership of a file, that is, the individual Crown having ownership. I can recall a number of years ago when I prosecuted a particular case with a senior Crown attorney in Brandon that it was a very significant case where a young girl had been murdered and a specific trial result had been achieved. In the rural areas what would occur is that the same Crown attorney, in fact it was me, would take the transfer application, do the transfer application to adult court, then do the preliminary hearing, and then assist, if it was not appropriate for that person to do the trial by him or herself, in the conduct of the actual jury trial, and this was one of those cases.

Now that particular case went on to the Court of Appeal where another Crown, and not the same Crown who was involved in the other three hearings, was involved. I think sometimes what happens is that the Crown attorney at the Court of Appeal level does not always have all the information available that the trial Crown would have had. So what this system will try to do is ensure as much as possible a continuous dealing by one or a pair of Crowns of a particular case so as to ensure that there is continuity.

Again what this has bears directly on the member's question. What this in fact then does, if the same Crown attorney does the transfer, does the preliminary hearing, does the trial, does the appeal, there is no need to refresh another Crown attorney's mind with the details, and often complicated details, of any particular case. So by giving a Crown responsibility for a particular case, it frees up other Crowns to do other work. So I am very pleased that the member raised that question because it is an issue that we have been working on quite diligently.

One final point, I think, that needs to be made and was raised by the Chief Justice in his annual report in respect to the courts, and that relates to technology. I think that despite the fact that the law is often old and a bit creaky, that does not mean that one cannot take advantage of new mechanisms to deal with

administering a criminal justice system. So what we are looking to do is to install a computer system so that the Crowns have case information, other information, available to them on a computer system.

This, again, we believe, will assist them in keeping files to a minimum and in ensuring that the appropriate information is always available to them. The system of retrieving files and filing files away is often a time-consuming and a time-delay issue, and, so, again, the computer system will, by having this information directly available, assist in the burden on the support staff and indeed on the criminal prosecutor.

I trust that that will, in fact, give the member some comfort that this is an issue that we take very seriously and are taking positive steps to deal with.

**Mr. Mackintosh:** Is the minister satisfied and can he ensure that the prosecutors are fully aware of the role and potential of the youth justice committees? I can speak for one committee, for example, the St. Johns Youth Justice Council, which we are very proud of in our community which actually is not getting enough cases, and the council was wondering how there can be a greater number of cases referred to the community which we think are dealt with more effectively, for some types of cases at least.

So I wonder if there is a mechanism in place to ensure the timely and generous referral, perhaps I can use that phrase, of cases to the youth justice committees or to particular justice committees. I know some have varying degrees of participation at different times, and that might cause some concern, but I think that there should be a full realization of the benefit of those committees or councils.

\* (1540)

**Mr. Toews:** I thank the member for St. Johns for the question. I think it is a particularly appropriate question, and I believe that as the Department of Justice we can do more in that respect.

Despite the fact that our province has the highest number of youth justice committees, I agree with the member for St. Johns that there are additional supports that we should be providing and, indeed, look at ways

of ensuring that these resources that we have out there in the community are utilized in an appropriate manner, and I do not want to use the term "exploit" these resources, but I mean that in the positive sense, if I were to use that term. The utilization of these very, very highly skilled individuals on some of these committees, I think, is a real asset to the justice system.

I know I spoke to a number of youth justice committees and also to the probation officers who are responsible for youth justice committees generally. Mr. Roger Bates is the probation officer in charge of youth justice committees throughout the province. What I have asked my officials to do is that I can meet with the probation officers who are responsible for the youth justice committees directly. I want to talk to them about the youth justice committees to see how we can utilize these committees further.

It is interesting, and the member has touched on a very interesting point: Could there be a more generous referral of cases to these youth justice committees? I might say that I have received indications, and I want to discuss this further with the probation officers, and I do not want to make any snap judgments, but there is an unease among some of the probation officers, that they feel that the role of the youth justice committee would somehow supplant their role as probation officers, and I do not see it that way at all. If there is one thing that we can say about the criminal justice system, there is enough work for everybody to go around.

What we have to ensure is that, just the same way that we are utilizing Crown attorneys for more effective dispositions in case and concentrating on particular cases and letting others deal with the administrative concerns, I think so, too, these probation officers, who have excellent skills and excellent community contacts, we have to sit down and talk with them in order to ensure that we are utilizing them in the most appropriate way. I know some of the probation officers that I have talked with on an individual basis have expressed the same concern that the member for St. Johns (Mr. Mackintosh) has: Why can we not be sending more cases there?

That is one of the issues that I want to raise with the probation officers when I meet with them directly. I have a meeting set up with these probation officers, and

I want to raise those types of issues. So any concerns or comments that the members might have at this time in that respect, I would appreciate them putting on the record so that my staff can, in fact, look at those issues and so the probation officers also know that these youth justice committees are not designed to put them out of a job, but rather to focus their energy in the areas of expertise that they are well recognized for.

One of the ways in terms of increasing youth justice committee involvement is the involvement of the committee dealing not just with young offenders, but also with adults. In fact, there are some committees that deal with adults. I met with one particular committee, and I do not know if it is appropriate to say the name, but we discussed that issue specifically. That committee indicated that their referrals were people anywhere from the age of 12 years old to I believe it was in the mid-50s. What they have found is that their dealing with these individuals has been as effective in terms of the lack of recidivism as in dealing with teenagers.

So I think that this is a mechanism that can be more appropriately utilized in other areas as well and not just for young offenders. I think this is an example of where one end of the justice system learns from the experiences of another, and we can deal with more cases in a more socially productive manner.

The issue of youth justice committees always raises the question of, are you diverting people from the court system so that they can escape their consequences for the actions that they have committed, and I would say not. Clearly the referrals have been done of people who are appropriate. Issues of public safety are always in the mind of people making these referrals, so appropriate people can only be referred. Even if a person has been through the youth justice committee once, that does not mean that in special occasions one cannot divert that same person for another hearing before a youth justice committee. I know that in fact has been done, and it has worked beneficially. So the committee that dealt with that person once deals with them again, and they have the time to deal with these individuals in a time-intensive way, because that is what some of these cases need. It is not simply grinding people through a system and getting a result at the end and then patting them on the back and wishing

them best. But it involves the implementation of plans that I think are so fundamental to ensuring that these offenders recognize a responsibility for their actions and that they have an obligation to the community.

I might say, one of the people indicated to me, and this might be one of the reasons why we have to be a little hesitant about referring too many people, that there is a lack of suitable programs to put these people in. We have to work at developing that, not so much from the government side in terms of government-created programs, but the private sector. You can understand how a particular shop owner might have a concern about having someone clean his store up after the person has perhaps cleaned his store out, and it is something that one has to be sensitive about. There are also issues of liability, people injured at the workplace and how that was dealt with. Those are all issues that need to be dealt with. I think that they are not insurmountable problems. So I thank the member for the question. Certainly, that exact point that he raised will be the subject of a discussion with the probation officers and myself in the department.

**Mr. Gary Kowalski (The Maples):** As the minister knows, this is a subject that I have a great deal of interest in. I think this is going on my seventh year being an honorary probation officer. I was appointed by Minister of Justice McCrae. So I have been involved in youth justice committees for a long time, and some of the issues that are being dealt with today are ones that were being dealt with back then. I think we have a Minister of Justice who is very supportive of youth justice committees, and I would offer any of the experience and knowledge I have from seven years of working on, first, the North Winnipeg Youth Justice Committee, setting up The Maples, helping other people set up youth justice committees, and seeing the benefits and some of the problems that have gone with them.

\* (1550)

When the minister was talking about some of the benefits of referring cases to alternative measures, one of the ones that he did not mention that I think is very important is, it gives the community a sense that they have some control over the justice system. A lot of members of the public will say, oh, nothing happens

when someone gets arrested. By being involved in a justice committee, they can actually have an impact on what happens to those people who commit crimes in their community. They feel they have some empowerment, and it does make a difference. I found some of the best committee members are the ones that said that the justice system does not serve victims, and when they get on the justice committees, they find it is not a black-and-white issue, it is a complicated issue. I could take the rest of the Estimates time just on talking about this subject, but I will ask some direct questions about some immediate problems that I see.

Right now one of the problems is, the member for St. Johns (Mr. Mackintosh) mentioned, that in his committee they are not getting that many cases. Well, there always has been this feast and famine on justice committees. Either you are getting too many cases or you are not getting enough. They come in large amounts or nothing at all. I do not know why that is, if it is the way they are screened or what.

The other problem is the type of cases. I could think that possibly the reason for St. Johns's committee not getting it is that the type of cases that the Crown is comfortable referring, you know, shoplifting offences, less serious offences, maybe there are not that many, and the types of offences that are occurring in his area are more serious and not the types that you would refer to alternative measures.

On our justice committee in The Maples, sometimes we are receiving cases that we do not think should be referred to justice committees. They are too serious, unless there is more training, more resources given to justice committees; I think they have to look at the type of committee. So I am talking about the number of cases, how they are screened, so they come in in spurts, the type of cases, either too serious—and the most important subject is, what happens to the cases that are returned to the Crown? Alternative measures is an option that is given to the offender that possibly could work, but so often there is this feeling on justice committees that, if it is sent back to the Crown, because of the time delay, the case will be written off; no action will be taken.

I think I could show some examples of it. If it is referred to a justice committee and after three months

it is returned back to the Crown, it is just filed. No court action is instituted. It is left. So the hammer that justice committee has of returning cases to the Crown means nothing, because once kids in a small community find out that, if they do not comply with the justice committees, the case goes back to the Crown and, hey, the Crown, as far as he is concerned he has written that case off; it went to alternative measures.

The last point is the length of time. For that type of work, alternative measures to work, it is the timeliness of the disposition. Now, especially when alternative measures ends up being a plea bargain, part of a plea bargain, it could be a year after the case before it is even referred to the justice committee.

So some poor justice committee is interviewing a 14-year-old; by the time it is plea bargained, it goes through the probation services, I have seen cases come through that are 14 months old, and you are sitting down talking to a young offender how they feel about the case. Well, to a 14-year-old, a year ago is a lifetime away.

So the time of the referrals is a problem, and I would recommend to the minister that he has someone in his department do a study. It is easy enough because they are all date stamped. They are date stamped from when the offence happened to when they are taken in by the intake of the Crown to when they are received by probation to when they go to the justice committee.

I did such a study a couple of years ago, and the slowest part of the process was not in the referral from the police to the Crown, not in the time that the committee took, but the referral from the Crown to the justice committees, which sometimes is an inordinate amount of time, just a phenomenal amount of time, which means that the disposition has less value. I would recommend to the Minister of Justice that he look at doing a study, either a sampling or a system-wide study, on the amount of time it is taking these alternative-measures cases to go through; and, with the cases that are returned back to the Crown, do they get lost? Is any action taken? Is there any meaningful prosecution on cases that the justice committees are unsuccessful with?

**Mr. Chairperson:** The committee will take a five-minute recess.

*The committee recessed at 3:57 p.m.*

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**After Recess**

*The committee resumed at 4:14 p.m.*

**Mr. Chairperson:** The committee will come to order.

**Mr. Toews:** I appreciate the comments made by the member for The Maples (Mr. Kowalski), and I have had an opportunity to briefly discuss that with the members of my staff here.

Clearly, the issue of a quick resolution of justice issues is always an important matter and I think especially so in the context of the alternative measures that a youth justice committee works in. I think that my staff will take a serious look at that particular situation, and while I could not define exactly what the scope of any review would be, I will be encouraging my staff to look at that particular issue, firstly the one raised by the member for St. Johns (Mr. Mackintosh), the referral of appropriate cases, and also the swiftness of the referrals is very important.

I certainly thank both members for those comments because I know of their keen interest in these youth justice committees. This is a tremendous resource for the justice system, and we want to work together on that particular issue.

**Mr. Mackintosh:** Has the Prosecutions division looked at whether conspiracy charges can be laid in the case of criminal activity by gang leaders?

**Mr. Toews:** An interesting question. The member must, of course, realize that conspiracy, per se, is not a substantive offence. It is not an offence to conspire. Members of my staff may be seen whispering here in respect of various matters, but even though that may look to an outsider like some kind of a conspiracy, the fact is it may be a conspiracy but none that is prohibited to law. In fact, it may well advance the interests of law.

So when we look at the issue of conspiracy, I think what the member is talking about is can gang members by virtue of the mere fact that they are gang members be charged with an offence. Clearly not, but if it can be shown that these individuals are acting in concert with each other for the purpose of some particular offence such as a robbery, if they are sitting around discussing a robbery, and even though they never committed the robbery, they could well be guilty of the offence of conspiracy to commit a robbery or indeed to attempt to commit a robbery depending on how far down the preparation and planning stage that would be. I do not want to get too particular about that.

\* (1620)

I think the mechanism is a good one, and I would certainly encourage police officers to use that in all appropriate cases. One of the things that the American RECO law does is in fact utilize that conspiracy idea to a certain extent. Although I am by no means an expert in American law, this RECO law, which essentially deals with racketeering and gang activities, I know that it facilitates the procurement of convictions under that particular law in situations where the general statutory or common law did not afford a remedy, and the American government was very successful in prosecuting individuals under those racketeering statutes.

I think, without wanting to unduly praise the Liberal Minister of Justice during an election campaign, some credit, though, has to be given to him for moving in that direction, given his new gang law initiative. This law, I think, adds an important tool to the retinue of the tools available to police officers and I think will be utilized with frequency as the intricacies of this law are worked out and exactly what it does is discussed by the courts.

I know that the Crown attorneys have all been advised of the new laws. I read a memo that came out in the department that was circulated to the Crown attorneys, and so, again, this is something I would see the intake Crowns looking at when a police officer brings a particular matter forward for consideration for prosecution.

I am certain that the conspiracy charge has been used in one form or another in the last little while. Whether

it was effective I do not know, but I think this gang law initiative in fact provides a really good mechanism for utilizing a conspiracy-like law, and certainly we welcome any progressive tools that the federal government gives us in respect of law enforcement.

**Mr. Mackintosh:** What comprises the grants of \$30,000 under the Prosecutions division under Programs and Grants?

**Mr. Toews:** I am advised that deals with the language bank grants for interpreters for witnesses and accused.

**Mr. Mackintosh:** There was a workplace safety incident that resulted in the prosecution against Power Vac, and I wonder if the minister can advise why it was the position of the department not to seek the maximum sanctions available under the legislation in that case.

**Mr. Toews:** I want to indicate to the member, of course, that all violations of the law are very, very seriously dealt with, and decisions as to what sentence is appropriate are made regularly by Crown attorneys in terms of advancing a particular position.

These individuals look at issues such as past offences of the accused, co-operation of the accused and similar sentences given to other individuals. I do not know what particular facts prompted the prosecutor to ask for the sentence that was asked for, and as I recall it, the prosecutor, despite asking for one sentence, the accused received a lesser sentence than was asked for. So I know that there was less of a sentence granted by the court than was asked for, if my memory serves me correctly. I could be corrected in that respect, and the members of my staff will have that information available to you.

But one of the things that we have to remember about The Workplace Safety and Health Act, and I am very pleased to see that the Minister of Labour (Mr. Gilleshammer) is present here, sitting behind me, in fact. The Workplace Safety and Health Act was passed by the NDP government, and one of the main points of that particular act was, in the words of the architect of that act—his name was Victor Rabinovitch. Victor Rabinovitch said that this act, the focus is not criminal prosecutions but indeed an educational process in order

to ensure that the employers, the workers and all other interested persons, I think, or persons affected, that is the phrase in The Workplace Safety and Health Act, know of their responsibilities in the workforce.

The Workplace Safety and Health Act is, in fact, one of the most progressive pieces of workplace legislation in the sense of bringing democracy to the workplace. It gives workers a sense of empowerment that they can make decisions about issues that affect their safety and in consultation with employers responsible for the workplace, make recommendation. Issues can be identified in the workplace and referred to this committee. Committee can make certain determinations and make the workplace a safer place, thereby avoiding some of the tremendous amounts of injuries and damage that can be caused as a result of workplace safety and health.

The issue of what is an appropriate sentence, of course, is always brought up, but one has to understand that the legislation that was passed by the NDP government specifically was not designed to effect or to obtain prosecutions and convictions as much as it was this empowering of workers to ensure that there was a mechanism that safety matters would be dealt with.

I view this legislation much the same way that one can contrast general criminal legislation where the judge simply makes an order and the disposition is ordered and the parties walk away. What there is is an implicit recognition in the legislation that it does not matter who is there at the workplace. These people will continue to work together and so a resolution of any problem must take the two parties in mind.

That, I think, the act has accomplished very, very well. If you look at the statistics, for example, during the NDP years and the numbers of deaths that occurred in the workplace and compare them to the numbers of deaths now in the last number of years—and I know the Minister of Labour (Mr. Gilleshammer) would have the statistics much more available and much more accurate than I would, but clearly there is a substantial decrease in the amount of deaths and injuries in traditionally dangerous areas. One does not argue this on the basis, well, in a particular area there are less workers. These statistics, as I understand them, as I recall them, deal with injuries on a per capita basis, so on a per capita

basis in the workplace or on a per-thousand-workers basis.

So I do not know exactly the answer as to why a specific sentence was requested and why a specific sentence was granted, but one thing that I could indicate is that the officials in the department of the Attorney General or the Department of Justice found a great degree of co-operation with these particular individuals from the company, and they took a lot of remedial steps to ensure that this kind of incident does not happen.

\* (1630)

Clearly, that is the real focus of The Workplace Safety and Health Act, is not so much to punish but to ensure that incidents involving the safety and health of workers do not occur or are not repeated. So while that is indeed the philosophical focus of the legislation that was passed by the NDP government, we, in fact, on this side of the House have developed that philosophy and found that, in the development of that philosophy, rather than simply stressing prosecutions, emphasize the educational aspect. That has resulted in an appreciable decrease in serious injuries.

The Department of Labour and the Department of Justice, of course, work very, very closely together. Officials in my department, I would indicate, also met with the Manitoba Federation of Labour after the case was disposed of and discussed our position. They indeed, as I understand it, my officials advise me, agreed to work with their officials where they felt they could assist in these kinds of prosecutions with background information. So it is important that we bring the relevant unions into this picture to ensure that, when the prosecutors make a decision in respect of whether they will proceed, all relevant factors are considered.

I do not know if the member has any particular concern about the monetary penalty or other penalty that may have been imposed in this case. I know that the current Minister of Labour (Mr. Gilleshammer) has been or will be introducing a bill relative to the fines under that act.

So while we acknowledge that the entire philosophical thrust of that particular act is education

and the creation of a safe workplace, one must never forget the importance of having a strong prosecutorial aspect to every statute to ensure that those few who consistently avoid the educational and other aspects of a statute understand that there are penal consequences for their disregard of the law.

**Mr. Chairperson:** 4.2.(a) Prosecutions (1) Salaries and Employee Benefits \$5,954,100—pass; (2) Other Expenditures \$1,086,100—pass; (3) Witness Programs \$582,000—pass.

4.2.(b) Office of the Chief Medical Examiner (1) Salaries and Employee Benefits \$402,900—pass; (2) Other Expenditures \$964,900—pass; (3) Pediatric Cardiac Unit Inquest \$626,800—pass.

4.2.(c) Provincial Policing \$52,361,200—pass.

4.2.(d) Law Enforcement Administration (1) Salaries and Employee Benefits \$634,600.

**Mr. Mackintosh:** What comprises the Crime Prevention Grants of \$60,000 on that line?

**Mr. Toews:** The Crime Prevention Fund is essentially a mechanism to support community efforts in respect of crime. Over the past number of years the Crime Prevention Fund has had a budget of approximately \$60,000, and over the past five years Manitoba has supported a broad base of community crime prevention programs with grants totalling in excess of \$200,000.

I might indicate that on a relative term or relative context these grants are much smaller than perhaps grants that would be approved under the new Justice Initiatives program. But I can supply the member with some of the ones that I am aware of.

#### Point of Order

**Mr. Mackintosh:** On a point of order. We had canvassed some of the grants in earlier years, so my question would be what grants have been approved either for the current year so far or for the past fiscal year. If the minister wants to provide that in writing, then I will welcome that.

**Mr. Chairperson:** The honourable member did not have a point of order. It is basically a clarification of his question.

\* \* \*

**Mr. Toews:** That is fine. I think that I can provide that in writing to the member.

**Mr. Chairperson:** The minister may want to at this time introduce his new staff who just entered the Chamber.

**Mr. Toews:** Yes, Mr. Bud McIvor from Law Enforcement Services.

**Mr. Chairperson:** I thank the honourable minister.

**Mr. Mackintosh:** Is Mr. Chamberlain still the director of Law Enforcement?

**Mr. Toews:** Yes, he is.

**Mr. Mackintosh:** Perhaps the minister can give me some direction. I had a call from a principal of one of the schools in my constituency looking for some funding to bring in two expert speakers on restitution, particularly restitution in the school setting. I wonder if the minister could give direction as to where that application could be directed, whether it should be to Mr. Chamberlain, under the Crime Prevention grants or to the Justice Initiatives Fund?

**Mr. Toews:** I would indicate that my Assistant Deputy Attorney General Mr. Fineblit is responsible for both those funds, and that the application or the request could be placed to Mr. Fineblit, and he will determine which is the appropriate fund to draw from if indeed that is an appropriate expenditure. So I would encourage the member to send that on Mr. Fineblit.

\* (1640)

**Mr. Mackintosh:** Is there any funding available here or elsewhere in the department for community patrols, that is, citizen patrols to assist the police as their eyes and ears in the community?

**Mr. Toews:** As I understand it, this is where it is traditionally funded out of this particular grant or this particular appropriation. I would not want to say, specifically, that the Justice Initiative may not be an appropriate fund as well. Given that this is a smaller one and is usually designed to deal with small grants for community activities that relate to crime prevention, crime awareness, but if it is a small grant, this well may be the appropriate place to go in respect of the Citizens on Patrol Initiative.

I understand that in past years there was an \$8,000 grant which was given for community-involved crime prevention programs and been used to give grants in a number of communities, including rural communities.

**Mr. Mackintosh:** Is the government currently funding, or would it be prepared to fund requests from community patrols?

**Mr. Toews:** Yes, we would certainly be prepared to consider any application in that respect. Each application would be weighed according to criteria similar to those that I outlined in the House here the other day that were prepared by staff in the Attorney General's department. Again, I would not want to say that if that program is a Justice Initiative/Crime Prevention, and even if it did not fit the criteria exactly, there might be leeway given to ensure that a beneficial program is in fact considered.

I think that is both the danger in some of these allocations, but it is also the benefit, so that the individual department has a measure of discretion in ensuring that the appropriate needs of the community are addressed.

**Mr. Mackintosh:** Is the department undergoing any review of the legislation affecting the training or standards required of security guards?

**Mr. Toews:** I am pleased the member raised this question. In my other life as a Crown attorney I was also counsel to the Registrar of Private Investigators and Security Guards. It certainly presented some challenges back then, and I do not know exactly what the state of the legislation is in now.

I remember there was a particular concern in respect of security guards. There was a particular situation where someone had been charged with 20 or 30 counts of fraud and theft and wanted a licence as a security guard. The act, though, did not seem to prevent the licensing of that type of individual. The Registrar, I recall in that particular time, was very concerned that he would authorize this person to be a security guard and, in fact, denied the licence to the individual.

I remember the matter went on to the appeal court, the county court at the time, and the county court judge thought it was an infringement of the person's rights not to have that licence, despite the fact that he was pending on 20 or 30 counts of fraud or theft and, in fact, granted the licence, and so it was the court granting the licence in that particular case. Now as it turned out, no one would hire this particular guard, and I think eventually he was convicted of some of the charges and so it became a moot issue. But what particularly concerned me was the basis upon which a security guard could be denied a licence, and one of the matters was that he either had to be convicted of a criminal offence or it would be contrary to public interest to grant the licence. Certainly, the position of the Registrar, as I recall, was that it would be contrary to the public interest in order to grant that licence.

I know that the department is looking at this issue, not that specific issue, it is just an issue that popped into my mind as the member was speaking, and perhaps it is something that I would ask my department to look at to ensure that appropriate standards are being applied. The department is in fact conducting a review on standards of private investigators and security guards and also training to ensure that appropriate people are being hired and, in fact, are performing the jobs, those particular functions.

So I understand that the report is still in progress, that it has not been completed yet, but I anticipate that as soon as that is completed and the appropriate background information, recommendations are made, that we can share the details of that study with the member.

**Mr. Mackintosh:** What comprises the study right now? Who is doing it and what is the ambit of the review?

**Mr. Toews:** Mr. Chair, the audit is being conducted by—in fact, a study is being conducted by internal staff in the Law Enforcement Review Agency. As I understand it, they are auditing all firms that provide this type of service to the public. Mr. Chamberlain, who is the director of the branch, is involved in a national committee so that we can move towards standardization of both legal requirements and training.

I would note that the department from time to time receives inquiries from private individuals who are anxious to provide that training service to private investigators, and we have to ensure that these requests are bona fide in the sense that we want to make sure that before we set standards and before we designate a certain individual or a certain company as an appropriate company to provide that training, we want to make sure that it is necessary. I think the department is doing the background work in concert with this national committee, and I think we will then be able to share further details, not only with the member for St. Johns, but any other member of the public who may be interested in providing that service or, indeed, interested in forming a company that would deliver those kinds of services or, indeed, somebody receiving those types of services in his or her business.

\* (1650)

**Mr. Mackintosh:** With Mr. McIvor here, I wonder now if the minister can advise, what are the objectives of the new position of director of Aboriginal Policing?

**Mr. Toews:** Mr. Chair, this particular position referred to by the member involves the management of the existing policing agreement with the Dakota Ojibway Tribal Council police, which services approximately eight communities, and so those are existing agreements that are administered by the director. The actual process of negotiating is a tripartite process. It is provincial, federal and First Nations community. The function of the director is to co-ordinate these negotiations. He participates in analyzing the costs involved. There are a number of communities who are or who have expressed interest in these programs and there are approximately 63 communities—or 60 communities. The director also looks at issues such as the creation of the police commission, if necessary, to

govern this or whether the existing police commissions would deal with this.

I had a very interesting conversation the other night with members of the RCMP who were talking to me about the negotiations that they themselves were doing with First Nations communities in terms of determining what would be the appropriate policing model for various communities. As the member may know, in Saskatchewan, I think, almost without exception, the model that has been chosen there in respect to First Nations communities is the police officers are actually regular members of the RCMP or are within the RCMP rather than stand-alone policing units. They have met with a considerable amount of success in that respect.

In Manitoba, we have a bit of a mixed situation with many RCMP officers who may be aboriginal. Again, the exact numbers, I do not know, but I know that the RCMP is very anxious to recruit as many capable First Nations people within their ranks. Having said that, there is the issue of stand-alone police forces for these First Nation communities. Issues of training, of course, arise, and standards, and the director has input or interest in the stage of the negotiations, the type of negotiations, the cost implications and the governance of some of these police organizations.

I would just indicate for the record that Mr. Jack Gashyna has joined us at the table.

**Mr. Mackintosh:** Can the minister now advise whether there was a competition for filling the position?

**Mr. Toews:** Mr. Chairperson, this, of course, is the same Jack Gashyna that I spoke so highly of earlier this afternoon, and I do not want to go into the details. Jack Gashyna I know can read Hansard himself if he wants to know what I think about his capabilities, and, indeed, he might have heard some of what I was saying about him.

But just in terms of the history of why he is where he is today in a purely governmental sense, what happened at first was there was an RCMP officer seconded from the RCMP that essentially fulfilled this role. That secondment ended after a period of two years, and that individual then returned to the RCMP. Mr. Gashyna

had been seconded to Public Prosecutions from Mr. Pat Sinnott's shop at the Public Prosecutions. He was putting his many skills to use specifically in respect of case management. It was an administrative reorganization that he was looking at in that sense of the case management, and, again, his skills were very, very well put to use there.

\* (1700)

Now, the First Nations groups were very interested in proceeding with negotiations and advancing their particular position. We in the department had no staff year which we could utilize, so Mr. Gashyna was essentially put into that position recognizing his skills, and he was not appointed as a director at that time. Indeed, there was really no vacancy. The staff year did not occur until the transfer that I talked about on the Adjusted Vote transfer which occurred in respect of the position from Community Corrections.

Mr. Gashyna has this staff year now and was appointed the director of aboriginal policing by the assistant deputy attorney general. It did not involve a competition. Simply, Mr. Gashyna was placed in that position in order to fulfill a need, and it was recognized that he, in fact, had the appropriate skills, and he was already within the department so we were able to utilize these existing staff years.

The position did not involve any increase in Mr. Gashyna's salary, although it may well have resulted in some increase in his responsibilities.

**Mr. Mackintosh:** What is the name of the RCMP who was seconded to fill the liaison role in aboriginal policing?

**Mr. Toews:** Sergeant Paul Currie.

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

4.2. Criminal Justice (d) Law Enforcement Administration (1) Salaries and Employee Benefits \$634,600--pass; (2) Other Expenditures \$198,700--pass; (3) Grants \$60,000--pass.

4.2.(e) Victims Assistance (1) Salaries and Employee Benefits \$511,400.

**Mr. Mackintosh:** I have a question about Victims Assistance. I understand that there is a cap of \$2,000 on any counselling. Is that under the Criminal Injuries Compensation Board?

**Mr. Toews:** The answer is yes.

**Mr. Mackintosh:** Can the minister advise whether there are other caps, either in place or contemplated, regarding assistance under the Criminal Injuries Compensation Board scheme?

**Mr. Toews:** I would indicate, as stated by the member for St. Johns, that the Criminal Injuries Compensation has been capped at a maximum of \$2,000 per claim. I would point out that most jurisdictions have limits on counselling. For example, Saskatchewan, has a thousand dollar limit, so in that sense we are still double what Saskatchewan has. One of the things though that was done by the department is a study that was conducted by Prairie Research Associates on victim services in Manitoba. I would indicate that study has been completed and has been received and is presently being reviewed by the Justice department officials.

One of the things that was noted in that study, and I am paraphrasing here, that the compensation system, the Criminal Injuries Compensation system, is indeed a very generous one compared to other jurisdictions. Prairie Research Associate made certain recommendations. One of those recommendations, as I recall, related to the issue of providing wage replacement to people who are not receiving wages, and that is the subject of a bill presently before the House.

In respect of the other recommendations, it was felt that the department should look at all those recommendations and approach any changes in a broader way to ensure that there will, in the result, be an enhanced victim services program for Manitobans. One of the instructions that I have given to staff is to take a look at The Criminal Injuries Compensation Act and possibly consider the drafting of new legislation.

Now, this recommendation requires planning and policy considerations that will take time to develop.

One of the reasons we did not want to proceed at this time in respect of those recommendations is that we are awaiting the Lavoie Inquiry which is expected to make recommendations regarding victim programming, which we believe should be addressed in tandem with the results of the study.

Certain recommendations have already been addressed, such as the creating of a branch where the victim services reports to an assistant deputy minister. This has been done through the Public Safety Branch. Consulting with the police-based services at the community level to determine the best method of delivery of victims services has also taken place. So in terms of any fixed, contemplated caps, those are the only ones that I am aware of and that the department is actively contemplating at this time.

**Mr. Mackintosh:** Is that study available publicly either through Queen's Printer or the library?

**Mr. Toews:** Before I make any commitments in terms of releasing that particular report, I do want to have further discussions with my officials. It was my understanding that we wanted to wait until the Lavoie report came out and release this perhaps in concert with that or following that, depending on what the Lavoie report indicates. We think that is the appropriate way to proceed but, certainly, it is the intention of the department to release that study in the near future. We have had this discussion in respect of the Lavoie report. I do not know whether it was in Estimates or in Question Period, but certainly we are awaiting the release of that report and we anticipate that coming forward relatively quickly.

\* (1710)

**Mr. Mackintosh:** Could the minister tell us what happened to a report or review that I understand was being conducted of the Victim Assistance Programs that exist through the RCMP in Manitoba?

**Mr. Toews:** This report deals with that particular issue. In fact, what we have done in the interim, because we have had some fairly positive reports from

the community about this Victims Assistance plan, members of communities who are presently involved in that Victim Assistance Program have, in fact, approached the government to ensure that funding continues for the next year. It has been my understanding that that funding has continued for the next year and that, in the meantime, we want a study to see how we can best serve the community in respect of Victims Assistance.

I know that the director of Public Safety, Mr. Sangster, is being asked to visit these various communities to consult with each and every one of the committees who deal with victims assistance to provide further background information. The initial indications are that the study is a very productive, positive one and that we should look at ways of expanding that system throughout the province.

**Mr. Mackintosh:** I had some questions on the Urban Sports Camp initiative. What is the appropriation that we should raise it under?

**Mr. Toews:** I am advised that that comes under the Winnipeg Development Agreement, and so it could also be in Urban Affairs rather than this particular branch. I know I am working very closely with that department to move that project along.

Mr. Sangster is involved in that particular project heading up a committee of people who are charged with the implementation. That is moving along very, very well, and we hope to hear some positive announcements very shortly. But my understanding, and if I am wrong in this respect, staff will advise you of the correct appropriation. It falls under the WDA funding. As I understand it, the Urban Sports Camp is a component of what they call the urban safety program of the Winnipeg Development Agreement. As the member knows or may know, the aim of this camp is to provide alternative leisure time activity for inner city youth with the long-term objective of preventing youth crime and violence, and that also partnership with community groups are key elements to ensuring ownership and sustainability upon completion of the agreement.

I could have a long discussion about that. I do not know whether the member particularly wants to hear

about it at this time, but I anticipate an announcement being made very shortly in respect to the Urban Sports Camp.

**Mr. Mackintosh:** The minister will have received a letter April 25 from the Minister of Urban Affairs (Mr. Reimer) who advises that the contact for the project is Mr. Sangster, so I am just wondering where we can pursue that within the Department of Justice Estimates rather than in Urban Affairs.

**Mr. Toews:** Well, in fact, this is the spot to ask any questions that he may want. There is no appropriation in the Department of Justice. As the member knows, WDA is tripartite funding. It comes under, as I understand it, Urban Affairs and municipal funds as well as federal funds. We have provided certain staff because we feel that this is the appropriate place to coordinate that type of activity from, and that is why we, in the Department of Justice, are involved in this.

I think that point needs to be dwelt on. Sometimes the structure of government lends itself to the very fractured delivery of programs. I think, as we become more sophisticated in the delivery of programs, we recognize more and more that we should not be necessarily tied to a particular department or particular program when the issue is a cross-departmental one. One of the best examples of that type of cross-departmental activity is the Child and Youth Secretariat where people from every department are involved in the delivery of particular programs. I would not put this into the same category as a Child and Youth Secretariat, but this in fact is a recognition that certain issues related to funding or program delivery or geographical locations may impact upon different issues and different departmental individuals. So what I think government is coming to realize is that it is the delivery of the service that is important rather than particularly where the funding is and who the people are delivering the program.

I think, in terms of accountability, it should always be clear where does the money come from, because the member for St. Johns has an obligation to the community to determine and seek disclosure of those types of statistics so that the taxpayer knows where the money is and where it is coming from and how it is to be spent. But I do not think that there is a concern

simply because a person in a particular branch is, in effect, responsible for the administration of a program funded by money coming through a different department or a different appropriation.

**Mr. Mackintosh:** When is it expected that this initiative will be up and running?

**Mr. Toews:** We anticipate that this will be implemented during the course of this summer. I might point out that already two projects involving the Winnipeg Native Alliance and the International Centre have been funded as study sites that have been assessed by the steering committee during the developmental phase. These centres have proven that by using community-based organizations and existing resources, a recreation concept can be introduced and flourish in areas that are deemed high risk for youth. So the broad-based committee that is involved in developing the Urban Sports Camp as a whole is in fact moving towards implementation this summer.

\* (1720)

**Mr. Mackintosh:** Well, just finally on this, can the minister advise who comprises the committee?

**Mr. Toews:** I do not have the list here. All I recall is that one member, Mr. Trevor Kennerd, is on that particular committee and Dr. Henry Janzen is on that committee and also a corporate partner in this is the Winnipeg Rotary Club. I do not know who the representative from the Winnipeg Rotary Club is, but I will get that information to the member.

**Mr. Chairperson:** Item 4.2.(e)(1) Salaries and Employee Benefits \$511,400—pass; (2) Other Expenditures \$973,200—pass; (3) Grants—pass.

4.2.(f) Criminal Injuries Compensation Board (1) Other Expenditures \$1,645,400.

**Mr. Mackintosh:** I have one question under this item. Under what I assume is the proposed legislation, I believe there has been notice or first reading given of an act to amend The Criminal Injuries Compensation Act. If I were fired from my job today and knifed in the back tomorrow, is it right that under the proposed

legislation I would not receive any compensation for wage loss?

(Mr. Ed Helwer, Acting Chairperson, in the Chair)

**Mr. Toews:** While you may not be eligible for wage loss replacement if you are not earning any wages, you still may be entitled to other benefits under the act. I think that is one of the points that the Prairie Research study identified, stating that it would not appear to be appropriate to receive from the government Treasury a sum of money that is designed to compensate you for a loss that in fact you did not suffer.

**Mr. Mackintosh:** If in fact I had been employed off and on over a long period of time and showed that there was a consistent pattern of re-employment and yet I suffered criminal injuries during the time of unemployment, would I be denied wage replacement under the proposed legislation?

**Mr. Toews:** I am not prepared to give a legal opinion, but this is no doubt something that should be debated when this bill is before the House. I would assume this is something on which the appropriate judicial body would make that determination.

**Mr. Mackintosh:** One question just before we leave this division. I wonder if the minister is aware of when the Holiday Haven inquest is set to begin.

**Mr. Toews:** I am not aware that any date has been set yet. I understand that has just recently been called by the Chief Medical Examiner, and in due course that will be announced publicly.

**Mr. Mackintosh:** Can the minister advise if a prosecutor has been assigned to that inquest now, and if so, who?

**Mr. Toews:** I am not aware of any prosecutor being appointed to that at this time.

**The Acting Chairperson (Mr. Helwer):** 4.2 Criminal Justice (f) Criminal Injuries Compensation Board (1) Other Expenditures \$1,645,400—pass; (2) Less: Reduction in Actuarial Liability (\$100,000), for a subtotal of \$1,545,400—pass.

Resolution 4.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$66,275,200 for Justice, Criminal Justice, for the fiscal year ending the 31st day of March, 1998.

Shall the item pass?

**Mr. Mackintosh:** Could the minister provide an explanation as to why on Schedule 5 on page 11 of the detailed Estimates book the Criminal Injuries Compensation Board shows up as zero expenditures for last year and this year? I am sure there is a simple explanation for that.

**Mr. Toews:** Yes, that page is a staff year summary, and there are no staff years directly associated with that. As you may be aware, the Criminal Injuries Compensation Board is, in fact, handled by the Workers Compensation Board.

If I could just continue with that answer, we are also just joined here by Dianna Scarth, the executive director of the Human Rights Commission.

**The Acting Chairperson (Mr. Helwer):** Shall the resolution pass? The resolution is accordingly passed. I will give the Chair back to the Chairperson.

\* (1730)

(Mr. Chairperson in the Chair)

**Mr. Chairperson:** We will now move on to 4.3. Civil Justice (a) Executive Administration (1) Salaries and Employee Benefits \$132,800-pass; (2) Other Expenditures \$19,300-pass.

4.3. (b) Manitoba Human Rights Commission (1) Salaries and Employee Benefits \$999,900.

**Mr. Mackintosh:** Very briefly, I think the debate surrounding the Human Rights Commission will take place on the bill, because the bill raises funding issues as well as changes to the number of commissioners, of course.

I just wanted to welcome Dianna Scarth to her new position. I have a long association with the Human Rights Commission. That is where I cut my teeth as a

human rights development counsellor which was in the name of intake officer at the time and then later human rights officer, and I have always followed with interest antidiscrimination initiatives. In fact, I did my thesis on the development of antidiscrimination law at the federal level. I recommend it to members.

I just have one brief question here. I certainly remember a CASHRA meeting, and I attended a meeting of human rights officers in the United States in the late '70s, early '80s, and at that time we were talking about fast-tracking complaints by way of either a mediation or a conciliation-type process, and I know the Human Rights Commission a number of years ago in Manitoba took on that challenge of more timely disposition of complaints by instead of going through an independent investigation stage but going very quickly to what I understood was a face-to-face resolution or at least a resolution that was not initiated by an investigation by a human rights officer.

I am wondering if, briefly, there could be a description of how that fast-tracking resolution of complaints is being dealt with at the Human Rights Commission today?

**Mr. Toews:** I would like to have an opportunity to discuss exactly that issue. I think the member raises a very, very good point. Indeed, perhaps, the excellent reputation of our Human Rights Commission has something to do with the initial work that the member did in that commission, I do not know, but one of the things that I learned in the private sector when I was there for a short period of time after leaving government was the very high regard that is out there for the Manitoba Human Rights Commission. The Manitoba Human Rights Commission is viewed as a very moderate and realistic, common-sense kind of commission, really trying to solve people's practical problems and very interested in moving matters along.

I would take that in very sharp contrast to the Ontario Human Rights Commission, through my experience in the early 1990s, where there was tremendous backlog. I am aware of one particular case where it went on for four years without coming to anywhere near a resolution. So I know that the Ontario Human Rights Commission was hopelessly bogged down in '92-93. I do not know whether some of that has improved with

the change of government, but one of the things that has in fact, this commission here in Manitoba, in addition to its fine reputation with providing good, common-sense direction and advice, was that it had broadened the range of options available for dealing with complaints through the introduction of mediation and conciliation programs resulting in the speedier resolution of complaints. Currently there is no backlog of complaints waiting to be assigned to investigators.

Under a pilot project, a commission is now fast tracking 20 percent of potential complaints as well as having introduced a new face-to-face mediation program prior to investigation. I think the Human Rights Commission is no different from any other instrument of justice, and that is, a speedy resolution of a complaint is crucial to the administration of justice. I believe that the Human Rights Commission has been pursuing that very diligently and very effectively.

**Mr. Mackintosh:** I guess I really should ask this question here, and I am certainly aware of some horrendous delays that complainants have suffered at the Human Rights Commission, and I think unfortunately the commission did develop somewhat of a reputation over the years as a black hole for some types of complaints. There is a complaint that comes to mind. Actually it was a number of complaints alleging systemic discrimination on the basis of sex lodged by some women from post-secondary educational institutions in Manitoba. It is a very old complaint, and I am just wondering if the committee could be advised of the status of that complaint or series of complaints.

**Mr. Toews:** The executive director has certain concerns, and I share those concerns as well, about getting into the details of any complaint which may or may not be ongoing or may or may not be investigated at this time. I know I can say that the commission has received a study that has been done which may be relevant to the issue that the member is raising but, beyond that, I do not want to get into any further details.

**Mr. Mackintosh:** Recognizing that there is some confidentiality aspects though, can the committee at least be told whether this matter is still under investigation or whether it has proceeded to conciliation?

**Mr. Toews:** Insofar that it is public knowledge that a complaint was made, I can indicate that the matter is still under active consideration.

**Mr. Mackintosh:** Can the minister just say whether that is at the investigation stage or has it gone beyond that?

**Mr. Toews:** I would suggest that it is beyond that, given the fact that—perhaps to be cautious, I should say it is not yet in adjudication. I am not suggesting that it is going to go to adjudication, but is not yet in adjudication. I think the parties are best left to deal with that issue, and the issue is not one that should be discussed at this time.

\* (1740)

**Mr. Chairperson:** Shall the item pass? Pass. Item 4.3. Civil Justice (b) Manitoba Human Rights Commission (2) Other Expenditures \$344,700—pass.

4.3.(c) Legislative Counsel (1) Salaries and Employee Benefits \$1,241,900—pass; (2) Other Expenditures \$343,900—pass.

4.3.(d) Manitoba Law Reform Commission (1) Salaries and Employee Benefits \$75,000.

**Mr. Mackintosh:** Just to advise the committee that I think we will have full debate about the Law Reform Commission when we discuss the bill in the House.

**Mr. Chairperson:** Shall the item pass? Pass. Item 4.3.(d)(2) Other Expenditures \$30,600—pass.

4.3.(e) Family Law (1) Salaries and Employee Benefits \$574,800.

**Mr. Mackintosh:** Is the minister prepared to reinstate the designated officer position for Maintenance Enforcement at the Dauphin Court House?

**Mr. Toews:** I would indicate that is under 4.5.(c) Regional Courts, that particular issue.

**Mr. Mackintosh:** Can the minister tell the committee whether he is aware of any backlogs in warrants for the

Maintenance Enforcement Program, the city of Winnipeg?

**Mr. Toews:** The Maintenance Enforcement issue is under 4.5.(a) Courts, and I would need the court staff here rather than the Director for Family Law, Joan MacPhail, Q.C.

**Mr. Chairperson:** Shall the item pass? Pass. Item 4.3.Civil Justice (e) Family Law (2) Other Expenditures \$106,600—pass.

4.3.(f) Constitutional Law (1) Salaries and Employee Benefits \$585,400—pass; (2) Other Expenditures \$112,900—pass.

4.3.(g) Legal Aid Manitoba (1) Salaries and Employee Benefits \$5,932,000—pass; (2) Other Expenditures \$6,504,600—pass.

4.3.(h) Civil Legal Services nil—pass.

4.3.(j) Public Trustee nil—pass.

Resolution 4.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$17,004,400 for Justice, Civil Justice, for the fiscal year ending the 31st day of March, 1998.

We will now move on to resolution 4.4 Corrections (a) Administration (1) Salaries and Employee Benefits \$549,500—pass; (2) Other Expenditures \$288,300—pass.

4.4 (b) Adult Corrections (1) Salaries and Employee Benefits \$28,516,500.

**Mr. Mackintosh:** I am wondering if the minister has staff that he is going to bring in for this one.

**Mr. Toews:** Yes, this is the Corrections staff here: Mr. Greg Graceffo, the assistant deputy minister of Corrections; and Mr. Jim Wolfe, executive director, Adult Corrections.

**Mr. Mackintosh:** Well, do we not remember last year around this time, this was a real doozie under this appropriation.

**Mr. Chairperson:** This one took 20 hours on its own.

**Mr. Mackintosh:** I have a few very specific questions. First of all, I would just like to understand how work hours translate into remission or pay for inmates of the Adult Corrections. Can the minister tell the committee if an inmate does work hours in the institution or outside of the institution, is there any effect on the time that one spends in the facility? Is there any direct effect?

**Mr. Toews:** I am advised that the legal release date is affected by a number of factors. They could include community work but not necessarily so. For example, I am thinking of a hypothetical situation where there has been a disturbance at a particular facility and prisoners would be in lock-down. Now, if those prisoners who behaved themselves and co-operated in that limited way that they could co-operate, certainly the officials take that into account, that there were factors beyond this particular inmate's ability to control, and so that would not necessarily work against the inmate simply because he has not had the opportunity to go out into the community.

**Mr. Mackintosh:** Are inmates paid for work that they do in the institution or outside of the institution?

\* (1750)

**Mr. Toews:** I am advised that they, in fact, are paid. Their pay ranges from \$1.90 a day to \$3.70 a day depending upon the experience and the jobs that are assigned to them.

**Mr. Mackintosh:** Although we are not under that appropriation now, I wonder if the minister can advise what inmates in the youth facilities are paid, if at all.

**Mr. Toews:** They are not.

**Mr. Mackintosh:** Can the minister tell us what the status of restarting the programs for inmates at Headingley currently is? Are the programs 100 percent on stream again, or are they still in abeyance?

**Mr. Toews:** I know that the member simply wants a general outline of what has been going on, and I am prepared to do that in as quick a period of time as possible, and he may want to ask questions tomorrow

in more detail. But this will give him an indication of some of the things that have in fact been going on.

We are in the process of reintroducing many of the programs that were suspended as a result of the disturbance last year at Headingley, the domestic violence course in terms of the short-term domestic violence course, if I am correct in that respect; also, the substance abuse program is being reintroduced or is reintroduced. The chaplaincy program is as well reintroduced into the various units. I noted when I toured Headingley on two occasions now, the first time there seemed to be a restriction on the recreational activities much more so than the last time that I went. I noticed a substantive difference, although all the recreational activities, I am advised, are still occurring indoors.

The school program will be reintroduced shortly, and so many of these programs are in fact in the process of being introduced or have in fact been reintroduced. The sex offenders program which was closed down in Headingley was in fact continued on at Dauphin, and once the renovations have been made to Annex B at Headingley, the sex offenders from Dauphin will be moved down to Annex B and the programs that they are currently receiving there will be continued at Annex B.

One of the other very important things when we are talking about inmate activities is, in some respect, the flood had some impact on the jail and the ability of the jail to introduce and reintroduce programs, but that was, I think, spent very profitably by many of the inmates. The public may not realize that between 100 and 150 inmates and youth residents were deployed daily including work gangs on weekends, and they were supplemented by weekend sentenced prisoners. I know that when I went to Milner Ridge, for example, there were people working on sandbag units who then when they were not serving time on the weekend—they were free to leave the facility on the weekend—were in fact volunteering to sandbag, and I believe the member for St. Norbert is familiar with that.

So we had prisoners, in fact, very active in that particular activity, and from all reports these offenders worked side by side with ordinary civilians and, indeed, most of the civilians, if any of them, did not know that these people were offenders. Those high-risk offenders

from Headingley Correctional Institution who posed too high a risk for off-site deployment were assigned to around-the-clock sandbagging onsite utilizing a sandbagging machine provided by a private vendor. So the inmates really have to be commended for the very positive contribution that they made to our community, and hopefully it is a lesson learned, that they do have something to offer to the community and that we are thankful even to inmates for the very positive contribution that they made.

**Mr. Mackintosh:** I wanted to ask some questions on the follow-up to the Hughes inquiry recommendations. I am wondering if the minister has an advance compiled status sheet at all or if we should go through those point by point.

**Mr. Toews:** I can again summarize some of the update in respect of the Hughes report, and just in terms of background information, very quickly—I appreciate that we are running short of time—the Hughes report, in fact, outlines a number of areas that require the attention of the Corrections Division, so the Corrections Division, in fact, looked at the various recommendations and then addressed those.

Firstly, Mr. Hughes's point about the return to an acceptable workplace environment, as a result of Mr. Hughes's report, the Headingley labour relations committee has been in operation since January 27, 1997, and has been organized as outlined by Mr. Hughes. The committee has addressed as its first order of business the revitalization of unit and case management at the correctional institution. The institution has developed a new approach for unit management that has as its primary focus the elimination of certain administrative processes or ways of handling staff.

**Mr. Chairperson:** Order, please. The hour being six o'clock, committee rise.

Call in the Speaker.

#### IN SESSION

**Mr. Deputy Speaker (Marcel Laurendeau):** The hour being 6 p.m., this House is now adjourned and stands adjourned until 1:30 tomorrow (Wednesday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 27, 1997

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