



Fourth Session - Thirty-Sixth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

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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.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
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	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 9, 1998

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Ms. Jean Friesen (Wolseley): I beg to present the petition of Mary Masserey, Clarressa Valera, Linda Lemoine and others praying that the Legislative Assembly of Manitoba urge the Minister of Health (Mr. Praznik) to put an end to the centralization and privatization of Winnipeg hospital food services.

Mr. Jim Maloway (Elmwood): Madam Speaker, I beg to present the petition of Pam Rinehart, Ken Martin, Edgar Baril and others praying that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg health food services.

Mr. George Hickes (Point Douglas): Madam Speaker, I beg to present the petition of Doreen Loureiro, Edwar Swiston, Dorothy Webb and others praying that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

READING AND RECEIVING PETITIONS

Women's Resource Centres

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

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT the Evergreen Women's Resource Centre provides services which focus on prevention and intervention in domestic abuse for communities within a 100-kilometre radius; and

THAT with only partial funding from the provincial government, Family Dispute Services, in the amount of \$37,600 and some funding from the communities it serves, the Evergreen Women's Resource Centre hires three part-time employees and provides telephone, counselling, training and seminar facilities, in addition to education, information and outreach programming; and

THAT Evergreen Women's Resource Centre is also involved in referral services on a crisis-intervention and second-stage outreach level; and

THAT for years, the Evergreen Women's Resource Centre has struggled to provide these vital programs and services with limited funding or commitment from the provincial government; and

THAT during the 1995 provincial election, the Filmon government said, "The safety and security of the individual, our families and our communities is vital to the quality of our life."; and

THAT if the Filmon government is really committed to that statement, it must back it up with funding for the agencies that provide services to make it a reality.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Filmon government to consider providing long-term, adequate and stable funding for the Evergreen Women's Resource Centre and other women's resource centres in the province to ensure that the vital services provided by these organizations are continued.

Winnipeg Hospitals Food Services—Privatization

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

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT the Urban Shared Services Corporation (USSC) has announced plans to privatize laundry, food services and purchasing for the Winnipeg hospitals; and

THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with many more privatized in the next two or three years; and

THAT under the terms of the contract, Ontario businesses will profit at the expense of Manitoba's health care system; and

THAT after construction of a food assembly warehouse in Winnipeg, chilled, prepared food will be shipped from Ontario, then assembled and heated before being shipped to the hospitals; and

THAT people who are in the hospital require nutritious and appetizing food; and

THAT the announced savings as a result of the contract have been disputed, and one study by Wintemute Randle Kilimnik indicated that, "A considerable number of studies have compared costs of service delivery in health care between self-operation (public sector) and privatization. Invariably, privatization is more expensive."; and

THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

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

An Honourable Member: Dispense.

Madam Speaker: Dispense.

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WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

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

An Honourable Member: Dispense.

Madam Speaker: Dispense.

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THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with many more privatized in the next two or three years; and

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THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

TABLING OF REPORTS

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I am pleased to table the Supplementary Information for Legislative Review, the '98-99 Departmental Expenditure Estimates for the Department of Education and Training.

* (1335)

INTRODUCTION OF BILLS

Bill 300—The Brandon University Foundation Incorporation Amendment Act

Mr. Leonard Evans (Brandon East): I would move, seconded by the member for Swan River (Ms. Wowchuk), that leave be given to introduce Bill 300, The Brandon University Foundation Incorporation Amendment Act; Loi modifiant la Loi constituant la Fondation de l'Université de Brandon, and that the same be now received and read a first time.

Motion presented.

Mr. Leonard Evans: By way of explanation on first reading, just briefly, this is a minor technical correction which should receive support from all members of the House and would facilitate the efficient operation of the Brandon University Foundation.

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 this afternoon eighteen Grade 9 students from Neepawa Area Collegiate under the direction of Mr. Harold Repko. This school is located in the constituency of the honourable Minister of Natural Resources (Mr. Cummings).

Also, we have 25 journalist students from Red River Community College under the direction of Mr. Donald Benham. This school is located in the constituency of the honourable member for Wellington (Ms. Barrett).

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

ORAL QUESTION PERIOD

Minister Responsible for MTS Conflict of Interest

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, in January of 1992, questions were raised in the public about the issue of Linnet Graphics. At that time, on January 8, 1992, the Premier moved Linnet Graphics from the Minister of Industry, Trade and Technology, the Minister of Finance today, to the then Minister of Finance because the brother-in-law of the corporation was dealing directly with the government.

We thought that was a prudent course for the ethics of the government and for the ethics of the minister, and I would like to ask the Premier why today does he not see a similar if not more serious situation where you have a minister responsible for the golden share dealing with a brother of the same individual who is eligible for up to a million dollars in stock options, as he is still minister responsible for the golden share?

Hon. Gary Filmon (Premier): Madam Speaker, we do not believe that there is any breach of our conflict-of-interest guidelines, and if the member believes so, then I invite him to make the challenge and to seek legal counsel to pursue it.

Mr. Doer: There was no challenge of the conflict-of-interest guidelines at the time of Linnet Graphics, but good sense and ethical decision making was in place. The minister at the time said that this issue was a problem for him, even though his brother-in-law was an employee of the corporation and did not hold shares in the corporation which would have then presented a situation of conflict in terms of the financial or pecuniary gain.

I would like to ask the Premier: does he not see the ethical disadvantages and ethical problems and challenges of having a minister responsible for the golden share who acknowledged yesterday he is responsible for the debt payments in the new private telephone system to the government, a minister responsible for the golden share, when some of the assets of that corporation are not going to debt repayment but are going to his brother in the form of stock options? Does the Premier not see that that is a definite difficulty, and why can he not do as he did with Linnet Graphics and move the file?

Mr. Filmon: As the member has been fully informed, Madam Speaker, the Manitoba Telephone System has not only kept up to all of its responsibilities to the Crown but has exceeded them in terms of its early repayment of debt. So there has been no breach in any way of the relations or the obligations with respect to the corporation and the Province of Manitoba.

* (1340)

Mr. Doer: Madam Speaker, I cannot believe that the Premier does not see the ethical problems with a minister responsible for the golden share also having individuals who are related to him gaining up to a million dollars in stock options and others gaining tens of thousands if not millions of dollars as well, but particularly in this case, a direct relative of the minister.

I cannot understand, and I would like to ask the Premier: under Section 10 of the act, which provides

for a special share, that the minister is entitled to vote, what action did the minister responsible for the golden share take under Section 10 of the act to deal with the golden stock options that were provided to the relatives of the minister responsible for the golden share?

Hon. Eric Stefanson (Minister of Finance): I am glad that the Leader of the Opposition refers to the act, and I would assume that he is referring to the Manitoba Telephone System reorganization bill that was passed back in 1996. I do encourage him to read then—he is referring to Section 10—the sections of the act give us the ability to appoint four directors as members of the board of directors of MTS. We have done that as we are allowed to do. I have named those four individuals.

I also encourage him to read Section 11 which outlines very clearly the conditions attached to the issuing of that share. I think he will find that all of those conditions are being met; they have been met. As the Premier has indicated, the debt repayments are actually, if anything, ahead of schedule and the conditions are clearly outlined in legislation. My responsibility as Minister of Finance—[interjection]

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

Mr. Stefanson: Madam Speaker, as I have indicated, we appoint four members to the board of directors. My responsibility as Minister of Finance is to be absolutely certain that all of these conditions are being met, and I can assure this House today they are being met, and certainly the issue of paying back the debt is being met. In fact, it is being exceeded.

Minister Responsible for MTS Conflict of Interest

Mr. Steve Ashton (Thompson): It is clear that the minister responsible for MTS still does not get it. He is the minister on behalf of the Crown that owns a special share. It is outlined not only in Section 11(1)(g) of the act, but he might want to refer to The Corporations Act, 170(1)(d). His responsibility is to protect the public interest. It was not in the public interest for a stock option to be given to his brother and other directors, \$3.5 million, Madam Speaker.

I want to ask the minister responsible for MTS what action he took under his responsibilities, as the owner of a special share, also the minister that appointed directly four people to the board. What action did he take to prevent this rip-off of Manitobans?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, what the member for Thompson chooses to ignore or forget is the fact that there are some 70,000 shareholders of MTS, individual Manitobans, in fact the majority originally Manitobans who have invested in MTS, and at a shareholder meeting on May 30, 1997, those shareholders ratified a stock option plan. They delegated the authority to the board of directors to pursue the details of a stock option plan.

The board of directors set up a subcommittee of human resources. They retained the professional expertise—I believe a group called the Hay consulting group did a review of compensation right across Canada for telecommunication companies and other kinds of companies, and as a result of the approval given by the shareholders, the board of directors has brought forward the details of that stock option plan. They will be held accountable again by the shareholders, the 70,000 shareholders, at their next general meeting held in April of this year. That is accountability. That is a significant degree of accountability to people who invest their own money in MTS.

Mr. Ashton: Madam Speaker, speaking of accountability, I am asking the question to the Minister of Finance. The Minister of Finance refuses to answer it. I will ask him once again. What action did he take, given his responsibility under Section 10 of the act, as the minister responsible for the class of shares? What action has he taken in regard to this \$3.5-million stock option program that comes ahead of any debt repayment, which is part of his responsibility? What action did he take as minister responsible for MTS?

Mr. Stefanson: Again I encourage the member for Thompson, if he has not done it, to read just a little further in the bill that he appears to have before him, and to read Section 11, and he will see the conditions that are attached to the special share that this Province of Manitoba owns. There are a series of conditions in that section. All of those conditions are being met. As

well, Madam Speaker, the \$426 million of debt that was due the taxpayers of Manitoba back on January 7, 1997, is now down to \$239 million. That is excellent performance in terms of repaying that money to the taxpayers of Manitoba.

In terms of the operations of MTS, as I have said before, there is a regulatory process, CRTC, for them to go through in terms of rates, in terms of expenditures and so on. That is a process that protects the consumer and the public and is obviously working well today because we currently have the lowest residential rates for our telephone company of any telephone company in all of Canada.

* (1345)

Resignation Request

Madam Speaker: The honourable member for Thompson, with a final supplementary.

Mr. Steve Ashton (Thompson): Given the fact the minister did not answer the question again, I want to ask the Premier whether he will do the right thing and deal with the clear conflict that is involved here, the clear lack of responsibility being shown by this minister, supposedly to protect the public interest. Will he do the right thing and remove this minister as the minister responsible for MTS?

Hon. Gary Filmon (Premier): As I indicated to his Leader, Madam Speaker, I will indicate to the member for Thompson that if he believes there is a conflict of interest here, he should make that allegation through the legal channels available to him and have it ruled upon.

Manitoba Telecom Services Layoffs

Mr. Clif Evans (Interlake): Madam Speaker, my question is for the minister responsible for decentralization. I say “decentralization” because in the past two years or so decentralization has been nonexistent in this province related to the workforce promised that was to be decentralized to rural Manitoba from the city. In 1990—and I want to table the decentralization memo that was presented for decentralization.

Madam Speaker: Question.

Mr. Clif Evans: I want to ask the Minister responsible for Rural Development: of the 32 jobs from MTS that were promised and moved to rural Manitoba, can the minister tell us, of those 32, how many are still in rural Manitoba servicing the communities?

Hon. Leonard Derkach (Minister of Rural Development): I must say that the decentralization initiative has been a very successful one throughout rural Manitoba, but it is interesting getting the question from the member opposite when, in fact, his party was so opposed to decentralization to begin with.

In fact, the economy of rural Manitoba is very buoyant today. There are indeed many jobs out there in rural Manitoba that are very productive, and we are proud of the initiatives that we have undertaken.

Madam Speaker, it should be noted also that Manitoba Telecom Services is a private industry, and indeed that is something that their management has to decide and not the government nor this minister.

* (1350)

Mr. Clif Evans: I want to ask the Minister of Rural Development: since he did not answer the question about the 32 jobs that were put out to rural Manitoba, can the minister tell us, if the rural economy is so important for the services through MTS or any other service, how can the minister tell us that services are going to be there for rural Manitobans through MTS when Dauphin has lost jobs, Portage has lost jobs, Steinbach has lost jobs through privatization and decentralization of the decentralization?

Mr. Derkach: Madam Speaker, there was a time in the history of this province where indeed there were no jobs in rural Manitoba, and that was during the years of the NDP. Today we have an abundance of jobs that are being created throughout rural Manitoba.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable Minister of Rural Development, to complete his response.

Mr. Derkach: Madam Speaker, this morning's information about unemployment rates was certainly encouraging to all of us when the reports have indicated that Manitoba can now boast of having the lowest unemployment rate in this country.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, Beauchesne's Citation 417 is very clear: "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate."

I have sat here for the last five minutes, Madam Speaker. Not only have I seen this minister blatantly ignore those rules, I have seen members opposite eat up question time and you not intervene either on his irrelevance or their abuse of Question Period. I ask you to call him to order.

Madam Speaker: On the point of order raised by the honourable member for Thompson, I would ask the honourable Minister of Rural Development to respond to the question asked.

* * *

Madam Speaker: The honourable Minister of Rural Development, to complete his response.

Mr. Derkach: Madam Speaker, I am very proud of the record this government has with regard to jobs in rural Manitoba and throughout this province, and we will continue to promote jobs through the private sector throughout this province, and indeed that is happening daily.

Madam Speaker: The honourable member for Interlake, with a final supplementary question.

Mr. Clif Evans: Madam Speaker, my supplementary question for the Minister of Rural Development is: seeing that the minister talks about the low unemployment rate in rural Manitoba, seeing the minister talks about the economic boom in this province, what is this minister going to say—will he say those same words to the people who have been laid off through decentralization, after decentralization, after

privatization of MTS and all the layoffs that have occurred with the Manitoba Telecom Services in rural Manitoba?

Mr. Derkach: Madam Speaker, the technology that is available today is evolving, and indeed jobs are changing by the day. I only point-

Some Honourable Members: Oh, oh.

* (1355)

Madam Speaker: Order, please.

Mr. Derkach: Madam Speaker, within the last few years we have seen an enormous number of jobs in the technology area. I think there are something like 7,000 jobs created in this province as a result of the new technology of call centres. So there are jobs out there in rural Manitoba and in urban Manitoba, and indeed if you look at the reports, this province can be very proud of its job-creating record.

Education System Substitute Teacher Costs

Ms. Jean Friesen (Wolseley): Madam Speaker, user fees in public schools have been escalating across the province, and every parent is very keenly aware of this. Under this government, parents have been charged a fee to have a teacher in the classroom. I would like to table a letter from the Minister of Education where she says, and I quote: that she is aware that substitute teacher costs are being passed on to parents.

I would like to ask the minister to tell the House whether or not she has written to boards and superintendents, as she did about the God Save The Queen anthem, to inform them that this in fact contravenes The Public Schools Act.

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, of course the member has taken out of context a reference to a fact that for field trips and things of that nature, from time to time substitutes will be kept in the classroom while teachers escort students on field trips. That is not an everyday occurrence. That is not addressing the implications that the member has tried to put on the record by taking a

quotation out of context, not set in the parameters, and I would invite all members to read the letter in full context.

The school divisions are fully cognizant of the funding that is provided to school divisions and the rules surrounding when or when not they can use substitutes in the classroom.

Ms. Friesen: Madam Speaker, could the minister tell the House whether in fact she is going to require reimbursement to those parents who were required to pay for a teacher in the classroom?

Mrs. McIntosh: Madam Speaker, throughout the length and time that I have been involved with schools in Manitoba, which has been some 30-odd years, students going on field trips have been sometimes asked to contribute to the cost of that field trip. My own daughter, who went to school in the '70s and '80s, was frequently on field trips, and we were frequently asked as parents to help pay a fee to cover off the cost of the field trip. That is not paying for a substitute teacher, but if a substitute teacher is used while the teacher is gone on the field trip, that does form part of the expense of that field trip.

This is nothing new. This is not something that has just occurred in the last 10 years. This has been occurring in Manitoba for at least 30 years in my experience in Manitoba. The member tries to make it sound like students paying fees for field trips is something new. It is not.

Ms. Friesen: Madam Speaker, is the minister saying then that those students who play on a school team and play away and take a teacher with them, must then pay for the substitute teacher who replaces that teacher in the classroom to instruct the compatriots, because that is what I heard the minister say?

Mrs. McIntosh: No, Madam Speaker, that is not what I am saying. What I am saying is that when students go on field trips, and in some school divisions they have gone on field trips as far away as France or other places or they go to Vancouver or they go to another part of Manitoba, there are sometimes costs associated with that and parents are asked to contribute a fee to help cover off the expenses. I am not saying that every time

a student goes on a field trip they have to pay a substitute. That is not what I am saying, and I wish to make that clear.

* (1400)

Ms. Friesen: Madam Speaker, I have a new question. Could I get the minister to clarify then that fees will be paid for a substitute classroom teacher when a student is playing for a school team, but not when the student is on a field trip? That seems to be the distinction that she has made in the last two answers. Will she clarify that now?

Mrs. McIntosh: Madam Speaker, I am not aware—and if the member has information to the contrary, I would be pleased to receive it—of any school where the student has had to pay the cost of a substitute teacher because a school tea is going on.

Health Care System Role of Nurse Practitioners

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is again for the Minister of Health. Most Manitobans would recognize the importance that the roles our nurses play in our health care system, and what I would argue is that the government has been slow on the development of the whole field of nurse practitioners.

I would ask the Minister of Health: does the Minister of Health have any sort of time frame whatsoever to deal with the eventuality, hopefully, of having more nurse practitioners practising in the province of Manitoba?

Hon. Darren Praznik (Minister of Health): We discussed this yesterday, and I would expect that the member for Inkster may want to pursue this in greater detail in Estimates debate which is now going on, but there is no doubt that there is a role and will be a growing role for nurse practitioners. But there are some realities of making that work with other health care professionals, particularly the medical profession, that require some changes there, I think significant ones. So to see the growth in the use of nurse practitioners, these things must happen. Otherwise, I think we are creating a problem where we will not have

the success that we intend. Like so many things in health care, it is interrelated to other things that are happening, physician remuneration models being one of them.

Mr. Lamoureux: Madam Speaker, will the Minister of Health acknowledge, when he says that there is a role, that we can only say that for so long? For years we have been talking about it, and for years we have done nothing.

The question specific to the Minister of Health is: when are we going to actually see some action? Where this is what we talk about, spending money smarter and positive health care change, these are the types of ideas that we should be talking about. When are we going to start seeing it? Not the talk, but the action.

Mr. Praznik: Madam Speaker, the use of nurse practitioners in a variety of places in health care is certainly developing, and one of the fundamental changes in the administration of organization of health care at the regional health authorities now makes it, I think, even easier to bring about those changes because the RHAs have, I think, a much better ability to co-ordinate and develop the use of new health care professionals. But one thing we have seen is where physicians and nurse practitioners may be working in a primary health care model, if fee for service is the basis of payment for that physician, there is no incentive in using nurse practitioners or nurses or other primary care providers in an effective manner.

So, until you have models of remuneration established and relationships between different professional bodies worked out, you set up these particular new professions or new roles for people in health care professions that are not going to be as successful as we all would like them to be.

Mr. Lamoureux: Will the minister then acknowledge that one of the ways in which you can maybe overcome some of the problems is in fact to designate some sort of a pilot project where we actually see nurse practitioners working with medical doctors and other nurses and health care providers? Will the Minister of Health make a commitment to coming up with a very tangible pilot project some time within this particular mandate that the government has been given?

Mr. Praznik: In many ways, the Assiniboine Clinic pilot project, which was established by my predecessor, the member for Brandon West (Mr. McCrae), the former Minister of Health, is one such example where the change in means of remuneration should encourage, we suspect, the greater use of nonphysician health care providers in providing care.

The evaluation process, I believe, is now beginning on that particular model or will be beginning shortly, and we will learn some more from that process. But where we have found mixing allied health care providers with physicians on fee for service, the desire or the method of remuneration where fee for service is in place has encouraged physicians to continue to do more of the work that we intend for other providers. So you have to have those correct models in place or the system, from what we know so far, will not work.

Home Care Program Privatization

Mr. Dave Chomiak (Kildonan): Madam Speaker, yesterday in this House the minister gave the fourth version of the Olsten contract extension fiasco, indicating that, well, if it was extended, even though I have said it was not extended, but of course I went in the hallway and said it was extended, but it was not. Even though he said that, he said, well, anyway, it is the responsibility of the Winnipeg Regional Health Authority or the long-term care authority.

Is the minister saying that if the new health authority were to privatize home care services, he as Minister of Health would allow it?

Hon. Darren Praznik (Minister of Health): Madam Speaker, the member for Kildonan talks about fiascos. The fiascos are when members bring information to this House. The member brought a memo that had indicated a contract had been renewed where that had not been the case. I am not accusing him of doing it wrongly; there was a memo.

Part of the reason, of course, is there is a transition period that is underway with respect to home care in transferring it to the Winnipeg Long Term Care Authority, and if we have learned a number of things out of the process with the tendering process, and we

were conducting the evaluation now, was that we have learned ways to make our system more effective, but we have also learned of the cost-effectiveness of our current system.

I can tell the member that things are on track from all of the statements that we have made here, and major policy decisions respecting some of these issues obviously would have to be made in consultation with the government. But we are awaiting the result of the evaluation, as we have indicated, and we also know what the results of the tendering process were.

Mr. Chomiak: Madam Speaker, is the minister saying what I heard him say—and you never know with this minister, given the experience of the last few days in this Chamber—but is the minister actually saying that if the new health authorities, hand-picked mostly Tories by this government, come back and say we are going to privatize home care, that this Minister of Health, who several months ago said the privatization plan was over, will allow that privatization plan? Is that what he is saying?

Mr. Praznik: Madam Speaker, the whole trouble with this debate on home care that we are having with the New Democrats is they are trying to create an issue where one quite frankly does not exist.

We in government have a responsibility to ensure that services are provided in an effective manner, that they are high-quality services and they are done in a cost-effective manner. We approached, like we have many other services in health care and in government, an experiment in home care. We have the results of the tendering process that speak to that process, and we will have the evaluation of the experiment here in Winnipeg.

But I think if the member spent some time speaking to people involved with various regional health authorities, one of the issues that became very practical in the issue of home care, in running of service, that there was never a great interest in many parts of the province in private companies even providing that. So that becomes such a hypothetical question, it is just not real.

* (1410)

Mr. Chomiak: Will the minister, who definitively said both in this Chamber and in the hallway, that the privatization experiment, the fiasco of this government, was over—will the minister definitively say whether or not the new health authority in Winnipeg has the authority of this government to contract private home care services or, if they in fact do, he will not allow it? What is he saying? What is the government's position?

Mr. Praznik: Madam Speaker, you see this question illustrates the difficulty in providing what I would believe to be a very accurate answer because of the ideological position that the New Democratic Party takes over and over and over again.

This administration has always tried to be very practical, to deliver what works best. We have not privatized anything for ideological reasons. There are many things; there are many services. Take, for example, Fleet Vehicles. We looked at privatization and created a special operating agency within government because it was the best thing to do. We dealt with oxygen. We have had no complaints about that service. It has worked very, very well, and the New Democrats were wrong. It was not an ideological position.

Madam Speaker, from all of the work that we have seen today—and I have said the public health care system looks to be one that is delivering the service. I am not going to bind any future government by making a statement today, nor am I going to prevent the Winnipeg committee from time to time hiring some additional support as they do today and be accused of breaking a promise.

Airports—Northern Manitoba Maintenance/Upgrading

Mr. Eric Robinson (Rupertsland): Madam Speaker, my questions are for the Minister of Highways. Last December the minister agreed that northern airports needed to be reviewed, and of course the task force—we are anxious to hear on their progress. Also, the minister indicated that many improvements were needed, such as Little Grand Rapids. It had to be replaced entirely in fact, is what he said.

I would like to ask the minister how much longer or how much this minister has budgeted in this year's budget for improvements to northern airports.

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, I am sure, as the member is aware—I think I have given this to him in a previous answer that the task force has been set up with individuals from the North and from the aircraft industry and from the government to look at what needs to be done. Before those decisions are in on what are the most appropriate things for improving safety at the northern airports, then you look at what the costs will be and how you arrive at paying for those costs. But the budget line in the Department of Highways for northern airports is the same this year as it was last year.

Mr. Robinson: I noted today that there was a press release issued by the Manitoba government indicating that there would be \$300,000 made available for capital improvements to southern airports, but five years after he admitted that Little Grand Rapids airport needed to be scrapped or replaced, still has not done anything to now.

Mr. Findlay: Madam Speaker, of the 22 northern airports in Manitoba, the Province of Manitoba pays 100 percent of operating and maintenance and construction costs—100 percent. Southern airports are maintained by municipalities, and the capital cost of building those was done by the federal government. It is very important that the capital structure of those airports be maintained, particularly for medivac operations.

So in consultation with municipalities, a 50 percent support program is in place for those municipalities that come up with their 50 percent and make application. It is 50 percent coverage in the south, and 100 percent coverage in the north.

Mr. Robinson: Madam Speaker, I would like to ask the minister to tell the people of Little Grand Rapids, Berens River, Poplar River and other northern Manitoba communities how much longer they have to wait to see basic navigational aids upgraded in their communities.

Mr. Findlay: Well, Madam Speaker, I really do not understand what the member is asking because I think he approved of us setting up a task force of people to come forward and make the appropriate recommendations. Now he is asking me to preempt their work, and I will not do that.

Interprovincial Migration Increase

Mr. Leonard Evans (Brandon East): Madam Speaker, the Minister of Rural Development commented a moment ago about Manitoba's low unemployment rate, and I think we should all be happy. We should all be happy about that, but I would ask the minister: has he seen the latest interprovincial migration figures which show that Manitoba has had a huge increase in the exodus of people to other provinces?

In fact, Madam Speaker, it is well over 6,000, two and a half times the number of 1996, the worst situation we have had since the last five years. In fact, we have even lost a thousand people to the province of Saskatchewan, so my question to the minister: is he prepared now to acknowledge that this low rate of unemployment has certainly a lot to do with the fact that we have lost just so many people from our workforce to other provinces?

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, first of all, the only part of the preamble I will acknowledge is the complimentary part which he has provided for the government. In fact, the fact that we are for the month of March at a 5.2 percent unemployment rate, the best since February of 1981, Manitobans should be very proud. It is the private sector that is producing those jobs, and they are full-time jobs that we are seeing in the province of Manitoba.

Madam Speaker, the member talks about out-migration. We actually had turned around the out-migration; up until a year ago we were virtually balanced. Yes, there is an area of concern; one has to be conscious of it. In fact, we will be putting a program in place or a campaign in place to fully advertise how strong the economy is in Manitoba and the job opportunities that are here in Manitoba. All those

people, particularly those that left during the NDP years, they are welcome home.

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

MEMBERS' STATEMENTS

Winnipeg Music Competition Festival

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, I am delighted to ask my colleagues in the Manitoba Legislature to join with me in wishing the Winnipeg Music Competition Festival a happy 80th anniversary in 1998. This prestigious musical forum has long been a key component of Manitoba's educational process for aspiring musicians of all disciplines. Since the first Winnipeg Music Competition Festival took place in 1919, it has served as the springboard for the careers of countless young Manitobans who have gone on to pursue successful vocations in music.

When the 1998 festival took place on March 2 to 21 of this year, with the final concert on March 25, over 24,000 participants between the ages of five and 80 years of age participated and made the 1998 presentation one of the largest in the festival history.

The remarkable musical event has in fact grown by almost 20 percent over the past five years, underscoring the significance of its role in Manitoba's cultural community. I was very proud of my youngest daughter, Laura, who was one of those successful, talented participants in this festival. Music talent in this province is alive and well, and our future looks great in the music industry.

For 80 years the Winnipeg Music Competition Festival has been a musical experience of unparalleled excellence and learning, and it has been a major source of enrichment and validity for Manitoba's dynamic cultural legacy. Therefore, Madam Speaker, it is my great privilege to ask our honourable members of the Manitoba Legislature to join with me in expressing our deepest appreciation for that of the people of Manitoba, to all past and present participants, staff and management, for their contributions to this cherished community institution. Thank you.

* (1420)

AECL-Pinawa

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, today we see in the papers the announcement that the private consortium that was going to save the day for AECL has backed out of the deal, and again we hear more bad news for the people who live in Pinawa. Today we hear that Pinawa's nuclear research facility is running out of options. Yes, that is certainly the case.

In both the situation of the federal government and the provincial government, through their bungling we have seen the people of Pinawa left in a very undesirable situation. As the federal government keeps on passing deadlines, making more promises, we see them always broken. The province is standing by as we hear in the comments from Ben Sveinson, the member who represents the area, that our government stands ready to implement an economic development plan, as announced in December of '96, as soon as the federal government lives up to its commitments.

Well, the fact is that it is this government and the federal government that have let down the people of Pinawa and the scientists at AECL. Both governments are responsible for this disaster and need to take immediate action to save those jobs that are remaining and the economic security of eastern Manitoba which is in jeopardy right now.

Unemployment Rate

Mr. Peter Dyck (Pembina): Madam Speaker, the member for Concordia (Mr. Doer) in the response to our throne speech in 1990 said, and I quote: The overwhelming majority of initiatives announced by the government were aimed at directly assisting businesses. There were new agencies to help business, promises to reduce corporate taxes, commitments to consult business, but virtually nothing for the people.

Let us focus on that last comment, "but nothing for the people." Our government's long-term economic plan, our approach of living within our means and creating an environment conducive to employment growth continues to bear fruit for the people of Manitoba. Today's news that Manitoba's

unemployment rate of 5.2 percent is the lowest rate in all of Canada and the lowest figures since February of 1981 is clear evidence of the success of our policies. It is evidence of our commitment to the people.

Our government recognizes that Manitobans want quality employment opportunities. Our targeted tax cuts and fiscal responsibility, initiated when we took our financial mess left by the members opposite, has resulted in full-time employment, averaging 416,300 people for the first three months of 1998. This is an increase of 11,400 over the same period last year.

The member for Radisson (Ms. Cerilli) once rose in the House to say, and I quote: We cannot accept business's greed and irresponsibility.

Now I ask: are businesses such as Loewen Windows, Bristol Aerospace, Maple Leaf Foods, and Acrylon Plastics greedy? Maybe they are, Madam Speaker, but not in the manner implied by the member for Radisson. They are greedy for workers, greedy to provide quality jobs and quality wages to more Manitobans. Our economy is strong, our policies are strong, and our employment numbers are the strongest in Canada. Thank you.

Private Nursing Assistance

Mr. Leonard Evans (Brandon East): I want to raise the issue of citizens of Manitoba having to use private nursing agencies and private nurses in our public institutions, our nursing homes and our hospitals because the funding has been cut in these hospitals and these nursing homes in large measure and because they have reduced the number of nurses and staff, and I know in particular in the Brandon Regional Health Authority area they have cut \$6 million in the past few years and they have laid off hundreds of nurses.

As I indicated the other day in this House, in Killarney we have an example of a family having to hire a We Care agency to come in and look after this 94-year-old mother because they did not have enough staff to look after that particular lady. Another example: in the hospital in Killarney where the family were required to use We Care agency and pay \$3,000 a month to look after this individual because the hospital said they did not have adequate staffing.

Madam Speaker, I have heard of other cases, the River East Personal Care Home, and now in Brandon I have a letter from a person who had a mother in the Brandon Hospital who, unfortunately, recently died, but she says in this letter, a copy of which has been given to me—this is a letter to Mr. Backman, the CEO of the regional health authority—and she said that she went to visit her mother who was very bruised and in considerable pain. I am reading this from the letter, and she said: I have grave concerns regarding the staffing levels, the staff mix, communication and lack of direct supervision of nursing care and interdisciplinarian approach. These incidents have prompted us to put private nursing service in place three hours every evening since December 13, 1997. This was acknowledged by Mr. Backman's letter to her of February 5, when he said indeed that they did facilitate her care by hiring private nurses.

Madam Speaker, what is happening to our public health care system? It is deteriorating; it is eroding. This is why the people of Manitoba are concerned, and I ask the Minister of Health to do something about it, as I did a month ago, and we have not had any response from this side thus far.

Immigration—Visiting Visa

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I was actually hoping to bring it up at some point during Question Period, but I figure this is maybe just as good an opportunity for this particular issue, and that is with respect to an issue on immigration visas and so forth. Every year it seems I am, as I am sure many others are, approached about visiting visas. One of the concerns I have, and it is primarily from the Philippines where this particular issue is raised I must say, where individuals apply to be landed here in Manitoba or in Canada, if I can say, and after maybe being rejected a year or so later, they will make application to be able to come to Manitoba under a visiting visa.

What I have found is time and time again, these individuals are in fact being denied, and I think that is unfortunate. What we have is the provincial government does have a bilateral agreement. We see that provincial governments are participating more in immigration matters Well, this goes beyond immigration in terms of one could argue for tourism

and so forth of our fine province, that we have individuals who want to be able to come and visit Manitoba, and I am not hearing anything in terms of numbers as to why it can be justified, the rejection of the numbers that are in fact being rejected. I have not seen any sort of justification for it.

I have made mention of it to the minister across the way and she had indicated that she would take a look into the particular issue but I think that we need to be aware of the fact that there are many people who live outside of Canada that do want to be able to come to Canada and we have to do what we can to ensure that that in fact does occur, and hopefully that issue will be addressed.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, before we resume consideration of the business of Supply, I would like to take this opportunity to wish all my colleagues and their families a very happy and peaceful Good Friday and Easter weekend, and we look forward to seeing everyone's happy faces next Tuesday when we resume.

In the meantime, I think there would be agreement that private members' hour today be waived and that the House adjourn at 5 p.m.

Madam Speaker: Is there leave of the House to waive private members' hour and adjourn the House at 5 p.m. Leave? [agreed]

As previously stated, the House will now resume in Committee of Supply.

* (1430)

COMMITTEE OF SUPPLY (Concurrent Sections)

LABOUR

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 the consideration of the Estimates of the Department of Labour.

When the committee last sat it had been considering item 11.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits on page 102 of the Estimates book. Shall this item pass?

Mr. Daryl Reid (Transcona): I believe before the lunch break, Mr. Chairperson, I had asked a question that the minister was just in the process of answering, and it was dealing with cost recovery for the department. I had asked that question and I believe he had not completed his answer.

Hon. Harold Gilleshamer (Minister of Labour): Mr. Chair, before I proceed with the answer, I would like to just address a couple of things that were mentioned this morning. I had suggested that the member for Transcona was the one who raised the question of the minimum wage in the House. In fact, it was not the member for Transcona. It was his leader, the honourable Leader of the official opposition. I apologize for that confusion. I often get members opposite who are in a leadership position confused. I went to the Hansard, and it was the current Leader of the Opposition. So just to correct that.

A second issue that is of a more serious nature we began this morning. My honourable friend at some length indicated that he had asked some questions last year that we took as notice, and we were going to find the information for him. He claimed that none was forthcoming. I felt he was wrong then but I did not say anything. I was concerned because I know my staff is diligent and hard working and pay great attention to detail. So the first thing I did when I left the committee room was to inquire of my staff what possible questions we had not answered for my honourable friend last year. I am told that a package was given to the members; one of the interns came to my office to get it. It is dated July 15, and it goes into considerable detail on some of the questions that were put. I certainly feel bad if these never arrived in the member's hands. I am told that my assistant is here, and he remembers distinctly having them picked up by one of the interns.

I have the original copy here. What we will do is have it copied for the next time we meet so that all of

this information can be transmitted. So I am concerned that there was a little confusion there. The only other individual who asked a question of me last year where we took it as notice was the member for Concordia (Mr. Doer), a question to do with chronic fatigue syndrome, and this was mailed on July 15 to the member for Concordia. I have not heard any different that he did not receive it. This was picked up by one of the caucus staff, one of the interns. This was sent by mail, and I have not heard from Mr. Doer. I presume that he got that.

Now, the question at hand was to do with cost recovery. I think the cost recovery has always been a significant part of the operation of the Department of Labour, that there are fees that are levied for certain examinations, certain appeals and certificates and work that the department does. I believe the figure we use is 65 percent of our total budget is recovered through the diligent work that is done by staff in all parts of Manitoba in a variety of ways.

* (1440)

Mr. Reid: So then last year your cost recovery was 63 percent, and then based on this year's budget allocations, your cost recovery is going to be 65 percent. So you have seen a 2 percent increase in your total cost recovery.

Mr. Gilleshamer: That is correct. I would point out that the reason that there is maybe a slight variance in that figure is some of it is volume driven, obviously, and there is also a change in the base expenditure rate, but the member will note that the percentage is, while not equal, certainly somewhat similar.

Mr. Reid: Can the minister tell me has the department included in this year's budget allocations increases in fees in the areas for which the department is responsible? If so, do you have a list of those fee changes?

Mr. Gilleshamer: Well, I can tell my honourable friend that there will be some revenue changes for 1998-99. There will be no new sources of revenue. Some of these, we are still working on. None of them have been implemented at this stage. In some cases, regulations have not been finalized yet, but there are no

new sources of income, and the department is currently working on some of these fees. I am not at liberty to announce them until we get some of the detail finalized, but there will be some changes.

Mr. Reid: I think, if I recall correctly, in past years what has happened is the fee changes were announced after the Estimates process for the Labour department were finished, and Highways operated in much the same way. So you are anticipating whatever changes will be coming about by way of amendments through the regulations, that these changes will take place closer to the summertime then.

Mr. Gilleshamer: We would like to get that work done as soon as possible. I think it is to some degree a work-related issue. Some of the detail has to be worked out, and I would like to have them implemented and announced as soon as possible. I know that from previous years, sometimes we have gone almost a full calendar year, the full budget year before some have been implemented because of some difficulties we would have internally, but I can say that we are not introducing any new fees, any new revenue streams but that we are looking at some of our examination fees, some of our appeal fees, some of our certificate fees, et cetera, and we will be pleased to forward those to my honourable friend when we have the necessary work done.

Mr. Reid: I understand, Mr. Chairperson, that they come by way of Order-in-Council, and we will be made aware of it, at least, through that method. The fee changes that you are contemplating, you mentioned several there, and I know you made some changes last year to licensing fees, I believe it was, for some of the trades. Are you also contemplating making some fee changes in those areas in addition to the ones you have already made last year?

Mr. Gilleshamer: I am told that we are not. We talked about interprovincial comparisons this morning, and one of the things that I have asked staff to look at is what do similar charges look like in particularly adjacent provinces but across the country, and if we are charging \$10 for something and everybody else is \$50 or \$100, I think we are out of line, and we are looking at some of those fees and trying to compare ourselves interprovincially, if the comparison is an accurate one.

But, yes, we are working on some changes there, and, again, I am told that there is not a change in the areas that we changed last year, but we are looking at some new ones.

Mr. Reid: I think, Mr Chairperson, it begs the question then, if you are doing interprovincial comparisons for your fees—and I take it you would want to remain relatively competitive in that area—why is it so taboo then to do the same thing for your minimum wage? I mean, we are at the bottom end of the scale there. We are not close to being the middle of the pack, by any stretch of the imagination.

To me, it does not make sense. You are doing it for fees, certifications, permits, on licensing for tradespeople, and you want to look at other jurisdictions, but you are not doing it for the minimum wage here. I do not understand. What is the difference between the two in your mind that you would not want to do that?

Mr. Gilleshamer: Well, we have legislation that we must abide by. The legislation indicates that a committee of Manitobans is called, that public hearings are held and that people from all parts of Manitoba, from wonderful cities like Thompson and Steinbach and Dauphin and so forth will get an opportunity to have some input into that.

If you are asking that the process be changed, I do not think I can change the process, but I did say this morning that I expect the committee would also look at interprovincial comparisons as well as listening to presentations that people are making. So I do not think there is anything inconsistent, that the legislation maps out the process. We are going to abide by that process.

Mr. Reid: I understand the legislation maps it out and gives the minister the powers to call the advisory body on an ad-hoc basis at the minister's discretion. The minister chose not to use that discretion last year, and his predecessor chose not to use that as well. Nevertheless, you had that decision to make and you chose not to call it, and you could have, to put us into a position that would have put us into the middle of the pack at least with respect to the rest of the country.

I take it you want to do that with your fees. You want to make sure that you are competitive in those

areas, but you do not want to do it on the other side where people earn the living from those monies and have to exist on minimum wage jobs.

Mr. Gilleshamer: Well, that is not entirely correct, Mr. Chairman. I did say this morning that it is a very important process that this committee be struck, that it have an opportunity to listen to Manitobans, and I also said that there is nothing stopping the committee from looking at what other provinces are doing, particularly the prairie provinces. We are one of the prairie provinces, and I think that if you want to make inter-provincial comparisons, the most direct comparison, the most adequate comparison would be with the other prairie provinces.

I would point out to the member, who I think has some numbers in his head, that if you look at the three prairie provinces, the Manitoba minimum wage is above the average.

Mr. Reid: So, if you are going to do cross-country fee comparisons for your permits and your licensing, Saskatchewan is \$5.60; Ontario is \$6.85; Quebec is \$6.80; Manitoba is in the range of \$5.40 an hour. So, I mean, if you would look at those other provinces that are neighbouring to us, if you want to go into Alberta, of course, they are a little bit lower than us at \$5 an hour, but then again if you go to B.C., they are at \$7.15 an hour. So I do not know how you average that out, that we are in the middle of the pack. I guess if you want to narrow it down and take two provinces to compare with, of course we are going to be favourable, but you are comparing apples to oranges.

You are comparing all the way across the country for your licensing and permit fees, but you are not doing the same thing on your minimum wage. You are not moving it into that category and you are not keeping that in mind when you make a decision on whether or not you are going to call at your discretion the Minimum Wage committee. So I do not understand the logic here.

* (1450)

Mr. Gilleshamer: Well, my honourable friend did not listen very carefully. He was, I think, distracted when I was giving my previous answer. We always

look at statistics from across the country. I just said that often the most apt comparison is with the prairie provinces. Our economies sometimes are fairly similar, our cost of living is similar, and we do the same with the fees. One of the first questions I ask staff is, in the neighbouring province of Saskatchewan, what would be the fee for this? In some cases, where it jumps off the page at you that we are way out of line, then those are fees that I think are ones that we should be reviewing.

But with the Minimum Wage Board, I said it this morning and I said it again this afternoon, there is nothing stopping the board from in addition to doing the public hearings and hearing the representations to make cross-country comparisons and, again, I said probably the most apt comparison is with the other prairie provinces. If you compare the prairie provinces, we are above the average of the prairie provinces at the existing time, but we expect that maybe other provinces are going to look at their rates too. But it is one of the measures and one of the sources of input the committee is free to use.

Mr. Reid: I guess we will have to await the outcome of that particular review committee because, obviously, the minister and I will agree to disagree on his process that he has at his discretion.

I want to ask the minister with respect to the staffing that he has, last year he indicated to me the names of his special assistant and executive assistant, and I wonder if those two people have remained the same for this year.

Mr. Gilleshamer: I just want to go back to a comment, one made before. The member is suggesting that he thinks that government should call the Minimum Wage Board every year. I think that is what he is saying. I was just inquiring of my staff, you know, what was the history of the Minimum Wage Board through the 1980s. It looks like changes were made in 1980 twice and in 1981 and in 1982 and then there was no change from 1982 to 1985.

Now, I do not know what the position of the member was or the NDP government of the day, but they obviously went three or four years without calling the Minimum Wage Board and, you know, it is I guess not

an uncommon thing. And then it was called again two years later in 1987, or changes were made in '87.

So I guess the policy direction that is being enunciated by my critic and I presume supported by the entire caucus across the way is different than the practice that they had while they were in government. But, I mean, there is nothing wrong with changing either.

I suspect that although in many ways the people in the NDP party are very dogmatic and resistant to change, if my honourable friend is saying, yes, we made mistakes in the 1980s, but we would fix it in the 1990s, I notice that the Leader of the Opposition (Mr. Doer) railed against the balanced budget legislation and is on record along with virtually every seatmate over on the other side spoke unfavourably about balanced budget legislation and poked fun at it.

Virtually every member over there voted against it, and now, lo and behold, in 1998 I believe I heard, not very loudly but faintly, that the Leader of the Opposition (Mr. Doer) would even believe in repaying some debt and balancing the budget. So there is room for change. [interjection] Well, progressive perhaps, in some ways, but I am heartened by that, because I think it shows that people over there are willing to learn and willing to change.

I would imagine that even though they voted against the budget the other day, they will get another chance, I think, at the end of the Estimates process to correct that. You know, I would be interested in what sort of a plan they would have for paying down the debt. I think the Leader said \$75,000 was appropriate—

An Honourable Member: \$75 million.

Mr. Gilleshamer: Mr. Chairperson, \$75 million. It was wrong last year, but it is right this year according to him. If a little bit of debt repayment is good, doubling it must be even better. So you know it is food for thought and he will have an opportunity to think about those things. Now I think the question was on political staff. I have a special assistant who started with me in 1997 and is still with me, and I have an executive assistant who has been with me since about six months now.

Mr. Reid: So this special assistant has changed. From what you told me you have a new one. The executive assistant has changed? Mr. Turner is no longer with you in that capacity? And would you please provide us with the name for the new executive assistant?

Mr. Gilleshamer: Yes. Mr. Warren Hoffman, born and raised in Minnedosa, Manitoba, graduate of a fine collegiate there, Minnedosa Collegiate, and doing an excellent job. Had I known you had not met him—he is not here today, he is actually probably rehearsing. He is in a major drama presentation out there, and I think sometimes he sneaks a little time to study his notes and learn his lines. Next week, I believe it is, he is going to perform and there is a whole bunch of us going out to watch him because while we knew he had talent in his job as an EA, we did not think he could sing and dance.

Mr. Reid: I thank the minister for that information. Can you tell me, do you have any vacancies existing within this part of your department?

Mr. Gilleshamer: I am told the answer is no.

Mr. Reid: Do you have any people that are seconded from this part of the department, in or out?

Mr. Gilleshamer: Yes, my deputy informs me his assistant has been seconded by, I believe, another department.

Mr. Reid: Can you tell me who has been seconded and where they have been seconded to?

Mr. Gilleshamer: Her name is Ms. Nighean Wallace, and I believe she has been seconded to the Department of Health.

Mr. Reid: Does that secondment have anything to do with the health authorities that are being established in the province? Is that the purpose of this secondment?

Mr. Gilleshamer: No.

Mr. Reid: Can you tell me why the secondment is taking place then?

Mr. Gilleshamer: Well, secondments are usually seen as an opportunity for someone to gain further

experience and expertise in either another position within government or somewhere else. There, I guess, was perceived by the Department of Health that they had a need, and there was some interest on the part of this individual and, as a result, a kind of a marriage took place—maybe that is not the right word. A secondment took place, so she has left that office not that long ago.

* (1500)

Mr. Reid: Can you tell me, because I do not want to ask this in each of the different areas that you have throughout your budget process here, if you have some information relating to compensation costs? No doubt in the Department of Labour you have people that are going into industries, different businesses throughout the province, whether it be employment standards or workplace safety and health or mine safety or other areas of your department. What is the experience rating for your department with respect to injuries of your employees, the 203 people you have working for you in the department, and what kind of costs would be associated with that?

Mr. Gilleshamer: I am told we have nobody away from the workplace at this time and that the admin costs related to WCB is about \$10,000.

Mr. Reid: I thank the minister for the information. So there are no people that are off on workplace injury situations in any part of the department. Do you have a comparison for the last year? I notice your annual report for the 1997-98 year is not out yet, and I am just wondering if you have that information available.

Mr. Gilleshamer: I am told there is an individual in Mechanical and Engineering who is on long-term disability since 1997. There is nobody else.

Mr. Reid: Okay. Mr. Chairperson, I thank the minister for that information. I wanted to go back. I hope your staffperson is still here with respect to the desktop computer initiative. I had neglected to ask a couple of questions in that regard. When you mentioned that you have 176 systems set up for your staff in there, I forgot to ask you how many you currently had within your departmental operations, so I can have an understanding of whether or not you are

replacing the existing that are there or you have new equipment, because it is my understanding that Systemhouse is only going to replace the existing systems.

Mr. Gilleshamer: I am told that there are six net new systems.

Mr. Reid: So of the 176 you had 170 systems before and you have six new ones to bring you up to that 176, I think it was, that you mentioned this morning. Is that accurate?

Mr. Gilleshamer: That is correct. I am also advised that that is for our operation in the city of Winnipeg. The transition for Brandon and Thompson—and we have offices in The Pas—has not taken place yet, but will.

Mr. Reid: Can you tell me, because I was trying to get an idea here based on the number of systems you have and yet you are talking about a \$250,000 ongoing annual cost, what your annual maintenance cost is going to be for the systems? Do you have a global cost, or do you have it broken down by the individual systems you have?

Mr. Gilleshamer: We do not have any final numbers for that, but I feel I must repeat again that all of this information that the members wanted detail on is not lodged in this department. It is lodged in the Department of Government Services in what is called the Desktop Unit. So we make no apologies for not having succinct information for you in that area, but it is the logical place for you to get all the detail you want about this transition from current systems that is starting to take place and going to take place.

Ms. MaryAnn Mihychuk (St. James): Just for the record, can the minister tell us the actual number of staff years that were related to computer supports in the department, both permanent and term?

Mr. Gilleshamer: If I understand your questions in the old way of doing business, you want to know how many people were dedicated to, in a large part, the systems, and I am told the answer is five.

Ms. Mihychuk: That would be 5.0 staff years related to computer supports.

Mr. Gilleshamer: Yes. That is called our Information Systems services.

Ms. Mihychuk: Can the minister tell us the budget allocation for those five staff years?

Mr. Gilleshamer: So you want to know the total salary cost of those five people when those five people were there?

Ms. Mihychuk: Yes.

Mr. Gilleshamer: We will do a little arithmetic here and see what we come up with. I am told it would be in the area of \$215,000.

Ms. Mihychuk: The final area of questioning relates to the initial or the additional \$250,000 that is required this year to move into the new system. Can the minister articulate what that is comprised of?

Mr. Gilleshamer: I am told it will be a combination of things as I am sure you would have suspected, some hardware, some software, some training, some service and all the supports.

Ms. Mihychuk: Perhaps this is too difficult right now to provide, but I would be prepared to receive it in a report as to what that would involve. It is my understanding, and maybe I am misinformed, that Systemhouse will replace our hardware units. So this is a fairly significant investment in hardware and software when they are going to provide it anyway.

So it does raise the question, and just for information because we will all be going through this process of change in all the departments. So, if we have that available, I would appreciate it.

* (1510)

Mr. Gilleshamer: I am interpreting that to say that you would like us to give you more detail on the hardware, software, training and service, and we will take time and we will do that, sure.

Ms. Mihychuk: This does conclude my series of questions on this. There seems to be a slight difference between the minister's comments earlier, which

indicated a saving by going through Systemhouse of \$225,000, and the net saving for the salaries is 215. I mean, that is within a certain percentage, but is there additional savings in some other component that we are anticipating?

Mr. Gilleshamer: Well, I can give you the same information that was given to me this morning and if it does not suit you, I guess we can, when we answer your other question, find more detail, but I am told by the department that staff year changes resulted in a salary cost reduction of around \$73,000.

A total of \$250,000 additional funding has been included within the Other Expenditures allocations of the various branches within the department to cover the net additional costs of implementing the desktop management initiative across the department in '98-99. Total costs for desktop management are estimated at \$475,000 for the year we are talking about, while offsetting cost reductions are estimated at \$225,000, leaving the net increase in expenditures of \$250,000.

If what you are asking is for more detail on that, we will endeavour to embellish that a bit or enhance that a bit for the member.

Mr. Reid: I may have missed it earlier in the minister's comments, but perhaps he can refresh my memory. What benefit is this going to be to the department that you do not already have? I mean, you have computer systems in your current operation. How is this going to make your operations better? How are you going to better serve the public with this new system that is going to cost a substantial amount of ongoing tax dollars?

Mr. Gilleshamer: I think one of the things we mentioned this morning, that in place of working in isolation, some would say splendid isolation, we are part of the corporate government with systems which will be interrelated. I am told that one of our objectives is to develop a computer network that is easier to use and upgrade that, again, supports government-wide programs and enables our staff to provide faster and more effective service to Manitobans at a more reasonable cost, so that we will have a single standard of hardware and software in a network.

I guess I do not pretend to be an expert in this, but the people who are working in the system are saying this to me. The people who are taking the training are telling me that they are impressed and amazed with some of the accuracy and some of the quickness with which they are going to be able to do the work. [interjection]

Well, my honourable friend is always confusing me and getting me off track here. Maybe that is one of the reasons he is having trouble understanding my answers—I get distracted. But the people that I have talked to within the department are saying that they are just really impressed. In fact, my other deputy from the Civil Service Commission was just in two days ago, and he and some of the very senior staff in the Civil Service Commission were taking a day or two of training. He came back saying the people in the Civil Service Commission were just really excited and impressed with the training and with some of the new technology that they are going to be able to access. So I not only hear it from my senior staff, I hear it from other staff that we are going to be able to provide better service and service a lot quicker to our clients.

Mr. Reid: I guess then it is going to speed up the e-mail process between the different government departments. It seems like quite an expense to undertake to be able to speed that up. We have phones no doubt sitting on all our desks, so I am not saying it is not warranted where the public is being served, but if its to assist your interdepartmental communication, and that is the primary focus because that seems to be the first point you dwelt on, that seems to be quite a significant cost to send e-mails back and forth between government departments and between staff and your own operations itself.

Mr. Gilleshamer: My honourable friend spent considerable time this morning posing as an expert on technology and new systems, and now when we say we are going to be able to do our work so much better he is trying to make light of it. I am not sure why he is doing that. Again, I would be the first to say that there are people much more computer literate, much more in tune with how technology is making their jobs better and easier than I am, but when we have a staff throughout our department saying that these systems are going to improve our ability to serve the public,

surely that is a good objective that both of us could support.

Mr. Chairperson: Item 11.1.(b)(1) Salaries and Employee Benefits \$380,400—pass; (2) Other Expenditures \$69,700—pass.

11.2. Labour Programs (a) Management Services (1) Salaries and Employee Benefits \$1,033,300.

Mr. Reid: Under the Labour/Management Services Division, I believe the LMRC is a component of that particular area. Can you tell me—I think the minister's staff may participate in the LMRC meetings or at least be aware of them—the last time the LMRC met, and has the minister then had any recommendations come from that committee to him on particular pieces of legislation or other issues?

Mr. Gilleshamer: I want to apologize for not introducing my staff who was here on two occasions. He is Mr. Ken Kowalski, the Director of Human Resources. I would like the record to show that he was participating at the table with us.

My honourable friend is asking about the Labour Management Review Committee and, yes, it is operating. I have had the opportunity to meet with members of the Labour Management Review Committee, and I think I had indicated to the member previously that they did a considerable amount of work on the bill which was tabled in the House this week. I would publicly thank them and thank them on the record, Mr. Wally Fox-Decent, who chairs that, and the two members who accompanied him, Mr. Rob Hilliard and Ms. Candace Bishoff.

* (1520)

We had an opportunity not that long ago to spend some time in my office looking at the legislation, and I have to say that their support, their wisdom, their knowledge, their work on that has been invaluable. The bill, as I have told my honourable friend before, is really a departmental-generated bill which collapses three acts into a bill to become a new act. This has been in the mill for some time, because I am told by many people who have been around the Labour

Management Committee and around government that a lot of these acts needed to be updated and modernized.

There was some conflicting information in them. I know the previous minister had hoped that he would have been able to bring it forward. In 1986, we had staff working on it, and there was a time we thought we would bring it forward in 1987, but the volume of the work was such that it simply was not ready. Even now we are tabling it.

I think it is Bill 28 on the Order Paper, so even now it did not get finished as early as we had hoped, but the Labour Management Review Committee has worked very diligently and brought perspectives from different communities and wisdom from different groups to bear on that bill, and their differences of opinions were boiled down to very, very few items.

I do have a letter from the chair of the Labour Management Review Committee talking about the process and the work that was done. So, in answer to the member's questions, yes, it is working, and this is an area that has been very productive and helpful for the department and for me as minister.

Mr. Reid: Outside of the new piece of legislation, The Employment Standards Amendment Act, that is before us, are there issues the minister has referred to the LMRC?

Mr. Gilleshamer: Mr. Chairperson, there is not at this time and, again, one of the reasons for that is the tremendous time commitment and workload that has emanated from the review of the bill that I was just referencing.

Mr. Reid: So then I take it the LMRC will not be meeting again to deal with any issues involving the government?

Mr. Gilleshamer: Oh, I did not say that, and I do not know how my honourable friend reached that conclusion. I am saying that this was such a massive piece of work that consumed so much time, and I would have thought the member might have inferred from my praise of the process and the committee and the individuals who have been there that we would not hesitate to use them again.

I would point out that the LMRC is also able to set its own agenda, but I would not hesitate to call upon them to do other work, and in fact I have been favourably impressed by the good relationships that we have had meeting with a number of the clients. I know that we recently met with what is called joint council, and we had four members from the MGEU in to meet with myself and two other ministers, had a very positive agenda. We have had the opportunity to meet with members of the Chamber of Commerce; members of the Manitoba Federation of Labour; members of the MGEU; and members of CUPE were in by themselves the other day.

I think that the climate that exists in Manitoba at the present time is a very favourable one, and I would acknowledge the hard work that has been done by people from all those bodies to resolve differences. We have had very few work stoppages, and I am sure the member might even ask about that later on.

We have recently concluded a three-year agreement, negotiated agreement with the MGEU which I think makes everybody happy. Other pending work stoppages that have been in the news have tended to be resolved. I do not say that we are going to sort of resolve all of them. It is a legitimate part of bargaining, but the climate has been very favourable. The meetings that I have had with members of both the management community and the labour community have been very positive, and I appreciate their input.

Mr. Reid: It is unfortunate that your predecessor did not have perhaps the same approach to the LMRC that this current minister has, because they had made a recommendation some time ago dealing with items that were going to be presented towards Bill 26, The Labour Relations Amendment Act, that the previous minister chose to ignore. I am not saying that as a shot to the minister, just an observation that the LMRC had made recommendations that did not get incorporated into the legislation itself.

I wanted to ask the minister, I had raised this issue with him last year, and I do not know if it has been resolved yet, but I will raise it again. Dealing with the landscape architects, there was some discussion last year about who can approve building designs. Can you tell me, has that issue been resolved? Who can approve

these matters, or is this something that is going to be left to the parties to continue to work out for another period of time? Can you tell me the status of that issue?

Mr. Gilleshamer: I think it is fair to say there still are differences of opinion between the architects and the engineers, and we have consistently said that the best resolution would be a resolution emanating from those two groups. I know they have met separately, they have met together with my deputy. We have also tried to assist them by providing a retired former employee of tremendous stature in this province, Mr. Tom Bleasdale, to work with them and to try and find some common ground.

So the process is continuing, and I cannot tell you that there is resolution in sight. I think at least one party, if not both of them, have a lawyer involved. Let us just say that the differences, I think, have been fine tuned but have not been resolved. We will await any further comments and meetings with them.

Ms. Jean Friesen (Wolseley): I wanted to ask some questions on the engineering act as well. I wonder if the minister could give us any time line of his expectations of when discussions might be concluded and when he might be bringing in an act.

Mr. Gilleshamer: I really have no good time line that I could share with you. Prior to your arrival, I indicated that we have met. I have met with them, my deputy and staff have met with them. They have some differences and I had indicated that we were providing a retired staff member to—is the right word mediate? Tom Bleasdale was the person that I referenced and he is on the job. We are running, I think, out of time in terms of getting something ready. So I would only be speculating if I was to say their process will result in us having something for this sitting.

* (1530)

Ms. Friesen: Is there any intention of the minister to hold any public hearings or any wider discussion, or is it at this point simply a matter of the existing parties coming to an agreement and then coming to the minister?

Mr. Gilleshamer: Well, our attitude has been for them to meet and resolve their differences. I believe they both take that very seriously. They are organizations that represent their particular membership. We certainly are not going to impose some sort of settlement. There have been times when, I think, there has been some movement in agreement and then other times when it has not quite come together. We have gone so far as to, as I say, put somebody in there with tremendous knowledge and skills and talent to try and assist them. They, I am sure, do report to their membership by way of newsletters and meetings, and I do believe they represent their membership. They are free to consult with anybody they want. As I have indicated, I know they have legal advice. We have taken the step of providing, at our cost, an individual to assist them.

Ms. Friesen: Is there any consideration on the department's part of looking at this in a national perspective? I think both organizations have national organizations as well, or is the department looking at it primarily as a provincial issue?

Mr. Gilleshamer: I am told there are other jurisdictions that have resolved their differences, and I think both parties that are in this disagreement are aware of that. I do not think they see the solutions that other people have arrived at as the appropriate solution for them.

Mr. Reid: Can the minister tell me—last year I had asked—there was one vacancy for an eight-month period last year. Do you have any vacancies in this department, and are there any people that are seconded either in or out?

Mr. Gilleshamer: Well, we have eight positions. One is filled on an acting basis, and two others, action is underway to fill them. There are five others that are currently under review.

Mr. Reid: So out of a staff this year, full-time equivalents, 25, you have eight—

Mr. Gilleshamer: Mr. Chairperson, I am sorry, this is across the entire department. Was your question specific to one branch?

Mr. Reid: I was asking just specifically to this part, and maybe to save time here, if you have information here today that you can provide that would save the step of me asking it all the way through the process with respect to vacancies and secondments, then perhaps you could provide that to me. If not, then I will just ask it in each area. I can ask you, are these jobs being filled by the Civil Service Commission? Have these jobs been put out for competition?

Mr. Gilleshamer: I am told that none are out for competition now, but some of them will be in the not too distant future.

Mr. Reid: Can the minister tell me then where these vacancies exist and in which part of his department they are, so I can have an understanding, and when they may go to competition?

Mr. Gilleshamer: Well, there is a systems analyst in the Labour Management Services that is vacant. There are three positions in Mechanical and Engineering. There is one position in Conciliation and Mediation. There is one position in Workplace Safety and Health, and there are two in the Worker Advisor Office. So that gives you eight.

Mr. Reid: I missed the last number. Can the minister tell me, was it two in the Worker Advisor Office that are vacant?

Mr. Gilleshamer: That is correct.

Mr. Reid: I have no more questions on this part.

Mr. Chairperson: Item 11.2.(a) Management Services
(1) Salaries and Employee Benefits \$1,033,300—pass;
(2) Other Expenditures \$324,600—pass.

11.2.(b) Mechanical and Engineering (1) Salaries and Employee Benefits \$1,475,900.

Mr. Reid: Can the minister tell me—I looked at your explanation in your document, in the Supplementary Estimates document, regarding the elimination of the boiler inspector position. You had two vacancies last year. You have three vacancies now this year. You have cut one of the inspector's positions here. Yet you say that the purpose in your annual report is to avert

hazards dealing with boilers, and yet you have cut a boiler inspector here.

Why have you cut this person who would perform tasks that would prevent accident or injury to members of the public or perhaps staff of facilities that would come in contact with such a structure?

Mr. Gilleshamer: Mr. Chairman, I would like to introduce Mr. Geoff Bawden, who is the Executive Director of Workplace Safety and Health, who has just joined us at the table.

The question on staff deployment in this area is done by the executive of the department, and there is a feeling there that we have appropriate staffing in that area. From time to time, within any department, staff are, I suppose, reviewed and moved to other positions, and I do not think there is an inconsistency in what we say is the important work that is being done and the number of staff years that have been dedicated to it.

Mr. Reid: Well, I look to the minister's annual report from '96-97, because that is the most current report that is available until the new one comes out, and you refer to delivery of services involving steam and pressure plant-related inspection, which, I would think, would be boiler inspectors who would be involved in those types of activities and perhaps others, and it says here, Potential Hazards Averted Numbers, and these are the numbers of risky situations detected by your inspectors. It goes on to talk about 1,553 risky situations that were detected by your inspectors, and yet you are cutting your boiler inspection program.

I do not understand the logic here. If you have 1,500 risky situations, are you going to be able to do the same number of inspections that you have had ongoing in past by your staff? Are you increasing the workload? Were these people not fully and actively employed in the past that would allow you to decrease by one, the safety inspector?

* (1540)

Mr. Gilleshamer: I am told that we did redeploy one individual from other duties and that we have the same number of people doing that function, and my executive feels comfortable that the inspections are

being carried out without public safety being jeopardized.

Mr. Reid: Your Professional/Technical is down by one. I take it that is your boiler inspectors. Then, that being the case, are you going to be able to do the same number of inspections? Has there been a decrease? Maybe I should ask the question: Has there been a decrease in the number of facilities that you have to inspect as a part of your mandate? Has that function decreased?

Mr. Gilleshamer: I am told that we will have no reduction in the number of inspections this year.

Mr. Reid: The number of inspections, can you tell me what that number is, please, because your annual report only, I think, refers to percentages and hazards averted? I am not sure if that is a direct reference to the number of inspections, and there is one inspection for every hazard that is reported. Would you please provide me with the number of inspections?

Mr. Gilleshamer: The number of inspections is of approximately 23,000 boilers.

Mr. Reid: At this point, I will take the minister at his word that there will be no public safety jeopardized as a result of his actions to eliminate one boiler inspector position, although I must say that with some caution and indicate that I hope nothing untoward happens as a result of inspections not being carried out or by workload being too onerous for the people that do that particular task to keep the public safe.

Mr. Gilleshamer: Well, my honourable friend says he will take me at my word. He sits there recognizing that my word is coming from my senior people here who tell me approximately how many inspections there will be and that there will be no fewer inspections, so I guess what he is saying is that he agrees with some reservations with what my senior staff are saying.

I mean I am not in the field managing them, but when they tell me that they will do that number of inspections here at the table and I pass that on to you, I do so with the confidence that they do a good job and that I believe that they do what they say they do.

Mr. Reid: I guess the buck does not stop at the minister's desk. I guess that is the lesson that I have to take out of those comments: that whatever happens is the result of a decision that is made internal to the departmental operations. Yet, it is the minister, himself, who has his name attached to this particular budget document, so I have to say that the buck should stop at the minister's desk because he is the one that has authorized it under his signature.

Mr. Gilleshamer: Well, my honourable friend is changing the issue. He said that he would like to believe me, and I am saying that this is the information that comes in our reports and from my staff. I have no reason not to believe them, so I would like you to share the confidence that I have in my staff, and it is not a question of where the buck stops.

The member said that he had some reservations about accepting the information. It is the best information we have at the moment, and it is the information coming from the people directly in charge of staff.

Mr. Reid: Will you or the department be subcontracting out any of the inspection work, or will it all be done internally in-house?

Mr. Gilleshamer: We did not last year, but certainly if we are faced with some emergency situations or unexpected situations, we would reserve the right to do the most appropriate thing, to do the type of inspections that need to be done.

Mr. Reid: So then I take it you must have a list developed for emergency situations of whom you would contact in various areas of the province to make sure that those inspections could be undertaken in a timely manner.

Mr. Gilleshamer: What we are saying is we have some comfort around the fact that we could access some individuals, if they were needed, on a very short notice.

Mr. Reid: You mentioned three vacancies for this particular sector. Can you tell me what functions those people did perform?

Mr. Gilleshamer: Two of the vacancies are called Clerk 2, and one is a Gas Inspector 2.

Mr. Reid: I would take it then that the gas inspector—all the jobs are obviously important, but that the gas inspector, by way of public safety, is probably the most crucial of those three positions that are currently vacant. When do you anticipate that this particular job will be filled, or do you anticipate filling it in the near future?

Mr. Gilleshamer: I would concur with my honourable friend that probably the Gas Inspector 2 has a more direct role in the area of public safety than the Clerk 2, so we are in agreement on that. The intention would be to fill this in the near future.

Mr. Reid: I take it then when you say the near future, we are talking through a competition through the Civil Service Commission, and that would take place through their normal process which would probably be before the summertime then.

Mr. Gilleshamer: We would use the processes that are available to us in government to fill the position, Mr. Chaiperson.

Mr. Reid: Have you triggered those processes yet?

Mr. Gilleshamer: Not at this time.

Mr. Reid: When do you anticipate you will go to the commission?

Mr. Gilleshamer: Shortly.

Mr. Reid: All these statements, that does not give an indication or picture of when you anticipate it. Shortly could be 10 years; shortly could be never. I guess it is all relative. I am just trying to get an idea here without jumping through all these hoops what your anticipation is. If you can say at the end of the budget year, all right, I am not going to argue the point.

I mean, you have some decision to make there, but I am trying to get an idea of when you say shortly, is there something in your way, something impeding you from sending this to the Civil Service Commission to have this job filled?

Mr. Gilleshamer: Shortly, in my vocabulary, has never meant 10 years, and I did not want to leave that impression with the member. One of the activities we have to look to is the redeployment list and see if there is anyone on the redeployment list who currently has the skills and has worked for government and would fit here. Failing that, I would think in the next few months we will go to the next step.

* (1550)

Mr. Reid: Because it ties in with the minister's answer, if someone comes from the redeployment list and does not have the full skill set to perform the necessary function, may have part of that, do you have a training process internal to this operation here, or do you send people out for training in this particular sector to make sure that their skills are current, to make sure they are familiar with the new equipment, new technologies coming on stream in the marketplace?

Mr. Gilleshamer: I am told that the individual would need a trade, but given that, I think there is the ability to cross-train people, and that could be looked at, but if the individual on the redeployment list has no trade and no background and no skills in this area, I would think they are not going to be selected.

Mr. Reid: The second part of the question was with respect to training in your Mechanical & Engineering services. There may be—because it is not totally my trade area myself—some new changes that come along with the equipment and as new technologies come on stream in the marketplace.

Because you have people who go out and do inspections, how do you keep these people current with their skill level? Is there some type of training that you provide for them? Do you encourage them, do you assist them with this training and upgrading of their skills to allow them to keep current?

Mr. Gilleshamer: I am told in recent times that we have established an internal training program to be sure that they remain current.

Mr. Reid: Okay. Can you give me some kind of an understanding here, when you say redeployment list? Then with this budget year, no doubt any changes that

are anticipated to be taking place—I do not know for certain but I suspect may be happening early in the budget year—is that the time when you make the selection if possible from the redeployment list? What is the clearinghouse process here for people that you may want to look at for the filling of these vacancies?

Mr. Gilleshamer: The Civil Service Commission would be the clearinghouse.

Mr. Reid: Can you tell me—there has been some discussion for some time about the expansion of the number of certified trades. Is the department involved in that aspect of certifiable trades? Have you been involved in any discussions with respect to the expansion of these numbers and in the training that would be associated with those certified trades?

Mr. Gilleshamer: Mr. Chairperson, I think the member knows that the Training and Apprenticeship is lodged in the Department of Education. We have two staff from our department on what is called the Apprenticeship Board, and they have an opportunity through that vehicle to have input.

Mr. Reid: So then you are not aware of any expansion in the number of certifiable trades in the province at this time?

Mr. Gilleshamer: I am aware that there is some serious work being done on that right now, and I do not think it has been finalized yet, but I think our hope is that some of that will be completed soon.

Mr. Reid: What is the department's position with respect to certification of additional trades? Have you taken a position to that particular committee meetings on what trade areas should be, or is this something else that is being totally directed by another government department? Do you have any input into the process itself on what trades will become certified?

Mr. Gilleshamer: Again, this is being conducted within Education and Training. We are part of the process. We have not taken a final position on anything of that nature at this time, but we do have input through two staff members, and we sort of await the outcome of the process.

Mr. Reid: I guess then I am better off to go to Apprenticeship and Training in Education Estimates and ask that question more directly to the Minister of Education (Mrs. McIntosh).

Can you tell me then—last year I had asked this question, and I am just trying to keep current here because it had been drawn to my attention that from time to time people call in and say, I am living in this building and there is an elevator and the certificate is not current. I know we have had some discussion about this in the past about public safety, and the minister referenced a particular facility of seniors in his community last year. Are you able to manage and make sure that the elevator certification process, the safety process, is current in the province here?

Mr. Gilleshamer: We do have that responsibility within the department, and there is a cycle upon which elevators are inspected. Given the age and, I suspect, the history of some elevators, the inspection may be more frequent, but it is certainly ongoing work that our department is involved in. You are right, we did have an elevator in a seniors' block in Minnedosa, and there has been considerable work done on it in recent months.

Mr. Reid: So then the elevator inspection program is current in that the certifications of these elevators is up to date. I am just trying to get some assurance here that that is occurring.

Mr. Gilleshamer: Yes, again, we have ongoing work, and I guess it would be fair to say that if some of it is complaint driven, if there are elevators that are, through their use, through the people that use them we find out that they are having difficulty, there certainly can be more frequent inspection. But there is a cycle, and the work is being done. I do not know whether the member is suggesting it needs to be done more often or less often. Yes, it is current, and I am reminded that sometimes the owner of the elevator does not always get the certificate put up at the appropriate time so that is again one of the logistics problems that occur.

Mr. Chairperson: Item 11.2.(b) Mechanical and Engineering (1) Salaries and Employee Benefits \$1,475,900—pass; (2) Other Expenditures \$428,000—pass.

11.2.(c) Conciliation, Mediation and Pay Equity Services

Mr. Reid: Last year I had asked the minister for information relating to work stoppages which he gave me a history lesson on.

Mr. Gilleshamer: Did I?

Mr. Reid: Yes, you did. I appreciated the information that the minister supplied. Can you provide me with up-to-date information for this past year that I imagine would be coming out into your new annual report because I have the Annual Report 1996/97? I am just looking for 1997/98 information, if you have it available.

* (1600)

Mr. Gilleshamer: The information I have, I guess which is more current than last year. Do you have 1996's?

Mr. Reid: I think it is, yes.

Mr. Gilleshamer: Maybe I will read it into the record anyway. In 1996, there were 22 disputes. There were 7,275 workers involved, and there was 235,560 person days lost. Going to 1997, there were eight disputes involving 773 workers and 13,800 person days lost.

Mr. Reid: No doubt, I mean, we had some, what I think are experienced, people in the conciliation-mediation areas which is no doubt a very difficult task, trying to bring parties to an agreement when they are sometimes very set in their ways. Do you have any kind of ongoing development for people in these two areas, or do you pull people in from other facilities, perhaps like universities or other provinces or jurisdictions that may have skilled people? How do we ensure that we have people that would have these particular types of skills? Last year we talked about Mr. Davidge leading the service, retiring. He had a great number of years involved in this area. Do we have other people whom we have brought on stream who would have these skills? Do you have people

under contract that do this type of work, or what is the process that we have?

Mr. Gilleshamer: The member from Transcona is absolutely correct. This is an area that does take expertise, talent, training, and experience, and we, I am told, rely on some national training that is available and also interchanges with other jurisdictions. I am told that last year there was an interchange with the government of Saskatchewan. I suppose it is important to take that training and keep current. We currently have a vacancy, I believe, in that area that we will be filling soon.

Mr. Reid: I should ask this question, because I am not sure whether or not Mr. Davidge's position was filled or who is in the capacity that he was. Can you tell me, this position that is vacant, how long has it been vacant and what was the function?

Mr. Gilleshamer: One other thing I should have added with my last answer is, we do have the ability to access other people on short term if we need them for specific circumstances. The vacant position is Mr. Davidge's. Mr. Al Fleury has been the acting director in recent months, and I am told the vacancy has been there for approximately a year.

Mr. Reid: So, if Mr. Fleury is the acting director, is this job going to be put out for competition, or is Mr. Fleury going to remain as the director? Are you going to make a decision soon on someone to head up this particular department?

Mr. Gilleshamer: The recommendation from staff is that the direction we will be going to is competition.

Mr. Reid: Are people seconded in or out from the department at this part?

Mr. Gilleshamer: I am told the answer is no.

Mr. Reid: One of the effects of Bill 26 is, and I am going from memory here, it changes the way costs of expedited arbitration are involved. Is that part of this particular conciliation-mediation services that are involved here and, if so, can you tell me what the effect has been with respect to the costs to the parties?

Mr. Gilleshamer: I am told that we are not privy to that information. It is a shared cost borne by the two parties involved.

Mr. Reid: So am I to understand then that the department supplies the mediation services or conciliation services for this particular type of process and then those parties would pick up the cost for that individual. Is that how this works?

Mr. Gilleshamer: Yes, when our staff are involved there is not a cost, but when they go to the expedited process they are using people external to government.

Mr. Reid: So then, is it left to the parties then to determine who the arbitrator will be in those cases, for the expedited arbitration?

Mr. Gilleshamer: I am told that the parties can select from a list of available people and that they are responsible for the costs.

Mr. Reid: How then are we able to determine what the cost impact has been to the parties as a result of the Bill 26 change?

Mr. Gilleshamer: I think this is the same question that the member asked a couple of minutes ago. We are not privy to that information and are unable to give you the figure.

Mr. Reid: So then government effected a change by way of legislation and we have no way of knowing what the financial impact is going to be on the parties? It is just something that was thrown out there, you take care of it now and there was no cost consideration given to the impact on those parties?

Mr. Gilleshamer: Well, the member is suggesting that government has been rather cavalier about this, and I do not agree with him. I think that the process is working.

If the member wants us to try and quantify that, what we are saying is, we have not at this stage because that information has not been given to us. Maybe we could give him an undertaking to see if we could get some information and share it with the member.

Mr. Reid: I would appreciate it if there is some way for you to quantify that just to give us an idea of what the impact has been. If the minister could forward that along, I would appreciate that. I have no further questions in this area.

Mr. Chairperson: Item 11.2.(c) Conciliation, Mediation and Pay Equity Services (1) Salaries and Employee Benefits \$427,700-pass; (2) Other Expenditures \$98,300-pass.

11.2.(d) Pension Commission.

* (1610)

Mr. Reid: Last year I had the opportunity to ask a number of questions with respect to Merchants Consolidated, and I thank the minister and his departmental staff for supplying the information which I was able to forward to my constituents.

This year I have looked at the information that you have supplied in your document, and I have some number of questions with respect to the Pension Commission's work and how it functions. I would like to know—I take it you do pension plan audits for where there are pension plans. Can you tell me the number of audits that you would undertake or have undertaken in the last fiscal year, which would be I guess '97-98, and what the findings were of those audits?

Mr. Gilleshamer: I would like to introduce Debbie Lyon, who is the Acting Superintendent of Pensions. I am told that last year we did four audits, and the work plan for the current or coming year is that we would do six.

Mr. Reid: Of those four audits that were done, what were the findings? Was there full compliance with the legislation or were there other areas that needed to have some further inspection?

Mr. Gilleshamer: I am told there were no major problems. I guess, it might be fair to say that part of the process is an education one as these audits take place, and that part of that education is through share information and have people perhaps do things better, but there were no major problems.

Mr. Reid: Of the information that you supplied in your Supplementary Estimates, it talks about 300 plan amendments, 10 plan wind-ups, 6 plan conversions, and 4 surplus refund requests. I will do them individually here.

On the plan amendments, 300, it looks like a fairly large number. Is this something that was requested by the parties? Or what type of amendments are we talking to these plans? Structural changes, the type of plan that was involved, perhaps other information? I wonder what happens to them.

Mr. Gilleshamer: This would appear to have been a normal work year. Many of the changes would be initiated by the employer, I suppose, in conjunction with the employee group from time to time. One of the things that would trigger more activity here is if there has been a change in the federal government's legislation, but the number indicated is par for the course. As the member knows, when collective agreements are negotiated, sometimes there may be changes that have to be noted.

Mr. Reid: It escaped me—yes, that could be part of the cause there, but I was not aware of any changes to the Pension Benefit Standard Act, federally speaking. So I am not sure how those changes come about unless there is something through regulatory matters through the federal government that would affect the pension plans. That may be the case.

Mr. Gilleshamer: One of the other acts that may impact here is the Income Tax Act and changes to it. So, I guess, what we are saying is that if there are changes at the federal level, it may be the cause factor for changes that have to take place and are noted here and part of their business.

Mr. Reid: Can you tell me: there were 10 plan wind-ups? In those pension plans that were wound down, what happened with the funds that were involved there? Were these companies that went out of business? Were these employer-only sponsored funds? What happened with those pension plans?

Mr. Gilleshamer: The typical example, I am told, is of small plans that are changed into an RRSP type of plan.

Mr. Reid: Did that happen in all 10 cases?

Mr. Gilleshamer: Not in all the cases, and we do not have the specifics, but if there is specific information that we can share with the member, more detail on those 10, we could provide that at a later date.

Mr. Reid: That would be fine. I am just trying to get an idea here what happened with those funds, and if they were rolled over into an RRSP system, I can understand the funds would be still available for the people. I just want to make sure that the people did not lose access to those particular funds if they had worked for that period of time to earn them.

I want to ask questions with respect to surplus fund requests. There were four surplus fund requests that came forward, indicated in your document here. What is the disposition of those requests?

Mr. Gilleshamer: We do not have the exact detail, but it may be a sharing of surplus funds between the employer and the employee, but, again, if we can get more information on that we could share it.

It has been pointed out to me, if you are working off the information on page 30, that this is the forecasted activity that would be taking place as part of the work plan for this budget year. But is it fair to say that this is not an untypical year? This is similar to previous years and, in fact, there were two surplus refund requests last year.

Mr. Reid: I understand what the minister is saying with respect to the Estimates document, but there are some numbers in here dealing with surplus refund requests. It is in your annual report.

Mr. Gilleshamer: You are working off the annual report?

Mr. Reid: Well, I know the numbers are different between the two, but there were still the requests, and what I am trying to get at here is to find out what happened with those funds. Who made the requests for those funds? Was there joint trusteeship in those particular pension plans? If not, who made the request for the return of the surplus, and were those requests granted?

* (1620)

Mr. Gilleshamer: We do not have that information here, but, typically, if there is a surplus, it would be shared between the employer and the employees. I am told that it would always relate to the facts around that specific case.

I guess if you are looking for different scenarios, if there has been inappropriate amounts put in by the employer, that they should rightfully go back to him, that could be one of the outcomes, but every case would have to be looked at on its specific merits and the appropriate adjudication made. I am told it is also typically done by consent.

Mr. Reid: I am just trying to get an idea here, an understanding that it was done by and with consent in all cases where those funds were returned, and I understand that there are actuarial evaluations that were done on the pension plans to determine what funds would be required for future liabilities.

So I am just trying to understand here if that was the case, if the employers had over-contributed to the plan, then there may be some grounds or justification for a return of those funds with respect to their liabilities. We are seeing or at least I am seeing requests coming forward in other jurisdictions where employers are starting to ask for and expect that they have ownership of particular experience gains of pension plans, and I just want to find out what our experience is here, with respect to the Pension Commission involvement, dealing with surplus of funds.

Mr. Gilleshamer: Well, typically, the resolution is by consent, and I understand that if there is not consent—and it is done when the plan is wound up, but there is an adjudication process, if necessary, if there is no consent. If there is not consent, then the Pension Commission adjudicates and makes the decision.

Mr. Reid: Does the Pension Commission then consult with the employees that would be affected by the decision? Are all the employees taken into consideration before the decision is made, employees current and past who have vested interest?

Mr. Gilleshamer: I am told if there is no consent, it certainly could end up in the courts for adjudication, and parties would be represented presumably by legal counsel.

Mr. Reid: Are you aware of the plans that you regulate or have some control or audit over, are there any plans currently that have deficiencies in them in the province or are they all, in a sense, fully funded?

Mr. Gilleshamer: I am told there are some plans with deficiencies.

Mr. Reid: Do you have a ballpark figure or a rough number of plans that would be deficient, or perhaps even an accurate number, and what steps is the Pension Commission taking to make sure that these plans are funded?

Mr. Gilleshamer: I am told that there are around 65 out of 195 plans that have some deficiencies, and the Pension Commission is working with interested parties to bring remedy to that.

Mr. Reid: Can you tell me the number of plans? Of the plans that terminated, were any of them terminated that had liabilities still attached to them or deficiencies? With that information, I know it is in the book here for the previous year, but do you have the information available for the '97-98 year?

Mr. Gilleshamer: We are not able to access that at the moment, but we can provide the member with that information.

Mr. Reid: I take it, then, the information will be coming when the annual report—or are we talking before the annual report would be available?

Mr. Gilleshamer: I am told we can provide that before the annual report.

Mr. Reid: Mr. Guy Gordon, I think, was, or perhaps still is, involved with the Pension Commission and may be seconded out of the department at the current time. Last year when we talked about the Pension Commission, John Cumberford was also seconded to the Service First Initiatives. Can you tell me what is

happening with those two individuals? Are they still working outside of the department?

Mr. Gilleshamer: Mr. Gordon has been seconded to the Better Methods. He is working on that project, and he will be returning to the department on the completion of that work.

Mr. Reid: How long has he been gone from the department, and how long do you expect him to be gone?

Mr. Gilleshamer: He has been absent from our shop since December and will be gone for the rest of this year.

Mr. Reid: Does the same apply then to Mr. Cumberford?

Mr. Gilleshamer: I am told that we are not expecting Mr. Cumberford back.

Mr. Reid: So then I take it his position is vacant. Will it be filled?

Mr. Gilleshamer: Yes, Mr. Gordon will be filling that position on his return.

Mr. Reid: Can you tell me what the last time the pension advisory board—I think you have an advisory board that involves the stakeholders. Can you tell me the last time that particular board met?

Mr. Gilleshamer: I am told that they meet quarterly. There is a meeting scheduled in the near future, and the last meeting was late last year.

Mr. Reid: So it has been several months then since the board met. It is my understanding it has not met for quite an extended period of time, maybe perhaps beyond that, that involved the stakeholders. That is the information that has been shared with me. There was some concern raised with me that that is not taking place to allow the stakeholders to raise any concerns and perhaps resolve some issues.

Mr. Gilleshamer: I will repeat my answer that they met late last year, in November, I believe, and that they will be meeting in the next few weeks and that they meet quarterly.

Mr. Reid: Were there any issues that were referred from the Pension Commission to the minister that need to be dealt with perhaps by way of legislative or regulative changes?

Mr. Gilleshamer: There are some issues pending that I believe that the Pension Commission is working on. We have not had anything referred in recent times that has not been dealt with.

Mr. Reid: Can the minister shed any light on what those issues may be?

Mr. Gilleshamer: I am waiting for the recommendations from the Pension Commission, and when I have them, I would be pleased to share them with the member.

Mr. Reid: I take it then the minister may know but there may be some reason then he is not able to share that information. Is there something secret about the operations of the Pension Commission and their activities by way of problems that you could not share with this committee?

Mr. Gilleshamer: The issue pending is the locked-in Retirement Income Fund, and there have been requests regarding this. This locked-in Retirement Income Fund is being recommended to government. So we are awaiting some information that maybe can give you a little more detail. The proposed change is intended to provide retiring members and plan members who terminate their membership in a plan with locked-in pension assets, an additional pension income option called the locked-in Retirement Income Fund. Currently these people must convert their money into a life annuity or a life income fund. So this would be a third option.

The amendment is intended to respond to a growing segment of the population who wish to retain a greater control over the investment of their pension assets and who do not want to be forced to convert pension benefits to a life annuity as is required under the act. It

is intended to pattern the Manitoba provisions after those found in our neighbouring provinces of Alberta and Saskatchewan to ensure consistency.

Mr. Reid: I recall having this discussion with the minister last year, and it had been an issue that had been drawn to my attention, so I look forward to any improvements in the flexibility that the Pension Commission could give to members of the public that wanted to have some control over their funds. Now, I know there are drawbacks and I put them on the record last year with respect to people that may not manage their funds in the most appropriate fashion to plan for their full retirement years, but I am not really sure that it was, and the minister may agree, that I am not really sure that it is the government's role to make sure how people spend their monies.

I know at the end of the day there may be some social costs that are involved, and I guess in that sense we should have some concern, but members of the public that had contacted me that I had drawn to the minister's attention referenced that they wanted to have that flexibility to be able to manage their own funds. They do it in many cases in RRSPs and do so quite competently with fund managers and they wanted to have some flexibility with respect to other pension funds as well. I look forward to the changes that might be coming forward from the Pension Commission through your department in that regard. I have no other questions on this particular sector.

Mr. Edward Helwer, Acting Chairperson, in the Chair

The Acting Chairperson (Mr. Helwer): 11.2. Labour Programs (d) Pension Commission (1) Salaries and Employee Benefits \$251,200—pass; (2) Other Expenditures \$90,300—pass.

11.2.(e) Manitoba Labour Board.

Mr. Gilleshamer: The honourable member for Transcona (Mr. Reid) and I would like to welcome Mr. Helwer to the Chair today, the member for Gimli. We are pleased that you have joined us.

I would also like to acknowledge John Korpesho, chair of the Manitoba Labour Board, who just joined us at the table.

Mr. Reid: I welcome Mr. Korpesho to the table, of course, and look forward to asking some questions through the minister to Mr. Korpesho. Last year of course when this committee met, we had the opportunity to ask questions with respect to the impact of Bill 26, The Labour Relations Amendment Act.

I was quite concerned at that time about the impact of the funding appropriation that was being given to the Manitoba Labour Board, so I have several questions I would like to ask with respect to the activities of the board itself.

I would like to know, on the funds that were available last year, because there seems to be a change this year as well, was the Labour Board able to meet its obligations with respect to the timeliness of certification votes and the other activities that had to be undertaken by the Labour Board?

Mr. Gilleshamer: I am informed that exceptional circumstances existed in nine cases, warranting an extension of time for taking a vote. The board's experience during the first full year is that there was no appreciable difference in the number of applications as a result of the automatic vote process.

Mr. Reid: You say no appreciable difference in the number of applications for certification. Can you tell me what those numbers were, please?

Mr. Gilleshamer: They were 72 last year, and 63 the year before.

Mr. Reid: Is that calendar year that you are giving me here, or is this fiscal year?

Mr. Gilleshamer: Mr. Chairperson, that would be the fiscal year.

Mr. Reid: You indicated that there were nine cases of extensions. Can you tell me where these occurred, the period of time that would be involved in the extensions, and who requested the extensions?

Mr. Gilleshamer: I am told that these were cases where there was an agreement between the union and the employer, that more time was required and, as a result, the time was extended.

Mr. Reid: So that was an agreement between both parties in all nine cases, then?

Mr. Gilleshamer: That is correct.

Mr. Reid: Can you tell me—I believe when the legislation came out there was some commitment that certification votes would take place within seven, I think it was, calendar days, outside of these extensions that are here. What would be the average number of days that you would have for these votes to take place?

Mr. Gilleshamer: I am told that that was seven working days, and that the average would be five days.

* (1640)

Mr. Reid: I think the Labour Board appoints arbiters in expedited arbitration cases. I am not sure if I asked this in the previous section dealing with conciliation-mediation, but can you tell me the number of expedited arbitration proceedings that took place?

Mr. Gilleshamer: The number is 28.

An Honourable Member: Bingo.

Mr. Gilleshamer: Under the “B”.

Mr. Reid: Mr. Chairperson, can you give me an understanding here, and I know the Labour Board handles a wide variety of cases looking at the number of acts that they have responsibility for, but can you give me an idea of the caseload for the particular operations of the Labour Board? Do you have a breakdown of the number of cases that would be handled with respect to the particular acts for which they have responsibility?

Mr. Gilleshamer: Yes, under The Labour Relations Act in 1997 there were 729; under The Employment Standards Act there were 373; under The Payment of Wages Act there was 81; under The Pay Equity Act there was zero; and, under The Workplace, Safety and Health Act there were six.

Mr. Reid: There are a couple of other acts. Vacations With Pay and Remembrance Day Act, I take it, that there was no problem in those areas?

Mr. Gilleshamer: Yes, The Vacations With Pay Act is included under The Employment Standards Act where there were 373 cases, and we do not deal with The Remembrance Day Act.

Mr. Reid: Significant number under The Labour Relations Act, Employment Standards as well, obviously. Is there a breakdown that you have of the type of cases under The Labour Relations Act, which areas were raised?

Mr. Gilleshamer: Yes, I can give you considerable information on that.

Under certification, there were 72 cases; under revocation, there were 14; under amended certificates, there were 26; under unfair labour practices, there were 58; under duty of fair representation, there were 16; board ruling 33; first collective agreements 10; Section 10(1) changes and conditions, there was one; Section 10(3) 90 days after certification, there were 16; review and reconsideration, there were 25; successor rights, there was one; religious objector, there was zero; termination of bargaining rights, there were two; grievance arbitration, there were 12; expedited arbitration, as indicated before, there were 28; access agreements, there were two; final offer selection, there was zero; extension of time limit for employee lists, there was zero; complaints re ratification vote, zero.

A bunch of other zeros, if you want me to go through. Disclosure of information by unions, there were two; and union financial information filed, there were 438.

Mr. Reid: When you indicate union financial information that was filed—it is on your list there—this is in respect to the Bill 26 provisions. Is that the requirement, the number that you are referencing?

Mr. Gilleshamer: That is correct.

Mr. Reid: Can you tell me: have you received, has the board received applications or interest for information regarding the financial information that is provided to the board by the various unions of the province?

Mr. Gilleshamer: Mr. Chairman, under a line here called number of requests for disclosure received by the board since February 1, 1997, there were two.

Mr. Reid: Were these two in the last fiscal year, because last year when we talked there were two requests for information at that time. Have there been any others received since that time?

Mr. Gilleshamer: I am told those were the two that we talked about before.

Mr. Reid: Are there any vacancies within this particular area on the board itself and the staff?

Mr. Gilleshamer: I am told the answer is no.

Mr. Reid: Mr. Chairperson, on The Employment Standards Act numbers that you have, 373 cases that were dealt with by the board, can you give me an understanding or a breakdown of the type of cases that were dealt with or the issues that were dealt with by the board?

Mr. Gilleshamer: Most of them are wages in lieu of notice issues, and hours of work exception orders.

Mr. Chairperson in the Chair

Mr. Reid: Last year there was a change that came forward. I do not know if this is the appropriate area to ask, but it was a change by way of legislation that the minister had to give some approval for certain business operations to open on days—K Mart, Zeller type of operations. I believe that no longer has to go through the minister or the Premier's office for Order-in-Council.

Is this the appropriate area to ask that question about the number of applications that would be made?

Mr. Gilleshamer: Well, it is not, but we did change that legislation last year, and I referenced it in my opening statements. I recall, I think, there was one or two that I approved last year, and they tended to be prior to Christmas. Again, this was in reference to retail outlets of some size wanting to have some sort of shopping event for their staff. Was it two? There were two of those requests that have been approved.

Mr. Reid: That is right. I was not clear on whether or not this was the appropriate area to ask or not, so thank you for the information.

The board, I think—I mean, they have been fairly helpful in helping me personally with constituency matters—resolve cases, and I appreciate those efforts. The board also, I believe, gets involved to assist parties in resolving disputes without the need for the formal process. Can you give me some background on how that process works? Would that not have been a function that would normally take place through mediation and arbitration process, or is this the function of the labour board in some other capacity beyond mediation?

Mr. Gilleshamer: So this is work that is internal to the board, and there are specific staff who work in that area.

* (1650)

Mr. Reid: Can you give me an idea of the number of cases that you would handle in that regard? If you did give it to me, I apologize for not catching it, but I would like some clarification on the number of cases you would handle that you would be able to resolve without having to go to a full board hearing process.

Mr. Gilleshamer: I am informed that there were nine cases that were handled in that manner.

Mr. Chairperson: 11.2 (e) Manitoba Labour Board
(1) Salaries and Employee Benefits \$612,200—pass; (2) Other Expenditures \$405,700—pass.

11.2.(f) Workplace Safety and Health (1) Salaries and Employee Benefits \$2,531,100—pass; (2) Other Expenditures \$786,900—pass.

11.2.(g) Occupational Health (1) Salaries and Employee Benefits.

Mr. Reid: Mr. Chairperson, when you are going through this list here, are you on 2.(g) now? I had a number of questions on Workplace Safety and Health as you move through this process, so I would like to revert to Workplace Safety and Health.

Mr. Chairperson: May I ask the committee if there is unanimous consent to revert back to the previous section, Workplace Safety and Health. Agreed? [agreed]

Mr. Reid: Mr. Chairperson, in the time that we have remaining, I have a few questions. I wanted to first off—last year, the minister had referenced in his comments that there was a farm conference on safety that was going to be held, I believe in Manitoba this calendar year. Can you tell me, has that conference taken place? If not, when and where will it be held?

Mr. Gilleshamer: Yes, we look forward with great anticipation to that conference. It has not been held yet. It is going to be held in June, and I am told that there is tremendous interest from all over North America as well as South America and Europe, and it is going to be held in Winnipeg.

Mr. Reid: I take it, then, that the Department of Labour and the Manitoba government will be actively involved in that particular farm conference with respect to safety issues. Are we the sponsor of that particular conference, or are we just a participant in it?

Mr. Gilleshamer: Yes, we are actively involved as a department along with the Department of Agriculture and some of the major farm groups from within the province of Manitoba, and I do believe we have a pamphlet that we can bring to the next gathering which gives you the particulars that you would be interested in.

Mr. Reid: I would appreciate receiving that information. I have had a concern for some time about what has been happening in some of the farming operations when you take a look at the number of fatalities and injuries that are involved. We see them, of course, from time to time make the media, the various community newspapers throughout the province, and it is obvious it is an issue that needs to be dealt with.

I often wonder, and I say this out loud and I guess am putting on the record here, I wonder whether or not—and I am not looking in any way to hamper or to take away from any of the family farm operations in the province—we should be bringing, where you have larger agri-food industries businesses where it is more into a corporate type of farm operation, whether or not those types of farm operations should be brought in under The Workplace Safety and Health Act for the people who are working in there—not to isolate the family farm

operation, because I think there needs to be some proactive accident prevention taking place or education taking place in those areas as well—but in the larger operations whether or not the government is involved in the larger corporate-type farms to make sure that we can go in and do audits of those particular operations to make sure that things are done in a safe manner where you have chemicals that are involved.

I remember back last year when the Minister of Labour was talking about someone who was familiar to him who was mixing chemicals with bare arms and that individual then being, of course, affected by that particular activity. That may have been a family farm operation that we are talking about here, but where we have ways, where we have expertise within our department, within our government operations, to effect some preventative programs in the farming community, both in the family farm operations and in the corporate farm operations, whether or not we should be bringing in those operations under the umbrella of Workplace Safety and Health.

I know your workload is probably fairly large to this point, but if there is some way that we can take steps to stem the growing number of accidents that are happening on farms, I think it would be a step in the right direction, both proactive by way of education, but also going out and doing audits of those particular operations, bringing them in under the umbrella to give the powers to the department.

Perhaps, just kind of thinking out loud here about whether or not those larger operations should be brought in under the umbrella of the Workers Compensation Board who do some proactive educational-type work now, whether or not those large operations should be in under the Workers Compensation Board to allow that preventative educational work to take place as well. Perhaps the minister can comment. I know he has some experience with the rural farming community. Has the department looked at that type of an involvement, both by Workers Comp and by Workplace Safety and Health into those areas of farming activity?

Mr. Gilleshamer: Well, there is a tremendous number of partnerships out there now where the Department of Agriculture takes the lead with

organizations such as the National Farmers Union, the Keystone Agricultural Producers and then the various supply management groups and particularly various products, whether it is the pulse growers or the beet growers. There is no shortage of organizations out there, and I think that debate really needs to take place in the farm community.

It is very difficult to draw a distinction between a family farm and a corporate farm. Many of them are of similar size. They just have a different structure where perhaps father and son have incorporated and, you know, many family farms might be much larger but they do not appear as a corporation.

So I think that debate needs to take place in that area. I know the Department of Agriculture, through their extension services—ag reps, home economists, field people—meet frequently. As well, the machinery companies, the chemical companies, many of these groups take a leadership role in providing that education and training with new chemicals, how they should be handled, how they should be used, how they should be stored. Similarly with the farm equipment, major farm equipment suppliers who tend to be centralized now spend a lot of time not only in selling and servicing that machinery but also doing the training and giving their expertise to individual farmers.

So I think that, for sure, one accident is too many, one fatality is too many. We do see individuals working under extreme pressure at seeding time and harvest time with weather perhaps being uncooperative, deadlines being exceeded and people pushing themselves working individually alone many hours of the day. You know, what is the role of government in working with these people? I believe it is primarily an education one, but if we are going to go any further than that, I think the debate has to take place within the farm community, which tends to be very independent individuals who have strong feelings on many things and who belong to many of the organizations that I have referenced.

This conference that is upcoming that we are going to provide you a brochure for next time we meet is a major step and a major recognition that there is a problem out there. I think it is not the starting point because I think safety programs have always been part

of what the Department of Agriculture does and what those companies and organizations do, but I think it is a recognition of the seriousness of problems and an attempt to educate people and put in place further programs, if necessary, to alleviate this problem.

So we are pleased and proud to be associated with the Department of Agriculture to work with them on this initiative, and I expect that many positive and good things will come out of it. I am not going to speculate on what legislative powers people in that industry might want to give to government, but probably a good open debate on this issue within those organizations and within the Department of Agriculture, and if we can assist in any way, is a healthy thing.

* (1430)

Mr. Chairperson: The hour being 5 p.m., committee rise.

HEALTH

The Acting Chairperson (Mr. Peter Dyck): Order, please. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Health.

When the committee last sat, it had been considering item 21.1.(b) on page 71 of the Estimates book. Shall the item pass?

Mr. Dave Chomiak (Kildonan): We had left off indicating we would come back and probably do some follow-up Betaseron questions, I do not know. Is the information available?

Hon. Darren Praznik (Minister of Health): Yes, Mr. Chair, I will table this list of members of the committee. We have extra copies of the Manitoba Drug Standards and Therapeutics Committee, and all I ask is that he respect some of the privacy of the individuals for the matters outlined, and I think he acknowledged.

I also have, which is a public document effective January 1, 1997, The Manitoba Drug Benefits and Interchangeability Formulary. This is the document that I think describes the committee and the process.

As I said, in working with this committee, I have come to the view that we need to be fleshing out in greater detail some of the criteria around a selection, and it would be my preference to see this developed on somewhat of a national basis.

Mr. Chair, one of the complaints we get regularly from various health groups, organizations, certainly the pharmaceutical industry, is that they very much have to go through the same process in every jurisdiction. In a country the size of Canada with only 30 million people, it does make some sense that this is an area where if we could on a interprovincial basis establish a pan-Canadian committee to make these kinds of recommendations to us as ministers of Health, along some objective criteria, it would probably go a long way to speeding up the process and streamlining it.

So that would be my long-term objective. My medium term would be to get a better set of criteria in Manitoba, more detailed criteria to assist the committee, and, thirdly, my short-term objective is to get this new red-light, green-light, yellow-light process operational.

Mr. Chair, I am just going to peruse this document on all the regions. I know last year we had a little difficulty around dates, and I want to just double-check this for the member, but he may want to respond.

This is the list of members of the regional health authorities. I believe the effective date is somewhat different for each regional health authority. I imagine it is effective as of the last time we have accessed it. I think that is the case. I provide that to the member.

Mr. Chomiak: I am going to require some time to review the information. I thank the minister for tabling it—and review some of that information. So therefore specific questions in this regard I will defer until we reach the Pharmacare portion.

I just want to return briefly, though, to the Copaxone issue to make sure I understand it correctly. The yellow-light process, what specifically does the minister mean? I, at one time deemed it conditional approval. The minister has not used that terminology, but what specifically does he mean by the yellow-light process? What does that mean?

Mr. Praznik: Mr. Chair, I do not intend it to mean that we are about to say no. It is really the intermediary change between a yes and a no. I wanted to give the committee enough latitude to be able to say in cases that were not really clear-cut that this product may be worth consideration. There are some doubt in our minds, one way or the other, and to make a recommendation not only to put it in this middle ground, this gray area, but to make a recommendation if they felt it was appropriate as to how, in fact, we should go about testing this product. So I wanted to have a fair bit of latitude. We will develop this and we will test this from experience as we move through the process. But where you only have a clear yes, a clear no, and there are, as I said, drugs that are getting into the approval, ready to say yes, but certainly do you say no, and if when you just have two clear-cut choices, there are going to be drugs that do not get moved forward because they have not quite fully made all of the go-ahead criteria yet.

So putting kind of a middle process in there that allows us to either do a limited test, a complete test, in some way, we are proving the drug with a test around it, an evaluation around it, so that ultimately when that evaluation is complete, that information will come back to the board to better help decide whether it should be a yes or a no.

I would suspect in many cases that the results will verify what many suspect, that this drug does have benefits that have not yet been fully developed or referenced in the literature, and yes, it should be included in the formulary. So, that middle ground is really the period in which you evaluate with certain criteria around the outcomes of that particular drug to see if it is delivering the medical benefits that it is supposed to. That is what I envision, and obviously we are going to have to flush this out and work it through as we move forward. Today there is no ability, or there is, I guess in the rules of the committee, but it has never been exercised to be able to that kind of organized evaluation of a product.

Mr. Chomiak: Mr. Chairperson, in the example of Betaseron, the government has chosen to use a pilot project, but that would be presumably only one of several courses of action available in this yellow-light scenario?

Mr. Praznik: Mr. Chair, I certainly do not want to be restrictive today of innovation. In the case of Betaseron, the claim with Betaseron is made that—what the literature suggests from my recollection of this is that it will eliminate one relapse in a three-year period. You are talking about a product that has an annual cost of about \$17,000, does not—so the argument has gone—affect the long-term prognosis of MS. It prevents one relapse which could last a couple of weeks at a potential cost of \$50,000. Is that a huge value?

* (1440)

The committee looked at it and said the medical benefit of this product versus its cost, it is just not there. If there was a cure for MS, if it delayed the disease, the advance of the disease for a period of time, yes, it would not be a question; of course, go ahead. The patients are getting great benefit, but where that benefit is very dubious and doubtful, do we invest in providing for this medication? What we learned, both the member and I and others, as we went through this, is the claim is made, and apparently there is some growing evidence to suggest, that not only does it prevent one relapse within three years, but it may in fact decrease the severity of other relapses during that period and ultimately lead to a more improved quality of life.

So what the purpose of this evaluation will be able to do is over the next three years or so the people who will be in this particular test—I do not have all the criteria today, but I imagine it is going to be evaluating what effect this drug has had, and if we are able to determine from this and other work going on around the world that there are increasing benefits to the use of Betaseron, then of course it makes it easier for the committee with that evidence to say, yes, we will approve it, green-light it, and it becomes a regular part of our formulary, and then to obtain the drug you do not have to go through the MS Clinic specifically, but it would be a regular part of the formulary.

This committee might recommend, because of the nature of a product, that it only be used under restrictive circumstances, certain kinds of evaluations, what have you. So I want to give them the ability to have a tool to have a middle-ground process between

yes and no so that they can get the evaluation to make a final decision at some point.

Mr. Chomiak: Mr. Chairperson, I will be debating this and discussing this in greater detail, the Pharmacare portion, because I think there are a number of issues arising out of here. But I would like to move on. I have one final question. Can the minister specifically verify exactly what status Copaxone is right now, because I think he mentioned it this morning, but if he could outline exactly what the status of Copaxone is right now.

Mr. Praznik: Mr. Chair, just on the last question, it was pointed out to me that one of the claims that was made by the MS community was that the use of Betaseron over a period of time will reduce other Pharmacare costs as well. So that will be another issue we will be evaluating in this particular study, which of course affects the pharmacal economic analysis.

I am going to ask Mr. Potter to update on the Copaxone issue.

Mr. Don Potter (Associate Deputy Minister, Internal Programs and Operations): Mr. Chairman, my information is that the information that was missing from the producer of Copaxone has been received and that the drug will be going to the next meeting of the Drug Standards and Therapeutic Committee for review.

Mr. Chomiak: Mr. Chairperson, just an additional question for the minister, during the Betaseron issue, we were surprised that there had not been contact between the MS Clinic and the drug therapeutic committee with respect to the utilization of Betaseron. Presumably, Copaxone is being utilized by the people through the MS Clinic in one form or another. Has there been contact and a tie-in at that point?

Mr. Praznik: Mr. Chair, as I indicated earlier this morning to the member, as I had a chance to discuss the operation of this particular committee and their procedures, they had traditionally only dealt with a paper review of information and material. It had not been their operating policy to have representation made by individuals who had been working in the field and could directly provide scientific information, and I asked if they would consider that at their discretion as

part of their process. The first time this happened was, some of the positions at the MS Clinic were able to make a presentation to them with some of their information. Whether or not that affected their decision, I am not going to speculate on that.

But if this committee feels that there is work going on and expertise that would be of benefit to them beyond which is what on the paper review—I should point out that the manufacturer of the product has the responsibility, if I remember correctly, to put the information to the committee, because it is in their interest to have the drug approved.

If that committee hears of or is made aware of work that is going on with that particular product where expertise could add to their base of information in making a decision, that certainly would be encouraged by me and that is a decision that they would make based on the material that they received. So it may happen.

Mr. Chomiak: Mr. Chairperson, just a final question. Would that also include other jurisdictions outside of Manitoba?

Mr. Praznik: Yes, Mr. Chair, I have no objection to the committee. Obviously, there is a cost, an administrative cost factor involved in this, and if a manufacturer of a particular product in making their presentation felt that it would be advantageous to offer bringing a researcher in to meet with the committee, and the committee felt that would be useful to them, I certainly would not object to that happening. We are trying to have a process that provides the best information available.

Another comment I make, why I have promoted this on a national basis, as I am sure the member will appreciate, is it is just practically more effective, if we were doing this on a national basis, for those involved, with the expertise in a drug, to only have to make one presentation to a committee. In a country the size of Canada of 30 million people, it becomes very labourious to have to make presentations to potentially 12 different drug standards committees.

Mr. Chomiak: Perhaps we should move on to the Information Systems portion.

Mr. Praznik: Mr. Chair, I would like to introduce—I think Mr. Potter is going to remain, and Mr. Chris O'Neill who has been working on our information systems. These gentlemen will join us.

Mr. Chomiak: I am actually going to use this occasion to put on the record some information because it actually came out in debate yesterday. Not that I am anticipating it should change substantively the debate that will take place, but I just want to put on the record the fact that it is constantly suggested that the New Democratic Party is against technology.

I just want to point out that in the very first instance when the SmartHealth project was announced, our objection, based on information provided to us from experts in other jurisdictions, was that the SmartHealth initiative, as announced, was an extensive—and I have used the term “the Cadillac” of systems, and this has been by experts that contacted us, and that our objection always was that this project, in its breadth and in its scope and the extent and its cost, was prohibitive based on that.

There has never been a suggestion that technology and that technological advance is not necessary and important, but the objection has always been the extent and the breadth and the scope of this particular project. So I just wanted to get that on the record, not that I think it will affect debate considerably, but the fact is that it always was our position, and it remains our position.

* (1450)

Mr. Praznik: Mr. Chair, an interesting comment by the member for Kildonan. I share with him, as well, the affordability of everything we do in health care. Many times the demands put upon us in the service are for the Cadillac version, and those are not always realistic, within our means or within the size of our population.

I note his point. I acknowledge it and I hope that it is also the same in other circumstances where it is appropriate. We may debate that from time to time, but it is worthy of note, and I acknowledge that.

Mr. Chomiak: I am looking at the document that originally came out during the announcement of the

SmartHealth initiative, be it the press release of December 12, 1994, and the subsequent press release dated February 22, 1996, wherein under the term Estimated Five-year Cumulative Benefits there is a breakdown of both the costs and the saving initiatives that would be undertaken under SmartHealth.

Can the minister indicate whether or not all of these categories are still on as part of the SmartHealth program?

Mr. Praznik: Mr. Chairman, I am going to ask Mr. Potter to answer this as his branch is responsible for this particular area.

Mr. Potter: Mr. Chairman, looking at the document, the categories of the savings are still appropriate. The actual dollar levels are being firmed up through the SmartHealth process. So I would not want to confirm the specific number shown there at this point in time, but I believe the general intent of that document is still in place.

Mr. Chomiak: Last year at Estimates, the minister handed out a document called Project Forecast which outlined the status and the time line for the SmartHealth initiative. Do we have an update of that?

Mr. Christopher O'Neill (Health Information Network): Mr. Chairperson, we are moving along according to the time lines that were indicated last year. We are currently implemented on the expansion of the drug program network into the acute care facilities in five sites across the province. We are a few weeks behind on that time line. It was originally anticipated to be started by the end of November. Unfortunately, we did not get started until mid-December and on our initial implementation, I do not have the time line in front of me, but I believe it indicated that we would be completed by summer. It is now a couple of weeks past that, but, generally, we are on track with that one, a little bit behind.

On the diagnostic network, the time line for that is to implement initial functionality or initial applications this fall. Those will cover the reporting both of test histories and test results and also some management reporting functions such as workload measurement. That is anticipated for this fall. That project is currently

in detailed design and, in fact, we have a presentation with third party vendors next week, where we are going to be releasing the communication standards and the data standards, so that third party vendors can start working towards making their physician practice management systems compatible with the network and lab information system network.

Mr. Chomiak: Mr. Chairperson, just so I understand it correctly, the category diagnostic testing I believe you referred to, and on last year's chart it was called test reporting, I assume is one and the same. That, therefore, means that test results and histories on individuals will be made available to physicians and personal care homes by this summer or this fall, because that is how I read it on the chart. Is that what you are intending?

Mr. O'Neill: That will start this fall, yes. What we are going to do is essentially a similar process to what we did with the drug program network. This fall we will be implementing in a small number of labs for the input of the results and a small number of physician clinics to give them that functionality. We will go through a period of time whereby we will test that and make sure that everything is working properly before we go into a full rollout to all of the other facilities. By the end of that total project, fully implemented, that application of test results, histories and what not will be implemented in. If the numbers do not change radically—and of course physicians come and go and what not—that application will be implemented in approximately 275 labs across the province and clinics with 1,300 physicians, plus physicians working strictly in hospitals, plus physicians working strictly in personal care homes.

Mr. Chomiak: Mr. Chairperson, so that will mean that all recent lab tests on an individual will be accessible at those sites as illustrated. As you indicated, that is the clinics, PC homes, hospitals and one other site will be accessible, and lab sites will be accessible and accessible at the terminals. Is that correct?

Mr. O'Neill: Yes, Mr. Chairperson, that is correct and not only just lab tests but also radiology tests, things like ultrasound, that sort of thing. Now when we say test results, particularly with X-ray or radiology tests, at the early stages we are not suggesting that the actual X-

ray would be available on-line. It would be the radiologist's written reports regarding the X-ray. However, we have architected and designed the system so that where the need is shown for the actual X-ray to be on-line, it is designed to be able to do that. It is just at the front end, it is just the written, it is a textual result as opposed to the actual radiology.

Mr. Chomiak: Mr. Chairperson, but those test results are limited only to the sites you indicated. What about hospitals, individual physician offices, and the like?

Mr. O'Neill: Sorry. Maybe I was not clear. That is the 1,300 physicians that I was talking about, that is, in their private practices. Once we get well underway with physicians in their private practices, we will be providing the physicians who work strictly out of hospitals, physicians who work out of personal care homes. So they are included in that. And as well, by the way, physicians who work in community clinics and the community health sector, as well.

Mr. Chomiak: Mr. Chairperson, how will that work? Just in a straight simplistic role, an individual who attends at their doctor's office, and then they visit a particular clinic and have a test, and then subsequently they may go to Manitoba Clinic or some other facility and have another test, and then subsequently they are attending at a consulting physician's office at one of the institutions.

Is it therefore the system will pick up each test at source and then channel it to a central repository that puts it back to the consulting physician? How does that work?

Mr. O'Neill: Mr. Chairman, what we are developing is a central database where on the labsite or the radiology site, the results of the test would be input and would be stored in a central database, and then physicians that have access to the system would access that database, so that they would all be looking at the same information.

Mr. Chomiak: Mr. Chairperson, who will input that information?

Mr. O'Neill: The information will be either manually input at the labsite by staff within the lab, or where it is

deemed appropriate and where it is available, it may automatically be transferred from automated lab systems directly into the system through an interface.

Mr. Chomiak: Mr. Chairperson, the cost of the input and the cost to labour and the associated costs related to that, where will that cost be borne?

Mr. O'Neill: Mr. Chair, that is currently one of the things that we are looking at in the detailed design. We have to take into account in the detailed design that there may be some input costs and of course that has to be offset against savings. I mean, we are talking about net cost not gross cost, but I do not have any firm information at this point. That is one of the things that we are still studying.

* (1500)

Mr. Chomiak: To the minister, each of the repositories and lab sites will require hardware and software in this regard. Who will be paying the bill for the supply of this material?

Mr. Praznik: Those are matters that obviously have to be worked through, but I can tell the member, and we will probably discuss this when we talk about labs, and we have spoken about that already about long-term lab plans, but that fits into this issue as well. At the end of the day obviously we want it to be done in an economical fashion, and right now we pay for, even in private labs, through our fee structure, we ultimately pay for the equipment. It is always worked into the price of the lab test.

It would have to be done here, but I wanted to flag with him that there are other things which we will be discussing in the next few weeks on labs which we believe at the end of the day will probably see a reduction in our laboratory costs over all.

Mr. Chomiak: I am aware of the issue, and I am certain we will get into the specifics of it. I do want to know from the minister whether or not the costs associated with this have been figured into the breakdown of costs as included on that sheet that I distributed earlier; in other words, the \$100-million to \$112-million expenditure item with relation to SmartHealth.

Mr. Praznik: Mr. Chair, I am going to ask Mr. Potter to answer that. He is much more familiar with the detailed numbers here than I.

Mr. Potter: Yes, my information is that the costs of the equipment to put the infrastructure in place are part of the costs of the network that we are establishing.

Mr. Chomiak: So will that mean that the 1,300 physician offices, for example, that require terminals to be recipients and both generators, I suspect, of information, that cost will be borne within the \$100-million item?

Mr. Praznik: Obviously the cost has to be borne. One of the issues that we are dealing with, with the MMA ultimately in one of the discussions we had with them, is we know that there are some costs related with physicians and how they interact the system. That is the subject, obviously, of our negotiations at larger tables, but obviously no one is expecting a free ride on anyone's back in this process. One way or another it has to be worked into the system and properly accounted for in the costs of a new information system versus how we do things currently.

Mr. Chomiak: My question was though whether the costs associated with that will be borne within the \$100-million to \$112-million overall expenditure for SmartHealth?

Mr. Praznik: I am advised yes to that question.

Mr. Chomiak: Moving along, the card system was scheduled last year to be operational some time this year. I wonder if we might have an update on that.

Mr. O'Neill: Mr. Chairperson, we currently are beginning the process of looking at the cards in terms of what information will be stored on them and the actual design and then how it fits in both with the Health Information Network and the new technology that we are coming out with and also the existing systems for registering people and what not. At this point, we still anticipate that sometime this fall we will be ready for that, yes.

Mr. Chomiak: Are you indicating that the information is going to be encrypted on the cards?

Mr. O'Neill: That is what we are looking at, at this point in time. We have not made any decisions on that. Just to clarify, we are not looking at a smart card for the health cards. It would be like a magstripe card not a smart card.

Mr. Chomiak: I always understood the intention would be for the information to be stored in a central repository with the cards being utilized for access and information and that, from your answer, I assume is still the case.

Mr. Chairperson in the Chair

Mr. O'Neill: Yes, that is correct.

Mr. Chomiak: Moving along, the next item that was listed last year indicated the drug profile would be available at physician level, as well, this year. Is that also on target?

Mr. O'Neill: Yes, what we actually plan on doing, as I mentioned earlier, we are now in the process of implementing the drug information in the acute care sector. When we start this fall in implementing the diagnostic information in the physician's office, what we plan on doing is at the parallel time, since we are putting in technology for the diagnostic, is also making the drug information available. So they are separate projects but they are parallel processes.

Mr. Chomiak: Just returning to the cards again for a question, will each individual in Manitoba be assigned a card?

Mr. O'Neill: That is what we are currently looking at, are the pros and cons of those types of issues. I do not have a definitive answer at this point.

Mr. Chomiak: Versus a family card.

Mr. O'Neill: Yes, versus the current family card, everything being on one card. That is one of the issues that we are looking at.

Ms. Diane McGifford (Osborne): Just to flag the card, being the critic for the Status of Women and often dealing with single-parent families or families where there has been a split in the family, it might be

something that you want to consider in your planning. I am envisioning somebody making off with the family cards and all kinds of possibilities, so I just wanted to flag that.

Mr. Praznik: Mr. Chair, I want to thank the member for Osborne for that comment because that is a point that must be worked into the planning. There are families that have joint custody of children, and those are the kinds of logistics that are going to have to be thought through in this process. I appreciate her flagging it with our staff.

Mr. Chomiak: The next category on last year's chart was test ordering. Can we have perhaps an explanation of that and an update?

Mr. O'Neill: What we are talking about there is that, rather than being sent to the lab, either with the patient or via fax or mail or whatever, the order would actually be entered at the physicians' offices, initially probably by staff of the physician but eventually by the physician himself.

That project is currently in the conceptual design phase, and we are still doing some work on that project, but at the moment we are currently trying to focus on the test results reporting side of it and get that underway. That is our priority at this time.

Mr. Chomiak: I assume from that response that the test ordering will not be on for this year.

Mr. O'Neill: I believe our current plans are for very late in the fiscal year, if not early next fiscal year.

Mr. Chomiak: So that I can understand it correctly, that will mean that the primary care provider, rather than enter on the paper forms that we presently utilize, will presumably enter into a computer terminal the specific tests requested. That will be the process that will be entered into, as opposed to the paper system that now exists. Is that what the intention is?

Mr. O'Neill: That is the long-term goal. Again, I think the first version of that capability that we will see will be where the physician will actually do some sort of a manual paper process and then hand it off to an administrative person within their office, but eventually

what we envision is where the physician would actually have the capability right at his desk, in one form or another, of ordering tests, ordering prescriptions, also looking at histories and what not, instead of requesting them from an administrative person. That is when you really start to see the work flow and the administrative benefits, is when the information is right in the hands of the care provider.

Mr. Chomiak: For the minister, has that specific issue been discussed with the MMA?

Mr. Praznik: I know Mr. O'Neill has been involved in these issues. I am going to have him answer the current status of discussions.

* (1510)

Mr. O'Neill: Yes, we have a physician and primary care provider advisory committee, which is made up of representatives of the College of Physicians and Surgeons, the Manitoba Medical Association and, as well, the College of Family Physicians and just individual physicians. And we are having those discussions with those organizations as a part of this design process.

Mr. Chomiak: So presumably they are much further ahead on this than I am, and they would be aware of the fact that this is what will be required of them in the future and that they are sort of working along those lines. Would that be a fair statement?

Mr. O'Neill: They are aware of it. I must say that we are still in design, so things are still being discussed. I also want to make the point that I do not know if it would be fair to say that it will someday absolutely be required that a physician has to use a computer. There is a broad spectrum of physicians, some of whom are very computer literate and others who are not.

So I think we have to provide a broad range of capability, but our intention is to, where it is deemed appropriate and what not, to have the capability right in the hands of the physicians and alternatives where it may not be appropriate for whatever reason.

Mr. Chomiak: Mr. Chairperson, I would also presume for the minister that the costs associated with that will

also be part of the \$100-million or the \$112-million overall expenditure?

Mr. O'Neill: Yes, that is correct, sir.

Mr. Chomiak: Even considering that, I would presume that that would come out of the MMA agreement to some kind of tariff and fee schedule, I would assume?

Mr. Praznik: Mr. Chair, how we provide for that is still going to be subject to negotiations and one of the issues that the MMA raised with us in dealing with their involvement in this is that we agreed that the issues that affect have a financial cost to physicians, would have to form the subject of a negotiation; obviously, it has to be worked into either fees or special payment or what have you, that we could not be offloading our system onto others. It may, in fact, be incorporated into general administrative accounting on fees, but that is something that we have to—and there are obviously offsets to that as well in savings—deal with separately once we have a better handle, as Mr. O'Neill said, on exactly what we are doing and their costs, benefits, savings, et cetera.

Mr. Chomiak: Continuing along this project forecast line, the next item is electronic prescriptions. I assume that it is similar to test ordering and would require the primary care physician, a person, the primary care person, rather than simply to fill out the paper, to input it accordingly. Is that correct or, if not, could you explain that to me?

Mr. O'Neill: Yes, again, ultimately the long-term goal is that the physician would order tests, order prescriptions, right on-line, right at his desk. Again, though, I think that the first version that you would see would be where, as currently happens, the physician does a paper process. The current system with the DPIN is that the physician does a paper process; hands it to the patient. The patient takes it to a retail pharmacy.

What we are envisioning when we have online ordering in the HIN environment would be that the physician—the first version anyway—would do a paper process; it would be keyed in by an administrative person within the physician's office and then stored on

the system. Then when the person attends at a pharmacy to have it filled, they would access the system and pull it down.

Mr. Chomiak: Is there a public information campaign being planned to associate with these initiatives?

Mr. O'Neill: Yes, we have a work plan for public communications, and we do a fair amount of speaking engagements, if you will, or presentations to all sorts of various and sundry groups as a part of these roll-outs that we do. Once we get into actual applications being rolled out, we will be doing much more.

Mr. Chomiak: Mr. Chairperson, it may be appropriate for the minister or not. When you stated we, who is undertaking this communication aspect? Who in the department is undertaking that?

Mr. Praznik: Mr. Chair, this will be done jointly. I know I have had some discussions with SmartHealth. Obviously, they have a role to play. Certainly, because of being minister responsible and these issues get raised, I will want to make sure that I am in a position to be part of that as well, because we get the questions. So there will be some joint planning on ensuring that there is a good public information.

I know that MLAs will want to have a material package as well when we deal with inquiries, so that is part of what will have to be developed.

Mr. Chomiak: Is Mr. O'Neill an employee of Information Systems of the provincial government?

Mr. Potter: Mr. O'Neill is a staff of the department.

Mr. Chomiak: Is he the managerial person in item 2.(c) of the Expenditure item?

Mr. Potter: Mr. O'Neill is the Manager for HIN, our Health Information Network project, and the expenses that he incurs or his office incurs are included in that line, but there are other expenditures related to departmental Information Systems as well.

Mr. Chomiak: Mr. Chairperson, so the managerial position referred to, the one position, that is Mr. O'Neill, I assume.

Mr. Potter: Mr. Chairman, I believe that particular managerial position refers to the director of our Information Services group for the Department of Health. That group is focusing on the computer, the technology resources within the department specifically, whereas Mr. O'Neill is leading up the project related to the HIN.

Mr. Chomiak: Mr. Chairperson, well, where in the Supplementary Estimates would his position be located?

Mr. Potter: I believe that position is included in the Professional/Technical category there.

Mr. Chomiak: That is where it is noted there are 48.9 FTEs, and I see there is an affirmative response. How does Mr. O'Neill and his group relate to the SmartHealth initiative? What is the relationship between this branch and SmartHealth?

Mr. Potter: Mr. Chairman, I think the explanation should begin with indicating that SmartHealth is the contractor that is employed by the department to develop the HIN, in partnership with the department. Mr. O'Neill is the person leading the project from the department side and, in that respect, works very closely with the SmartHealth organization and staff as they proceed to do the development work.

* (1520)

Mr. Chomiak: The total subappropriation in this area is roughly \$7.8 million. How much to date has been expended on SmartHealth and, secondly, how much is projected to be expended by the end of this fiscal year?

Mr. Potter: This explanation will get somewhat complicated in the fact that the arrangement with SmartHealth includes a deferral situation in terms of costs incurred by SmartHealth. So the costs are incurred by SmartHealth and then, under the terms of the agreement, are deferred in terms of claim to the Department of Health or to the government until a point in time is reached. I cannot remember the exact point in time right now.

Up to now there has been no cost paid to SmartHealth as a result of the work that they have done

under the deferral, but the billings in total are approximately \$6.7 million in terms of work performed. Those amounts will become due in the 1998-99 fiscal year, and those development costs will be borne by the Health Information Systems Management Corporation that was set up to operate the HIN.

Mr. Chomiak: Just so I understand it correctly, the \$6.6 million, or roughly the figure that Mr. Potter indicated, will be applied to the \$26 million, for lack of a better word, line of credit that was extended under the corporate loan for '98-99. Is that the extent of the expenditures, or have I not taken this correctly?

Mr. Potter: The \$6.7 million that I referred to are costs that have been incurred by SmartHealth and billed to the province under the deferral and will become due to the province or by the government during 1998-99. The line of credit, as I understand, is an internal arrangement with SmartHealth and their corporate partner, The Royal Bank, and that is the way they finance their cost.

It is not an arrangement that the province of Manitoba has in terms of this arrangement. That is an internal arrangement for the SmartHealth corporation so their costs are being paid through their internal financing arrangements which may well involve the use of that line of credit. I cannot comment on how SmartHealth does their financing, but the way the costs will be paid by the province is that these development costs will be paid through the Health Information Management Corporation.

Mr. Chomiak: The costs will be paid for by the Manitoba Health Information Corporation which is not the agency that has the line of credit arrangement with SmartHealth.

Mr. Potter: I am informed that the line of credit does equally apply to the Health Information Management Corporation.

Mr. Chomiak: So how much specifically of the \$26-million line of credit has been drawn on?

Mr. Potter: I am advised, Mr. Chairman, that the line of credit could only have been drawn by the amount of the \$6.7 million that has been spent today.

Mr. Chomiak: So let me understand this correctly. There is a bill that is coming due this fiscal year of \$6.7 million. Presumably, the \$6.7 million has been drawn from the line of credit of \$26 million. At the end of this fiscal year, the \$6.7 million will actually be paid out by the province to replenish the line of credit or directly to SmartHealth?

Mr. O'Neill: The \$6.7 million is owed by the government of Manitoba to SmartHealth Inc., and as the invoices come due we will process payment to SmartHealth Inc. I think what we are trying to indicate here is that the government of Manitoba has not drawn on the line of credit. The way it works is, as SmartHealth invoices us, they draw on the line of credit to fund their operations and then defer our invoice. So the process is when the invoices come due, we pay the invoices and then SmartHealth replenishes, as the member said, the line of credit because it is a revolving line of credit.

Mr. Chomiak: So it is an interesting issue whether or not \$6.7 million has been paid to SmartHealth. Presumably, \$6.7 million has been drawn from the line of credit.

Mr. Potter: Mr. Chairman, the amount coming due by the province to SmartHealth is \$6.7 million, and there is a liability of the province to SmartHealth for the \$6.7 million. The way SmartHealth has financed that is by drawing on the line of credit, and we will have to pay the bill to SmartHealth.

Mr. Chomiak: So do we know how much money has been invested by our partner SmartHealth in terms of capital and in terms of costs in this area?

Mr. Potter: No, I do not know what costs that SmartHealth may or may not have incurred that are not part of their billings to us, if there are any. All I can relate to is the costs owed to them and billable to the government under the agreement with SmartHealth.

Mr. Chomiak: So the staff at SmartHealth are paid by SmartHealth. Does that money come and comprise part of the \$6.7 million?

Mr. Potter: The arrangement with SmartHealth under the agreement works on the basis of approved work

plans, and as a work plan is approved, included in the work plan are input costs related to salaries. These could be or would be salaries of people working in the SmartHealth corporation.

Inasmuch as these costs are accepted under a work plan, they then become liabilities of the province of Manitoba under our arrangement with SmartHealth, but there is no direct linkage in terms of SmartHealth employing someone and it automatically becoming a cost to the province of Manitoba.

Mr. Chomiak: Do we have a list of the head office staff of SmartHealth, and can that list be provided?

Mr. Potter: I do not have a list other than what is available through a telephone directory for SmartHealth.

Mr. Chomiak: This might be directed towards the minister. It is very clear that much to do with SmartHealth is contingent upon SmartHealth locating and operating a head office in the city of Winnipeg. In fact, many of the conditions of the agreement with SmartHealth are subject to a head office being operated in Winnipeg.

How can we confirm that, in fact, particularly in light of the fact that there has been a 51 percent sale of SmartHealth to EDS, how can we confirm that in fact head office operations are continuing here in order to hold them to the conditions of the contract? Because much is contingent upon that.

* (1530)

Mr. O'Neill: Mr. Chairman, it is my understanding that SmartHealth maintains their head office here. Since the amalgamation with EDS their staff has grown. I do not know the exact number on the date that they amalgamated, but they currently now have 80 staff here in Winnipeg. I do believe that they have opened a very small office with possibly one person in Newfoundland because apparently there is a project coming up in Newfoundland that they plan on bidding some time in the future.

I also, just via coffee shop talk, understand that they have a very small office with perhaps one person in

Toronto, but their main operation, as I understand it, is here in Winnipeg.

Mr. Chomiak: I understand as part of the EDS agreement, there was a \$1-million deal to market SmartHealth. Can the minister provide us with details as to that agreement? As part of the sale to EDS, there was a \$1-million provision for the marketing of SmartHealth. I wonder if we might have elaboration of those details of that?

Mr. Potter: I am not aware of the details of that. My understanding of the question is that it is an arrangement between EDS and SmartHealth, and I am not sure that it relates to the province's agreement with them, so I have no information on that.

Mr. Chomiak: So the establishments of offices in Newfoundland and Toronto and various other operations of SmartHealth are outside of the scope of our involvement with SmartHealth. Is that the minister's response?

Mr. Potter: Yes, Mr. Chairman, I believe that is the correct situation.

Mr. Chomiak: Earlier, reference was made to the cost for SmartHealth. Do we have any revised or any updated figures as to the costs?

Mr. Potter: The agreement with SmartHealth relates to an investment or an expenditure of \$100 million over a number of years to produce a Health Information Network. The amount of \$100 million is still the amount of the expenditure under the terms of the agreement with SmartHealth.

Mr. Chomiak: How many modules have been approved to date?

Mr. O'Neill: I am sorry, I am not sure I understand the question, Mr. Chairperson. Modules or approved work plans?

Mr. Chomiak: I am using the word "modules" because I believe that was the terminology used by the previous minister in terms of expenditures. I understand that expenditures were related to modules

that are approved, and I am wondering if he might have an explanation on that?

Mr. O'Neill: In terms of modules that are approved and being worked on, again, in the diagnostic sector, work is underway in the two reporting modules and the ordering module and the linkages to research data bases modules, so there are four within the diagnostic and there is one within the pharmacy. That is the expansion of the DPIN to the acute care sector. We are doing the feasibility analysis and the consultation process on the community health at this point, and we are working on the detailed design on the actual infrastructure in the networking. I lost count as I was talking there, but that is what has been approved.

Mr. Chomiak: Mr. Chairperson, the reference to community health, and it is referenced in the project forecasts, what specifically is that reference made to?

Mr. O'Neill: Mr. Chairperson, the community health component is current in the feasibility initial-analysis stage, which means that what we have done is we have set up an advisory committee made up of representatives from that sector of the health industry and we have begun initial consultations with them. We have not completed that yet, so I do not have any specific information at this point. That process is anticipated to be completed within this fiscal year, probably by late summer, early fall, but at the end of that process we will have up to five functional modules in the community health sector.

In terms of what do we mean by the community health sector, that is one of the things that we are discussing now. As the members know, the community health sector is very, very broad. At one end such as community clinics and what not is very distinct and it is easy to define, but then you get off into the edges and it gets very vague. One of the consultations we are having is where to draw the line in terms of what is within the scope of the Health Information Network and what is not.

We know for sure at this point that the community health clinics and such distinct services as home care and what not are in. It is when you get off into things like street programs and those sorts of things that it get

a little vague, and we are not sure exactly where the line is drawn.

Mr. Chomiak: Mr. Chairperson, who is making that determination?

Mr. O'Neill: We are making that determination in consultation with the community health advisory committee, again made up of representatives. We take into account their views in terms of who needs access to information and what not.

Mr. Chomiak: Mr. Chairperson, part of the program for SmartHealth is the revising and developing new clinical guidelines. What is the status of that particular item?

Mr. O'Neill: The status of that is again currently under discussion with our physician and primary care provider advisory committee as one of the things that needs to be undertaken as a part of that component. At this point, the status is that we are at a very, I guess, broader, high-level point of discussion in terms of recognizing the need for it and doing some initial analysis of what is currently available and therefore what needs to be developed.

Mr. Chomiak: Mr. Chairperson, is it still the intention to integrate population-wise statistical information on illness and treatments, the pre-existing base together with this new base. Is that still the intention?

Mr. O'Neill: At the present time, yes, and again, that is still under discussion with the physician community.

Mr. Chomiak: Is it still the intention to maintain individual health records at the central database on individuals?

Mr. O'Neill: Sorry, I want to be very careful in my answer here, because what we are not looking at with the Health Information Network is a centralized, all-encompassing patient medical record.

What we are looking at with the Health Information Network is a series of profiles, of pieces of an all-encompassing medical record, those pieces being what is important to be shared amongst providers over time. So, what will be on the Health Information Network

will be a subset, if you will, of what might be in a medical record in, say, for instance, an acute care facility or a physician's office and only that information which is useful to others outside of that environment.

* (1540)

Mr. Praznik: One point, just on Mr. O'Neill's comment, when I was dealing with the physicians in the MMA, a point that they made to us and to me, and I share it with members of the committee, is just, for example, when you see a physician and you are diagnosed with a particular illness, the diagnosis might be very important to other care providers.

The personal notes or information that may surround it, how you got the illness, that may be very sensitive to an individual on the practices in their life, sexual practices, what have you, that may form part of the record. That is not the information that is part of this, and I know that is a point, I think, that is very important to make so that the confidentiality of that kind of note material is not part of the network of the system but the kind of information that is essential to other health care providers, the results of a diagnostic test, a diagnosis, a treatment pattern.

Just for example, Mr. O'Neill may want to elaborate, but I think the member raises a very important point, and I think it is important to have that on the record.

Mr. Chomiak: That is a central point, and I would like some elaboration on what the intentions are in this regard.

Mr. O'Neill: Well, again, that is a good point that the minister made. That is what I was trying to indicate when I said that it is a subset. We do not want all of the information on the network, because some information, first of all, is sensitive to the individual. Second of all, it really has no value over a period of time or to another provider.

For instance, just to use another example, people in hospital, quite often, the volume of liquids that are taken in by them in a day and expelled by them in a day are kept on a record, but that type of information has no value after that person is discharged from the hospital. So what we are doing is, we are consulting with the

providers themselves to try and determine what specific information has value to the providers, and that is what we will put on the network. Then, of course, we have to balance that off with things like the privacy legislation, privacy confidentiality and what not, and time relevance.

Mr. Praznik: Just on the issue of time relevance, for example, when we did the roll-out on the Pharmacare side of this, and I know the member was at the announcement at Seven Oaks Hospital, and I attended the one at Beausejour Hospital. It is important to note, I think, the information falls off the network, in essence, after the end of the sixth month. So it is in essence, the longest any of your prescription history could be on would be a day short of seven months, I gather.

It was felt with the care providers that after that length of time your prescription history is really not relevant to care providers. So, again, these are the types of issues that are being worked on and developed as we move forward to ensure that it is information that has a use that is respectful of privacy legislation, individual's privacy. It has a use to other providers and it is structured in a manner that it is time dated. So when the relevance of that information is no longer there, it should not be available on the system.

Mr. Chomiak: So, if one would assume that on the record would be a diagnosis of tuberculosis, relevant lab tests, various X-rays, prescription drug pattern, presumably that would be the kind of information that would be on the central record. Would that be correct?

Mr. O'Neill: Yes, I think that is a fairly accurate description of what might be there.

Mr. Chomiak: But then within the context of that, presumably at some point that information would be available at the institution, but it would be a portion of it, for example. The pharmacists, for example, would not have access to the lab tests or the X-rays, et cetera, but only have access to the prescription profile, et cetera. Is that the intention?

Mr. O'Neill: Yes. The security model that we are looking at—and I confess this is an extremely complex area that even I am learning a lot in lately—is whereby

providers would only be given information based on their need to know. So depending on what their role is, what their profession is, also where they are located—physicians have a different role in their private practice than they do in an acute care setting or a personal care home, and of course physicians work in all those environments—so the security model and access model that we are working on implementing would be based on who the individual is, what their specific role is and where they are actually located, and then, as well, the confidentiality wishes of the individual whose information they are looking at.

Mr. Chomiak: The proactive clinical guidelines in enabling preventative care programs, what is the status of those?

Mr. O'Neill: That is a part of the consultations that we are having at a high level in terms of feasibility in our consultations with the physicians and primary care providers.

Mr. Chomiak: The previous minister three years ago told me that this would entail something like individuals, for example, who might have a genetic predisposition to a particular illness, say, colon cancer, being regularly informed that they need a particular kind of examination. Is that still the intention?

Mr. O'Neill: That is one of the things again that is being looked at as a part of this feasibility study in consultation with the physicians and primary care providers.

Mr. Chomiak: Is it also intended to maintain a database that would enable studies and analyses to be made on an anonymous basis?

Mr. O'Neill: I am sorry. I did not hear the latter part of the question.

Mr. Chomiak: Would it also allow the maintaining of a database that would allow for research studies and other studies on an anonymous basis?

Mr. O'Neill: Yes, that is correct. The Health Information Network project consists of two databases, the first one being the one we have been focusing up to now of the patient-identified information used for

providing care to individuals. That database will then provide aggregated data to a data warehouse which could be used for research purposes or policy planning purposes or health administration purposes at the facility level. But the information within the data warehouse would be aggregated anonymized information.

Mr. Chomiak: Much has been made about the availability of data. Can the minister confirm that the data that will be warehoused will not be used for profit by SmartHealth or any of its subsidiaries?

Mr. Praznik: I am going to have Mr. Potter or Mr. O'Neill answer this because I believe it is dealt with specifically in the agreements, if I am not mistaken, as well as the legislation which Mr. O'Neill was part of drafting and one of my key people in putting it together.

Mr. O'Neill: I do not have the act in front of me, but I believe that is specifically prohibited in The Personal Health Information Act.

Mr. Chomiak: Perhaps we should take a break at this point for a few minutes.

The committee recessed at 3:48 p.m.

After Recess

The committee resumed at 4:01 p.m.

Mr. Chairperson: Order, please. The Committee of Supply please come to order. We were into the Estimates of Health.

Mr. Chomiak: What is the status of the remote lab testing portion of the SmartHealth initiative?

Mr. O'Neill: I am not terribly sure. I know for the test results reporting, as I say, we are in detailed design on that. Specific to the remote lab testing, I am not sure. I would have to check that out and get back to the member if I could.

Mr. Chomiak: Mr. Chairperson, you are familiar with what I am referring to, or is it—because under the

tactical initiatives put together by SmartHealth there was a category called remote lab testing. Tests can be taken locally in remote areas, interpreted or analyzed through technology such as remote imaging or accessed to diagnostic specialists and major medical centres. This would reduce the need for people to leave their home communities to obtain medical tests.

Mr. O'Neill: I am familiar with that. That also ties into the whole area of telehealth and what not. As I say, I understood the question. I am just—off the top of my head, I am not sure exactly where that is at.

Mr. Chomiak: Can you elaborate on what is telehealth?

Mr. O'Neill: There are a number of areas in telehealth. The one that people tend to hear most about, of course, is on-line live video diagnosis or consultation, but, as well, telehealth involves such things as remote transmission of test data to be reviewed later, all of those sorts of areas.

The general approach that we take with the Health Information Network is start off with things that are needed but that are relatively, in the overall scheme of things, simple to do and then build on from there.

So in terms of telehealth, it is one of the consultations that we are having that is a part of the community health component, but the applications that we are looking at at the front end for first versions would be the lower end, the more simpler, less technological telehealth applications.

Mr. Chomiak: When you refer to telehealth, are you referring to a sort of generic description, or is that sort of the terminology being utilized within SmartHealth and environs for some particular projects?

Mr. O'Neill: No, I use it in the generic sense—all of those technologies or all of those services that are provided remotely, from the very simple to the extremely complex.

Mr. Chomiak: But are we looking at those particular projects to be on-line and operating within the five-year period; well, I guess now within the remaining three-year period?

Mr. O'Neill: Again, we have designed an architect at the network to be capable of providing on-line, real-time diagnostic capability. In the short term, for the first five years, we will probably, my guess at this point, not be doing the on-line, real-time diagnosis but other telehealth applications. For instance, we are looking at providing functionality to northern nursing stations as a part of the project within the five years. Specifically what would be provided, though, I cannot really say at this point because we are still in the feasibility discussion stage.

Mr. Chomiak: This might be to the minister or the associate deputy minister. Is there any kind of a schematic or any kind of a forecast that updates the sort of overall status of those initiatives in an overall sense? There must be some kind of departmental outline of that.

Mr. Potter: There is nothing available at this point, but we can put something together and provide it.

Mr. Chomiak: I thank you for that. I may return back to this, but on some more general oriented questions; there has been much talk for many years about the information system requirements for the Home Care program. What is the status of that? Where is it found, and is it any relation to the SmartHealth initiative?

Ms. Sue Hicks (Associate Deputy Minister, External Programs and Operations): Mr. Chairperson, the Home Care has looked, is looking at a number of information areas. I am not sure which one you are referring to. We do have a plan for an assessment information system that is being planned, and has been planned specifically for home care uses, but the intent is to link it into the information system, eventually with the department. That is the SACPAT program that has been discussed.

Mr. Chomiak: Could you perhaps give me a little broader description of the SACPAT program?

Ms. Hicks: Mr. Chairperson, the SACPAT program is an automated program that does the assessment of clients, and so it would then have the ability to standardize the assessment for home care clients, and can basically be the entrance point, we hope, for assessment for home care categorizing and also for

personal care homes, and for essentially determining the level of care and the needs of people entering into that component of the system.

Mr. Chomiak: Correct me if I am wrong, Mr. Chair, but at present there is a fairly extensive written document that is used as the basis for assessment program that is utilized in the home care system. Is that correct?

Ms. Hicks: Yes, that is correct. It is done manually at the moment.

Mr. Chomiak: The plans are to take that manual program and convert it into an electronic or an autronic program. Is that correct?

Ms. Hicks: The plan is not to take the exact program. It is similar information with some improvements, we hope, but basically to achieve the same purpose, only much more standardized and much more efficient.

Mr. Chomiak: This is what is referred to as SACPAT, which is an acronym for?

Mr. Praznik: Mr. Chair, I think that, when we get into areas of regional health authorities, later on, obviously there is an interest in this area. We may want to, along with Marion Suski, also make sure John Borody, who is dealing with home care in the Winnipeg region, be available as well, who will probably have more information. So we will note it, and we will make sure that we get you someone who is more involved in the details of it.

Mr. Chomiak: What is the relationship and the integration between that proposed program and the SmartHealth program?

Mr. O'Neill: The discussions that we are currently having is that, once that program is developed and available, making it available online, so that—and again this is still in a preliminary discussion phase—whereby people who have to require input information into that program can do it electronically via the Health Information Network. Or people who are wanting, for placement purposes, to see who is on that system, and what their needs are, would be able to access it remotely.

* (1610)

Mr. Chomiak: In September 1995, the minister indicated that the home care computer project was part of the ISM project. Can I have some elaboration on that?

Mr. Praznik: Mr. Chair, my staff are not quite sure of the member's question. Perhaps he would like to elaborate a little bit more.

Mr. Chomiak: When querying the minister in September '95, I asked about the computer program with respect to providing for better data information as it relates to home care. The minister at that time indicated in a response to me that the home care computerization program was part of the ISM network program. Now, that may or may not be correct, but that was the information that was conveyed to me by the then minister.

Mr. Praznik: Mr. Chair, it goes back some time, obviously before I was Minister of Health. I am going to ask the member for his indulgence. We are going to check back on that record and check back as to the context. Perhaps we will be able to provide him with an answer.

Mr. Chomiak: One of the issues that has been constantly flagged with respect to home care—and this may be better elaborated later on, but I will pose it anyway—is the whole question of information system management as it relates to home care.

Mr. Chairperson, aside from the SACPAT program that is being developed, what are the other areas that require work?

Ms. Hicks: Mr. Chairperson, the areas that we have been focusing on in home care have been in the assessment through the SACPAT tool, which is a tool that has screening and care planning and those kinds of things that will essentially provide a more efficient care plan and standardized assessment tool.

The other area that we are focusing in on has been the financial, to get the units of service and the costs of the units of service to the point where we can access it readily as opposed to doing it manually.

Mr. Chomiak: I am sorry. I do not quite understand that last answer. Can you perhaps elaborate on what you are proposing to do?

Ms. Hicks: Mr. Chairperson, I cannot elaborate in total detail at this point because we are working on it, but essentially what we want to do is streamline the financing, so that we can more accurately determine the costs of the service, what the service is providing for us and where it is going, and then link the service back to the assessment, so that there is confidence that the assessment is streamlined and that the costs and the appropriate service are going to the client.

Mr. Chomiak: Is it the vision that the individuals who will take part in each of the assessments with respect to home care will be provided with laptop computers or some other form of technology of that nature?

Ms. Hicks: Mr. Chairperson, I am not positive whether or not everyone will be equipped with a laptop, but there will be definitely electronic entering of the information. There are certain people in the home care program that do the assessments. Not all home care workers obviously do the assessments, so the case co-ordinators would be entering it through computers, and presumably in some instances laptops, and then that would go into the system.

Mr. Chomiak: From my understanding, the costs associated with that would be appropriated from where in the Health budgets?

Ms. Hicks: Mr. Chairperson, for SACPAT?

Mr. Chomiak: Yes, for SACPAT, as a start.

Ms. Hicks: Mr. Chairperson, where it will be located in the budget at this point, it has not been funded yet. Just one correction to that. We have been piloting the SACPAT program, and we have provided the funding for those pilots.

Mr. Chomiak: Most—not most but a good portion of the expenditures in the book make reference to a new rate structure for computer—well, that was two questions actually. I will come back. There is a new computer desktop initiative undertaken by the government, and some of the appropriations in the

budget deal with that on an individual basis. Do we have a figure of the overall cost of that particular initiative?

Mr. Potter: I believe we have a number for the department and it is going to take us a few minutes just to find it.

Mr. Chomiak: In the interim, I note on the expenditure item under total Other Expenditures there is a reference to a new rate structure regarding computer processing that sees an increase of about \$600,000. I wonder if I might have elaboration as to what that refers to.

Mr. Potter: Mr. Chairman, that relates to a cost increase to the Department of Health as a result of a restructuring of the rate charges that are coming from the ISM Corporation. The Department of Health continues to have computer systems which are operating out of ISM and we are charged a portion of those costs based on our agreement, contractual arrangements that exist between the province and the ISM Corporation.

For '98-99, the contractual terms have resulted in the costs for the Department of Health going up for the use of the ISM cost.

Mr. Chomiak: Do we have an overall figure for the cost of the rates charged, or not the rates charged but the overall cost to the Department of Health for the utilization of the ISM system?

Mr. Potter: Again, that information can be provided.

Mr. Chomiak: We have canvassed somewhat the DPIN and the HIN initiative under Information Systems. There are 92 staff years at Information Systems.

Can I get a rough breakdown as to the activities of that particular branch? In other words, to make it simpler, I know that, for example, Mr. O'Neill and some group of individuals are charged with HIN. What are, in rough terms, the other 92 individuals' activities they are engaged in?

* (1620)

Mr. Potter: I can provide again at a later date a more specific breakdown, but there are several components within this group. One area that needs to be noted is that, again, based on the Legacy Systems that the Department of Health has in place, we have a large number of data entry positions within this group, and their function is just that. It is data entry of information that comes in from physicians' offices and other health facilities for our computer system. On top of that, we have staff who are working on maintaining or operating the in-house computer facilities that we do operate, for example, in support of the DPIN system.

We have a small group of staff who are what we call a decision support group, and their function is to assist the department in the evaluation and the utilization of data that comes in through our health system, and we have a number of systems analysts, of course, who support the business function, but we can provide a detailed breakdown by grouping.

Mr. Chomiak: Is it a separate data system and information system which was formerly the MHSC component of information?

Mr. Potter: The MHSC computer system is integrated now within the Department of Health, and it is part of this unit.

Mr. Chomiak: Does the unit also maintain the warehoused information as it relates to our health data that is utilized by the Centre for Health Policy and Evaluation? Is that a separate system, or is there another system in addition to that?

Mr. Potter: I am advised that the data that the centre utilizes is part of our data which is serviced by ISM Corporation, so it is the data that is utilized or captured through that process, and it is provided to the centre under an operating agreement within a lot of restrictions as to the nature of the data, et cetera.

Mr. Chomiak: In five years of doing this, I have never totally understood the ISM arrangements and agreements.

Is there any way I can get a brief description and breakdown of the systems, a breakdown of that information?

Mr. Potter: Yes, we can certainly do that. Basically, ISM is a service provider. When you require data-processing capacity, you really have two options. You have an option to build it in-house, and you have an option to outsource it by acquiring it from a service provider. For the Department of Health we have utilized both options to provide our information technology needs.

ISM operates what are termed legacy systems, and these are systems generally which are somewhat old and are operated under various old platforms. We also have a number of operating systems which are in-house systems, and DPIN is an example of one that was established more recently, and it operates on equipment which is owned and operated within the department itself.

We can get you a better description of the services that ISM provides to the department, but it really is just that; it is a data-servicing provider.

Mr. Chomiak: I appreciate that response. It is actually quite helpful.

There has been much talk over the years of a Central Bed Registry, for example, and there has been, I assume, work done on a Central Bed Registry. Has it been done out of this area of Health?

Mr. Potter: I am advised that, no, the issue of a Central Bed Registry is not falling within the information technology group.

Mr. Chomiak: Then can you give an elaboration as to where it would fall?

Mr. Praznik: Yes, Mr. Chair, I am just going to have Ms. Hicks answer that particular question because a Central Bed Registry is really a function of the new Winnipeg Hospital Authority, and how it fits into their planning and effort, I know we have been doing some of it based under the Misericordia over the winter, but really, with the WHA in place, they now have the ability to do it.

So Mr. Potter is going to answer another question, provide some information you requested earlier, while Ms. Hicks prepares to answer that question for you.

Mr. Chairperson: So who is going to be first?

Mr. Praznik: Mr. Potter.

Mr. Potter: Mr. Chair, the question was asked previously of the cost to the Department of Health for the implementation of desktop management. The information is that the net increased cost to the Department of Health on an annual basis is \$800,000 for '98-99.

Mr. Chomiak: Yes, perhaps while Mr. Potter is still here, I will just go back to another question while he is still at the microphone. Just to go quickly back to SmartHealth. The \$6.7-million expenditure, is that what is intended to be expended or billed or invoiced, whatever term we use, for '98-99 total, or is that to date?

Mr. Potter: The \$6.7 million relates to costs incurred and billed to date under the deferred plan and will be paid by the government in '98-99. There will be costs incurred during '98-99 which will be billed and paid at a subsequent time.

Mr. Chomiak: So it is safe and correct to state that in '98-99 no other costs other than \$6.7 million will be paid by Department of Health with respect to SmartHealth, and I assume that is because those were costs that were borne in last fiscal year; is that a correct assumption?

Mr. Potter: Yes, that is a correct assumption.

Mr. Chomiak: And then costs that are entailed in this budgetary year, that is, '98-99, will presumably be paid in '99-2000.

Mr. Potter: Within the terms of the deferral, yes. It is not necessarily a year-by-year deferral, but essentially that is correct. Costs that are incurred by SmartHealth this year will become due and payable by the government in the succeeding year.

Mr. Chomiak: I appreciate the response. I do not quite understand it. Mr. Chairperson, I mean, in my reading of the agreement, I do not quite see how that is, but I accept that that is the factual way that it is proceeding.

Mr. Chairperson: Ms. Hicks. Go ahead, please, Ms. Hicks.

Mr. Chomiak: Yes, are you aware of the question that I had posed?

Ms. Hicks: The bed registry is a tool that we do plan to have introduced, and it will be an operating tool of the Winnipeg Hospital Authority. At this time it is not linked into the information system that is being developed but, with the information systems that the Winnipeg Hospital Authority is looking at, I understand that eventually there will be a melding of the bed registry into that. And I am not talking in technology terms here, but it is not a priority of their information system, it is a priority from their operating perspective. They will have it operating, and then it will eventually fold into the automated system or into the information system.

Mr. Chomiak: I appreciate the fact that it has now come under the auspices of the Winnipeg Regional Health Authority. Is that a correct assumption?

Ms. Hicks: Yes, the intent is that it will be a tool for the hospital authority. It is an operating tool, so the hospital authority and, obviously, Manitoba Health will use it, but it is being dealt with through the Winnipeg Hospital Authority.

Mr. Chomiak: Has there been work to date done on the Central Bed Registry?

Ms. Hicks: Yes, there has. We have a manual bed registry process right now, semi-manual actually, where at certain periods of the day reports of the beds are sent to a central location, and everyone is informed of the status of the beds daily.

Mr. Chomiak: How long has that been operating?

Ms. Hicks: We have had versions of that operating for years. We formalized it a little more during the flood, I believe, of last year and are continuing with that process until we have got a more sophisticated process developed with the hospital authority.

Mr. Chomiak: Would it be possible to see what a daily report of this kind resembles?

Ms. Hicks: Yes.

Mr. Chomiak: So I take it that will be tabled for my review?

Mr. Praznik: Yes, Mr. Chair, it will be.

Mr. Chomiak: There has been much discussion recently about the Cervical Screening Program. I wonder if we might have some elaboration as to what the problems were in that regard and what the status is of that particular program.

Mr. Praznik: Yes, I am going to ask Ms. Hicks to give us an update on that particular area.

Ms. Hicks: The Cervical Screening Program is one that has been in effect for a number of years. We have been working with it, but, just to clarify, we have and always have had a screening program in Manitoba. Women can have pap smears from their family physician at the required time, and, in fact, many women do.

So what is in place is the screening program. What we are still working on is the information system, which is the registry for the screening program and the follow-up capability of the program so that women who have not been availing of a regular pap smear can be notified.

Mr. Chomiak: How is it envisioned that program will work, firstly? Secondly, will that then be an initiative through SmartHealth?

Ms. Hicks: Right at the moment we keep track of all pap smears that are currently done in the province. It is envisioned that this information system that will be developed will, in fact, keep track of the individuals who receive a pap smear and the regularity that they receive it. Individuals then who are delinquent would get notification.

It would also provide an opportunity for us to send personalized—very similar to the Breast Screening Program—send women notice that their test is due and

also to apprise them of how regularly it should be done. It is anticipated that it will be part of a health information network. We would most likely establish the registry at the Cancer Foundation, and it would then link into our system.

Mr. Chomiak: So your reference to the Health Information Network indicates that in fact the system, as well as the Breast Screening Program, would be plugged in with the HIN system, I presume, as part of the preventative care program or some other form?

Mr. O'Neill: Mr. Chairperson, that particular program, like a number of programs, is not within the specific scope of the Health Information Network project like DSIN and some of these others are that we are working on.

However, we have said with the Health Information Network that once we establish the general communications technology infrastructure, it could be used for all sorts of things that are currently not within our scope.

Once you have the infrastructure there, you can use it for that, so that particular registry is one that we are aware of and that we have had some discussion with the professional community, the physician community and community health and all of those communities in terms of perhaps if there is a need from another system to send a notification to a physician or another care provider, the Health Information Network could be used as the highway or the pipe to send that notification.

Mr. Chomiak: Mr. Chairperson, as I understand it, presently there is a breast screening program and a notification. There are plans to put in place a cervical central registry with notification program. Ultimately, it is designed to function with the HIN network but, at present, effectively, it is outside of the scope of the actual HIN program. Is that a correct summation?

Mr. O'Neill: Yes, that is correct, Mr. Chairperson.

Mr. Chomiak: Are there any other preventative and screening related programs that are anticipated to be introduced in this regard?

Ms. Hicks: Mr. Chairperson, at this point in time, no.

Mr. Chomiak: Mr. Chairperson, so there are no plans, for example, for a prostate screening program and registry to be introduced?

Ms. Hicks: Mr. Chairperson, at this point in time, no, there is not.

Mr. Praznik: Mr. Chair, as issues develop and health needs are recognized, they are all a possibility as a matter of policy. Once the technology is set up, obviously if the capacity is there, they become much easier to do, so certainly at some point in time we may be looking at those.

Mr. Chomiak: Mr. Chairperson, would perhaps the minister agree that it might be useful to actually pursue the introduction of a prostate screening related program?

Mr. Praznik: Mr. Chair, once we have the capability, and I gather as networks get set up, it would be much easier to do absolutely. I see that if we look ahead to medical issues that are coming forward, that certainly is going to be. We have breast screening now, we want to get cervical screening underway, and certainly prostate would be one. We have immunization as well. That is another area. So yes. The beauty of getting a system in place that can provide us that information is, it becomes easier, I gather, for us to do this on a more regular basis where medical need dictates.

Mr. Chomiak: Mr. Chairperson, underneath the HIN steering committee and the various committees that are attached to HIN, is there a body or a group that are reviewing these particular issues?

Mr. O'Neill: Mr. Chairperson, the answer is yes. The physician and primary care providers committee is discussing some of these things like immunizations and the cervical cancer registry. As well, although we are still at a very preliminary stage, these are some of the topics that are also being discussed by the community health advisory committee and then, of course, as we move forward on these, they are also discussed by our privacy and confidentiality committee to ensure that privacy and confidentiality issues are taken into full consideration.

Mr. Chomiak: But, effectively, at present, the cervical and the breast screening will remain outside of the HIN program, is that correct?

Mr. Praznik: I look to Mr. O'Neill to correct me if I am wrong here, but the Health Information Network is developing the infrastructure in essence, the roadways. What we put on the roadways becomes a policy matter for the Ministry of Health. The network is being developed.

Obviously, we have two of those programs who want to get into that network, but once the roadway is built, our ability to put more on it is certainly there, and that becomes a policy decision within the Ministry of Health.

* (1640)

Mr. Chomiak: Recently the chairman of the Winnipeg Regional Health Authority was quoted as indicating that infrastructure technology requirements for the system could be as high as \$60 million.

How does that and how does the need for technology within that sector relate to SmartHealth and relate to the overall initiative of the information systems of the department?

Mr. Potter: The initiative that the member is referring to is an initiative which is currently being developed or underway within the Winnipeg Hospital Authority. As part of its mandate to regionalize the health care system within Winnipeg, they are looking at all the information systems that are resident in the existing facilities. They have a project underway to identify a way of integrating all of those systems into one system for the Winnipeg health system.

The estimate of \$60 million, as I understand it, is just that. It is a number that was sort of taken out of the air as a potential cost. We are not aware at this point what the ultimate cost of implementing such a system could be or will be. There is a review underway that is looking at that issue. We are, however, within the Department of Health, participating in that review and Mr. O'Neill, as a matter of fact, is a part of the committee and to ensure that as they proceed looking at this issue within the Winnipeg Hospital Authority that

the linkages will be there with the Health Information Network.

The Health Information Network, as has been described to me before, is a network of roads that takes you to the door and then you need systems within the facility or within the door that will hook up to the Health Information Network. The intent, of course, is to ensure that all of these systems work well together and integrate well together.

What Mr. O'Neill and the SmartHealth partnership are working on is that network to the door, and what the Winnipeg Hospital Authority is looking at is the systems behind the door in the Winnipeg hospitals that would then interconnect with the Health Information Network.

Mr. Chomiak: I appreciate that response. I first posed this question about three or four years ago with respect to the linkages and at that time was assured that there was an input from the Department of Health and SmartHealth that sort of monitored. Because there obviously is a problem if systems are not compatible or if major expenditures are undertaken with respect to systems that ultimately are rendered, although things are rendered useless in six months in the technological system now, almost, obsolete. Can I get an outline of who is on this committee and what their terms of reference are?

Mr. Potter: We can bring that information for the member. I do not have it with me at this time. It is a fairly significant listing of people participating in the steering committee. Representation from each of the facilities within Winnipeg, as well as the Department of Health, and with also, I believe, some of the community facilities. But we can bring that information.

Mr. Chomiak: Just so that I understand the system and the network, along the lines that were described by Mr. Potter, presumably the costs are borne by SmartHealth et al right up until the door of the hospital or the institution, including the computer. After that, it is the responsibility of the local institution to plug in. Is that correct?

Mr. Potter: As always, things are a little bit more complicated. For example, with the rollout of the DPIN

system into the hospital emergency wards, the cost of providing the hardware within the hospitals is part of the SmartHealth network.

It is correct, however, that the internal systems of a hospital, such as its administration and finance system or its admission and discharge system, would not be covered in any way through the operations of SmartHealth.

But if those systems are going to be replaced with a new system, we would expect and insist that those systems be consistent and be able to be integrated into the Health Information Network so that the data from one facility could be very quickly integrated with the data from another facility from like systems.

Mr. Chomiak: When can we anticipate all Winnipeg hospitals, and then when can we anticipate most rural hospital centres, are plugged into the DPIN program?

Mr. O'Neill: Our intention is to begin the process from moving beyond the initial five test sites, starting approximately late May, early June and to be in all 81 facilities across the province by early fall, early winter.

Mr. Chomiak: When recently visiting at Concordia Hospital, a project undertaken in their pharmaceutical department was brought to my attention that provided drug information, a computerized system that was not only providing drug information to care providers but to individuals, et cetera, a made-in-Manitoba-developed system. Has the Department of Health or SmartHealth looked at that system, and do we have any ideas whether or not it can be integrated or expanded?

Mr. Potter: I am aware of the system that is being referred to. In fact, I had the opportunity to see it myself, and I have to agree that it is a very impressive system. What I can tell the member is that as part of the review that is being undertaken by the WHA, pharmacy systems are one of the categories of systems that are being reviewed, and as part of that review they will be looking at the system that is in Concordia, as well as the systems that are in the other facilities.

Mr. Chomiak: Technically, can that system be integrated within the SmartHealth network, or does it sort of fall outside of the mandate?

Mr. O'Neill: It is my understanding that that is one of the things that the WHA is reviewing when they go and they review all of the pharmacy systems. I am not aware at this point where that system is or is not because it is still under review.

Mr. Chomiak: Mr. Chairperson, would it be possible to get a list of what the overall review plans are for the WHA with respect to systems? Would that be possible?

Mr. Potter: Mr. Chairman, that would be possible. We will bring that information.

Mr. Chomiak: Mr. Chairperson, I appreciate the information that has been provided. I am basically going to be winding up here. There are more questions I would like to ask, but there are time constraints so probably this will be the balance of my questions in this area. I appreciate the information and the fact that people have taken me through it so that I could understand it. I anticipate that we can move on as scheduled on Tuesday in the USSC.

My final basic question in this area is: can the minister perhaps update me as to, because they vary, the present relationship between the MMA and doctors and the government with respect to the SmartHealth initiative, what the general issues are and whether it is a functional relationship at this point? That might not be the best choice of words, but that is sort of a general.

* (1650)

Mr. Praznik: Mr. Chair, my understanding is that the Manitoba Medical Association is involved in our steering committees, and I am going to get Mr. O'Neill to give the members of the committee the detail of that.

As contracts end, one is into disputes over fees and issues and processes, and I am sure we will have a chance to discuss that on the appropriate line when the member wishes to do so, but to date, none of the contract-negotiation issues have in fact affected our discussions as far as I am concerned.

One of the things that Dr. Ian White and I agreed that was fundamental to that relationship was to ensure that we separated the financial-cost-issues physicians from

developing the system and dealt with those as part of our bargaining or on whatever arrangement. The fear of physicians having to have additional costs on our system was one that I think kept them away. There are other issues and things involved, but it was of concern to them, and we have acknowledged and separated that.

Dr. White and I both, I think, recognize that there are costs and there are savings and that has to be part of that separate negotiation, but on the technical development of the system, my understanding is the MMA and physicians through the College of Physicians and Surgeons, as well, are involved in this process.

I am going to ask Mr. O'Neill just to give an overview of the committee structure and the MMA presence in those committees as well as the college.

Mr. O'Neill: Mr. Chairperson, yes, the Manitoba Medical Association does now have a seat on all of our steering committees. We have a multistakeholder steering committee that looks at the project on a global basis from a strategic point of view. We have a physician and primary care provider committee that looks at that particular sector, a privacy and confidentiality committee, which, of course, is focusing on the privacy and confidentiality issues. They also sit on the diagnostics advisory committee looking at DSIN, the DPIN committee, I believe the community health committee, and along with the College of Physicians and Surgeons and the College of Family Physicians and other physician representatives are being very, very helpful to us.

One of the specific things that they are assisting us with on the DSIN project is they will be assisting us in the near future in terms of a survey of physicians in terms of what technology is out there as we complete the detailed design of the DSIN project, and the MMA has been very helpful to us in designing that survey.

Mr. Praznik: Mr. Chair, if I may add as well, one other issue that we discussed in terms of information technology, it is not quite in the same line as health information systems, but I flag it for the member now is obviously the ministry now is gaining the capability to go to computerized billing. That does present some problems for some physicians who are not used to that system or offices or may not be geared to that system.

In the discussions I had with Dr. White and Dr. Ritchie and others at our principals table, Mr. Chair, it became clear that for everybody involved in the system, there were tremendous advantages to going to a computerized billing system. For Manitoba Health it would be a much faster, less complicated system and a much more cost-effective system than our current paper billing system. For physicians, it would allow for much speedier payment, which has a value to them within the system, but we recognize that should not happen overnight and that it would have to be developed in a manner that we moved forward in some reasonable basis.

Some of the powers we need to deal with that, particularly with respect to the cost, et cetera, we will discuss when we get into some of the legislative amendments. One of the housekeeping amendments is involved in this area. I just wanted to flag it with the member, but again, the process that we want to deal with on billing is one that allows enough time for a reasonable transition so that those physicians who are more uncomfortable with moving to this particular system have plenty of opportunity to gain some experience with it before we would eliminate the old paper billing methods.

Mr. Chomiak: Mr. Chairperson, I do have a written document requesting documentation. I am going to be also asking if I could have a list of the individuals who are on these various advisory committees under HIN.

Mr. Praznik: Does the member want to table that with us today?

Mr. Chomiak: I have not proofread it, so if one could accept it for just—

Mr. Praznik: What I will do is I will accept a draft copy of this, noting that it is draft, and I will provide it to my staff for response for Tuesday or for next week. Perhaps then the member might indicate whether—it might be a few days before we can give a response.

If there are any issues that we have difficulty with we will flag with the member, or any questions we have. If the member wants to formalize that as an official copy or provide us with one, we can do that on Tuesday.

Mr. Chomiak: The only caveat is I dictated it while watching Geraldo Rivera last night. If there is any reference to Monica Lewinsky, it is simply because I was tired and dictating.

I just have a final question, and that is: have there been any savings to date with respect to the SmartHealth initiatives that can be identified?

Mr. Potter: There are no tangible savings related to the extension of the DPIN system at this point.

Mr. Praznik: I think it is important to point out that we are just starting that process, so savings that would come will come at a later date. Mr. Potter may want to elaborate.

Mr. Potter: I just want to add that the savings will largely accrue once the diagnostic components of the system are up and running and that the pharmacy system which is already in place largely throughout the pharmacies in the province does not carry a lot of additional savings extending it to the hospital.

Mr. Praznik: Just one last matter. The SACPAT stands for Screening Assessment Care Plan Automated Tool. So the member does not have to write that down, I will just hand him my note.

Mr. Chairperson: Order, please. I think I saw some sun out there just a while ago. I hope that means we have a nice weekend coming up, and I wish to extend a happy Easter to all of you.

The time being five o'clock, committee rise.

* (1430)

RURAL DEVELOPMENT

Mr. Chairperson (Marcel Laurendeau): Would the Committee of Supply come to order, please. This section of the Committee of Supply will be dealing with the Estimates of the Department of Rural Development. Would the minister's staff please enter the Chamber at this time. 13.1.(b).

Mr. Clif Evans (Interlake): I understand that my colleague for Swan River (Ms. Wowchuk) had reached

this line and had asked questions in general from this morning, so we can continue on this, and then if the minister can elaborate a little on what some of the plans that he has under his Executive Support Services, what we will see in the next little while or the future as far as results; what he hopes to gain or see happen within this part of the department as far as the staff; and what future projects that we might be seeing and looking at.

Hon. Leonard Derkach (Minister of Rural Development): Well, I am not sure if I understand the member's question correctly, but I do not believe that there are any changes anticipated in the levels of staffing in this area. Indeed, this area of the department is the Executive Support area, and we are not anticipating any dramatic changes in the course of the next year.

Mr. Clif Evans: I apologize because I was not available this morning for introductions of staff. I do know the deputy minister, but I do not remember whether I have met some of the staff that is sitting here with us this afternoon, the new staff. If the minister would be so kind.

Mr. Derkach: I would be happy to introduce the staff once again. We have the deputy minister, who is Winston Hodgins; we have Denise Carlyle, who is the executive director of Finance and Administration; and we have Brian Johnston, who is chief of Financial Services, Administrative and Human Resource Services.

Mr. Clif Evans: I guess my eyes are getting much worse than I thought they were; I do now recognize Ms. Carlyle. I have no further question on 1.(b).

Mr. Chairperson: Item 13.1.(b)(1) Salaries and Employee Benefits \$420,400-pass; (2) Other Expenditures \$78,000-pass.

Item 13.1.(c) Brandon Office (1) Salaries and Employee Benefits \$143,900.

Mr. Clif Evans: The Brandon office has pretty well been a stable entity within the department over the past few years. Is the minister seeing any need of expanding that office, and, if there is a need, what would it be? In light of everything that is going on in our province

rurally and that, does the minister hope to maintain that office on a steady basis, or is he looking at expanding the facility as far as staffing and/or services provided?

Mr. Derkach: This has been a very busy office, especially with the announcement of Maple Leaf Foods and the activity that is occurring in the west side of the province. This office is certainly being asked to do more and more as the days go by, and we are going to be adding a resource in Brandon, or we hope to, over the course of the next year to help complement the office staff at the Brandon office.

Mr. Clif Evans: Resources as far as staffing or resources as far as capital?

Mr. Derkach: Staffing.

Mr. Chairperson: The honourable minister, if we could get it on the record.

Mr. Derkach: We are talking about staffing.

Mr. Clif Evans: The Brandon office now has three full-time people. Can the minister tell me how many more he might anticipate going to the Brandon office and under what capacity?

Mr. Derkach: Mr. Chairman, we have two staffpersons at the Brandon office at the present time. The Estimates show we have a total of three positions in that office. We intend to fill that third position, but at this point in time the specific job description is not available.

* (1440)

Mr. Clif Evans: If the job description is not available now, the minister must have some knowledge of what it may be and whether it is (a), (b), or (c).

Mr. Derkach: We are looking at someone who can work with the companies that are locating in Brandon and, most importantly, Maple Leaf Foods. Also, someone who can be a liaison for a project like Maple Leaf and the government and the City of Brandon. It is also someone who has to be able to work with communities as the whole concept of the hog barn and hog production expansion occurs in rural Manitoba, so

this is the type of individual that we intend to add to the complement of staff there.

Mr. Clif Evans: As part of this, the minister talks about the hog industry and implementation of Maple Leaf Foods. Will this staffperson be knowledgeable in future planning for the surrounding area and the Brandon and surrounding area, or will they be just an administrative support to assist in the future planning of what is happening in and around Brandon?

Mr. Derkach: Many times there are issues that arise with a project of this size that have to be addressed either through ministers' departments directly or there are issues that arise where people who are working in the field may need some assistance as well, and this position would not be meant to duplicate any of the services that are available from departments at this time but indeed to help co-ordinate some of those services and to ensure that we have sort of a co-ordinated approach in the projects and the initiatives that are undertaken.

Mr. Clif Evans: I could ask this question further down and may go back to it. I ask under the Brandon Office because we are talking about the Brandon area and the Maple Leaf Foods issue and the hog industry as such in that area: Have there been any resources requested by the proponent or by the community as far as the department under any program for capital resources to assist in the project, or has the department just basically been asked to be a part of the whole planning process in getting the plant underway for the future of it?

Mr. Derkach: Mr. Chairman, our agreement with Maple Leaf and with the City of Brandon has been to participate in the infrastructure side with regard to the construction of treatment facility for sewage, with construction of extension of water services to the plant and also other infrastructure components that are required. There will also be the need, of course, to construct access to the facility as well. Those are the areas that we as a government would be contributing in.

An Honourable Member: As a department or as government?

Mr. Chairperson: Order, please. Could I ask the members, if they are going to try and put some

interjection in, they might want to put it on the record, so that Hansard can properly put it in place.

Mr. Clif Evans: Mr. Chair, I forgot what I had said. As a department and not as a government specifically, but as a department?

Mr. Derkach: Some of these resources will come from the department, from my department, and others may come from other departments, whether it is Highways or Industry, Trade, depending on the nature of the infrastructure that is going to be required. Suffice it to say that it is a government contribution rather than a specific department one.

Mr. Clif Evans: So, on that topic alone, we could deal with more detail under the Water Resources Branch then as far as any specifics? With that project, then, we can deal with it later on? As the minister is saying, there is going to be some input from sewer and water treatment, and that support will be coming from this department.

Mr. Derkach: Although we can deal with it later on, I do not know what other details I can provide because at the present time there is work going on through the city engineers, the consultants who have been hired by the company, and the government professionals who are working out details. So we do not have specific dollar figures at this point in time because those are still being worked through.

Mr. Clif Evans: Then I will wait until that part of the Estimates process and deal with it more in detail.

Mr. Chairperson: Item 13.1. Administration and Finance (c) Brandon Office (1) Salaries and Employee Benefits \$143,900-pass; (2) Other Expenditures \$53,400-pass.

Item 13.1.(d) Human Resource Management (1) Salaries and Employee Benefits \$125,300.

Mr. Derkach: I have not introduced, Mr. Chairman, Mr. Roger Dennis, who has joined us. He is the executive director of Local Government Support Services.

Mr. Clif Evans: Welcome, Mr. Dennis.

Human Resource Management, 13.1.(d), the budget line has gone up \$10,000. I see that is mostly for salary. I see also there are four staff for that part of the department. Can the minister tell me, the line under this area: "Assets Department and Managers on all Workforce adjustment" by the Activity Identification, what does that exactly mean?

Mr. Derkach: Mr. Chairman, that is a typing error. It should be: "Assists Department and Managers on all Workforce adjustment" instead of "assets."

Mr. Clif Evans: I know the minister tries to confuse me a lot of times on different issues and that, but this is a funny way of going about it, misspelling some of the parts of the Estimates book. So, okay, it assists departments and managers on all workforce adjustment. Okay, thank you, that is good.

* (1450)

Mr. Chairperson: Item 13.1. Administration and Finance (d) Human Resource Management (1) Salaries and Employee Benefits \$125,300-pass; (2) Other Expenditures \$20,900-pass.

Item 13.1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$337,600-pass; (2) Other Expenditures \$188,200.

Mr. Clif Evans: I am going by the Estimates book.

Mr. Chairperson: What number are you on? What page are you on?

Mr. Clif Evans: I was on 27.

Mr. Chairperson: That is 3.1.(e). That is where we are right now. Have you got some questions there?

Mr. Clif Evans: Here I see again an increase in salaries. Is this salary increase as far as civil service and in accordance with annual pay increases, or is it for any other specific duties that are involved within that part of the department?

Mr. Derkach: The increases that the member cites are as a result of two issues: one being the settlement with the MGEU, which is a percentage increase, and the

other is an increase as a result of the reduced workweek days from 10 to five.

Mr. Clif Evans: Under Other Expenditures, can the minister just indicate where the grants of \$32,000, what portion of that money goes to what?

Mr. Derkach: Mr. Chair, I will just read what the increases are. There is \$1,000 for the Manitoba Municipal Administrators Association; \$12,500 for Intergovernmental Committee on Urban and Regional Research referred to as ICURR; \$4,000 in support to the UMM banquet or conference; and \$14,500 in support of the UMM conference. These grants are basically the same as last year, except for the ICURR grant, which was increased by \$500.

Mr. Clif Evans: While we are on this topic, the ICURR, could the minister explain that to me, exactly what the ICURR is and why the money goes there?

Mr. Derkach: This committee is one that is made up of deputy ministers from throughout the provinces, and each year we contribute to a conference that is held for all ministers. It is an annual ministers' conference that is held in various provinces around the country. Our participation in ICURR is one which is for the \$12,500, and basically it is based on population, as I understand it. They do research work, as well, as it relates to urban and municipal government, and that is some of the area that is covered when we meet as ministers.

Mr. Chairperson: Item 13.1 (e) (2) Other Expenditures \$188,200—pass.

We will now move on to 13.2 Boards (a) Municipal Board (1) Salaries and Employee Benefits \$561,200.

Mr. Clif Evans: Mr. Chair, I would like to deal with this section more in detail, and I would appreciate if the minister and his staff were diligent with some of my questions as we proceed on this line.

Can the minister first of all indicate: I know that the Activity Identification, hears appeals, implications, et cetera, The Planning Act, The Municipal Act, The Municipal Board Act, et cetera. Application comes from municipalities, jurisdictions for hearing, it says, appeals and applications and referrals. For what types

of applications and referrals and appeals would this board—and what is the board in place to deal with?

Mr. Derkach: Mr. Chairman, the bulk of the appeals that are heard by the Municipal Board deal with assessment. Beyond that, the board also deals with planning appeals that may come before it, and also borrowing by-laws that are submitted by municipalities.

Mr. Clif Evans: How many of each type of identification for application to the Municipal Board does the board hear in the process of a fiscal year? When it comes to the different applications, how many does the board deal with and what types in a year?

Mr. Derkach: Mr. Chairman, I do not have the specific detail on the number of cases that are heard if you grouped all of them together—the planning, the by-laws, the annexation, amalgamation and assessments, but I can tell you the bulk are in the assessment area.

As of the beginning of March in 1998, the board had something in the neighbourhood of 1,304 appeals before it, which it is obligated to hear. Now it disposed of something like 936 appeals in 1997, so there were still some outstanding ones left. Those have been added to the number to make 1,304, so that gives you some idea of the numbers that are heard in a year.

We have increased the numbers on the board. We have also increased the staff component of the board because of the increasing number of appeals that are coming, especially in the area of assessment.

Mr. Clif Evans: Mr. Chair, as the minister has indicated, most of the appeals in the majority of the hearings—and the appeals are through assessment or through the assessment part of it, and that is hearing appeals or hearing arguments as to a jurisdiction's assessment or individual assessments that are not being satisfied between the jurisdiction and the individuals, whether it be business or private residential, and then the opportunity is to go to the Municipal Board to hear the appeal or to make the decision on who is right and who is wrong. Is that what the minister is saying under the assessment part?

Mr. Derkach: If someone objects to an assessment on his or her property, they have a right to appeal, and the

first avenue of appeal is to the Board of Revision. If they are not satisfied with the outcome of that, they can then appeal to the Municipal Board.

* (1500)

Mr. Clif Evans: With assessments, if it has to go to the Municipal Board, the Municipal Board's decision, once it is rendered, is it final, or is there still an appeal process?

Mr. Derkach: Unless there is an error made by the board in terms of law, the decision is binding because it is a quasi-judicial board.

Mr. Clif Evans: In other scenarios, then, as far as with the applications for appealing and hearing, especially let us use the borrowing by-law, the process that is in place for that, the municipality jurisdiction that wants to pass a by-law for borrowing on a specific project, they have to go before the Municipal Board for approval. Short of that, at this time also, the process where the—of course, the proponents make their presentation—objectors make theirs is at this time also, if I am understanding correctly.

What problems would arise for the Municipal Board in making a final decision and making its recommendation to such an appeal? Could either a proponent or non-proponent make, after a decision is made, make some sort of another appeal, and where would they go if they could?

Mr. Derkach: On borrowing by-laws, the Municipal Board decision is binding.

Mr. Clif Evans: Under the borrowing by-law, it is binding. Under the borrowing by-law, there is no alternative except to take the issue and the decision of the Municipal Board to court, or I mean, to go to court to hear their appeal. They have no other avenue of going whatsoever under The Municipal Act for borrowing by-law to proceed with. Strictly court.

Mr. Derkach: As I indicated, the decision of the Municipal Board is binding because the Municipal Board is a quasi-judicial body. However, if there has been an error in law, or if there is a point of law that can be contested, then the by-law can be taken to a

court of appeal. But it cannot be taken for any other reason than that.

While I have the floor, Mr. Chairman, I have indicated that most of the appeals are assessment appeals, and we have 1,110 outstanding appeals as of December 31, 1997. Of that number, there were 1,004 appeals on assessment, which was calculated by staff as about 93 percent of all applications.

Mr. Clif Evans: I want to get something for myself to understand, and not being a great one of knowing The Municipal Act inside and out—I am sure that the minister can appreciate that; it is a big book. But under what conditions or under what situations can an appeal or a request be made to the department itself on a decision by the Municipal Board, and can that happen under The Municipal Act or The Municipal Board Act?

Mr. Derkach: On assessment appeals and on borrowing by-laws, those decisions by the Municipal Board are binding. You cannot appeal those to the minister, and as I indicated, the only time you are going to appeal them is if there has been some error made in law.

With regard to annexation or amalgamation, in those conditions and those issues, the board makes a recommendation to the minister, and then the minister either has to concur with the recommendation or, if there is reason not to, then I guess it can be then turned down. But, in most instances, provided that the criteria are followed, and provided that the rules of annexation or amalgamation have been followed, we would simply endorse the recommendations that are made by the Municipal Board.

Mr. Clif Evans: Then can the minister explain to me where Section 122 comes into play?

Mr. Derkach: I think the case that the member is referring to is one that has come before us in the last little while. In a case like that where an LUD and a municipality are in dispute on an issue, they bring it to my desk or to the department, to the minister, who then, after considering it, would refer it to the Municipal Board. The Municipal Board would then look at the issues, hear both sides, if you like, and then make their recommendation to the minister.

Mr. Clif Evans: Before I get to a specific issue—I do not know whether I want to go that way, but I want to understand it better. The minister said, okay, the only way that there can be any further appeal to a decision is if something was done illegally. Illegally by whom, the Municipal Board or a presentation?

Now the minister says that the matter he is referring to has been referred back to him under Section 122 because the decision of the board was not to the satisfaction of all parties that were involved. Why would it come to him under 122? If he is saying that it is binding, was there a problem in the initial or secondary Municipal Board hearing that handled this specific issue?

Mr. Derkach: When there is an issue between an LUD and a municipality and that issue comes before the minister and is sent to the Municipal Board, that decision comes back or that opinion or, I guess, that view or that recommendation of the board comes back to the minister, but that is not the same as an assessment or a by-law, because those are binding.

In the case of disputes over issues which come before the minister and then are sent on to the Municipal Board, when they come back they are recommendations of the board and they are not binding.

* (1510)

Mr. Clif Evans: But, if the Municipal Board makes a decision on an issue, why then, and even if there is a dispute—and the minister points out that a dispute between an LUD and a municipality. What if it was a dispute between—because the issue is for borrowing money. That is the issue to get approval to borrow money. So, if the board has already made the decision, and the minister says they can come back to him if there is a dispute, but he has also said that it is binding. So, under Section 122, how many times can this dispute be brought before the minister, and how many times can the minister go back to the board and say it has to be resolved?

Mr. Derkach: The dispute that the member refers to was not a dispute as it relates to a borrowing by-law. It was a dispute over an issue as to what by-law, I guess, to implement or put forward, and that was sent for

recommendation to the Municipal Board. But the by-law itself was not put forward. Therefore, if the by-law were put forward, whatever the board would recommend on the by-law would then be binding.

Mr. Clif Evans: We are going to be going back and forth here with binding and unbinding and by-laws until we will confuse everyone here. I am still not clear, and I guess why I even raise this issue is that I want to stabilize in my own mind exactly what powers under The Municipal Act and The Municipal Board Act this board has, if it is there to make a decision.

What I am understanding a little here is that there seem to be little ways that the board or proponents on an appeal for a by-law between—you can keep going back and forth, back to the Municipal Board to make another decision on a decision on another decision on if somebody is disputing the decision.

Mr. Derkach: When two bodies come forward, a municipality and an LUD in this case, with an issue to minister, and when it is an issue where there is clearly a dispute between the two bodies, the minister would consider it, and if the minister feels that it is appropriate that the issue be sent to the Municipal Board, that is then done. The Municipal Board, then, would conduct a hearing where both sides would have the ability to bring forward their case as it relates to the issue.

After hearing all of the concerned parties, the Municipal Board would make a recommendation. The recommendation is sent to the minister. The minister would then review the recommendation and, as it refers to specifically the issue that came before the minister, then would render his/her decision and send it to the affected parties.

Now, in the cases of assessment or by-laws, those kinds of decisions by the board are not recommendations; they are decisions. They would be binding, and there is no appeal on those types of decisions unless there is an error in law. On annexation and amalgamation or on issues other than that, those can be appealed and can be disputed, and the minister can, in fact, alter those decisions if for some reason the Municipal Board's recommendation is seen to be not in keeping with, perhaps, I do not know, the principles that the department feels that should be adhered to.

Mr. Clif Evans: So, on one hand, the minister cannot get involved; on the other hand, the minister can get involved. I guess the question is: how many times? How many times can a minister get involved? How many times does the minister have to hear or have the opportunity to hear requests that under Section 122 the minister deals with the situation because a board made a specific decision? Whether it is or is not, let us be hypothetical because the issue at hand in this particular jurisdiction is not the issue that I am referring to as far as whether it makes a difference or not. It does not. The decision as to where the lagoon goes—and this would be Lorette and Tache, whether it was relocated or whether it stays and for expansion—that is not the issue.

What I am trying to understand is the process of the Municipal Board in dealing with the minister on this specific and other related appeals that are being heard. So that if it was to happen again tomorrow between—well, I will give you an example, the LUD of Ashern in my area and the R.M. of Sigrunes. [interjection] Yes, well, prior to, I know this. I am just trying to understand. I am not trying to be critical. I am trying to find and make sure that the due process has been followed.

My question is how many times this can go back to the Municipal Board. From what I understand and read, because of disputes over this or that within the process, it keeps going back to the Municipal Board for either a decision or for a recommendation. Well, the minister shakes his head, but I believe that the question is how come it had to go back to the Municipal Board so many times? Was there something that, each and every time that the Municipal Board made a decision on something or a recommendation, something else was picked out. It was given back to the minister, and then the minister had to decide, yes, we have to send it back to the Municipal Board.

The minister may dispute the fact that there has not been these amount of hearings. If he wants to dispute that, I would like him to put that on record, but I am just trying to get a sense of who has the final say.

Mr. Derkach: Mr. Chairman, first of all, I would like to determine whether the member is speaking—he is going to have to give me more specifics because I do

not believe that we can talk about hypothetical situations and yet try and bring out certain details. So, if he is talking about the Lorette situation, then I can certainly give him some insight into the process that has been undertaken with regard to that situation.

* (1520)

Mr. Clif Evans: Mr. Chair, yes, and I want to let the minister know, only as to the due process and how the due process in a situation like this works with respect to right from the initial proposals to the application for a hearing and the appeal, the hearing itself and what might happen if, because he has indicated that the board has the final say in certain areas. Yet is the board there to settle disputes, or is the board there to make a decision on what the people have presented from both sides? So it is the due process; it is not whether—in my mind and to me, it is not where the lagoon should go. That decision and that proposal are up to the people, for them to make their presentations, and the board has to deal with that.

The full process of this particular situation, I am just asking: why was it able to continue for so long? Did the board make a final decision at one time in the past three years or did they not?

Mr. Derkach: Well, Mr. Chairman, if the member would like to meet on the specifics of the case under Section 122, I could certainly do that with him privately and we can talk about the specific issues of that particular case. But normally what happens is when an issue comes forward to the minister, that issue is simply referred to the Municipal Board, which is an arm's-length body, a quasi-judicial body who can hear both sides of the issue, and then bring forward their recommendation to the minister.

In the case the member cites, there were far more complexities than that in terms of the issues that were, I guess, created within that area. Therefore, Mr. Chairman, this is not a usual case, and the Municipal Board has recommended that the communities, for the community or the R.M., put forward both by-laws, if you like, one for the relocation and one for the upgrading, and then go through the process of the by-laws and bring them forward for the Municipal Board to hear. But this is not sort of a regular or normal case.

This one in particular is an unusual one, and I think what is being sought is some kind of a solution so that the debate does not continue to go on and on in the community and in terms of whether it should be a new lagoon or the expansion of the existing lagoon.

In the end, it is the municipality who has to bring the by-laws forward. It is not the LUD—they do not have the ability to do that. It is not the department. It is not the Municipal Board. The municipality has to come forward with the by-laws that they want to see addressed. Once the decision, once the by-law comes forward, then the Municipal Board makes its decision on the by-laws after hearing both sides, and that decision at that time is then binding.

Mr. Clif Evans: I guess the questioning—yes, certainly, I can sit down with the minister with respect to this specific issue, and that is well and fine, but again, the specific issue that he is talking about, to me, is the decision should be made by the people.

Mr. Derkach: Yes, that is exactly what has happened.

Mr. Clif Evans: Exactly, by the people. Again, it is a due process so that I am more aware of just how the Municipal Board works to a point that if I had these types of disputes amongst the board or amongst proponents or nonproponents of any particular zoning or by-law or borrowing by-law or whatever, that I would not understand how it works.

Now, with this, and under due process of the system, not at all the referral of who favours what as far as where the lagoon should go or not go or whatever, but under the due process, that is allowable under The Municipal Board Act, if the Municipal Board decides or makes a recommendation, and I will quote from it: The board really has no alternative except to recommend to the minister that the municipality must prepare a local improvement plan as requested by the committee, as required by Section 313 of The Municipal Act. Now, what does that mean?

What I am trying to figure out and make sure that I am understanding is how is this system working, and why is it taking so long in this particular thing? We seem to be going back and forth and different hearings for different things, when the issue is to make a

decision, a comprehensive proper decision as to what the final outcome would be.

So is it the due process, or is it the availability within The Municipal Act and The Municipal Board Act that provides this type of ongoing situation? Is there something within the system? Quoting from the recommendation of the January '98 municipal hearing, and I believe that that was the fourth or fifth hearing—whether it be for the same specific thing, it is still related to the issue; it always seems to be. What is Section 313, how does it come into play, and if the board has made that recommendation and decision, why, is my question.

Mr. Derkach: Mr. Chairman, I will try to go through this with the member in some detail to help him understand. As I said, this is not a usual case. Where you have an LUD and a municipality—an LUD is within the municipality, of course—and an LUD comes forward with a service plan and it brings that service plan before the municipality, according to the section that the member refers to, the municipality must implement the plan. However, the municipality did not want to implement that plan and so therefore they sent that to the Municipal Board, but the Municipal Board indicated to them that they had no other alternative but to implement the service plan as it was presented.

The municipality, of course, had a different view of the same project than what the LUD did, and so the Municipal Board said, well, in order to try and get a clear understanding of what it is that communities want, why does the municipality not bring forward both by-laws, one that incorporates the LUD's wishes and the other that incorporates the wishes of the municipality and then allow hearings on those by-laws, because there have to be hearings under The Municipal Act for those by-laws. In the end, then, the board can make a decision on what it is the population of the area wants rather than trying to somehow force a decision through.

* (1530)

Mr. Clif Evans: So then what the minister is being so diligent in trying to explain to me is that—am I correct in assuming that the request of the board, the Municipal Board, let us say, to bring both those by-laws to them, does that request come through the minister's office or

does it come from the Municipal Board? What if either the municipality or the LUD or the town or the village say, no, we do not want to bring both in? Then what? Where do they go then? Do they go to the minister saying we only want to make our presentation? Why should they go to the minister saying we recommend that we will bring in both proposals?

Mr. Derkach: Let us try to get this through one more time. Initially, when the matter got to the Municipal Board, the Municipal Board did meet with both parties and did indicate to them that, in fact, they should go back and bring both by-laws forward. However, the recommendation to me as minister incorporated the decision under 122 which said, implement the service plan as it was presented by the LUD. When I received that, and knowing that the board had initially recommended that they bring both by-laws forward, my letter to the municipality and to the LUD stated that they should come forward with both by-laws.

Mr. Clif Evans: Did that happen, and when?

Mr. Derkach: Mr. Chairman, we are still waiting for the response from the communities. We have not had that at this time.

Mr. Clif Evans: So within the last four months, there has not been—or has there been?—a hearing with a recommendation?

Mr. Derkach: The hearing was on the 15th of January, as I am told, and the recommendation came to me. My letter went out about three weeks ago to the LUD and the municipality, and we have not heard a response from them at this time.

Mr. Clif Evans: Okay, if I will get this right now. So there was a municipal hearing then? There was a hearing? It was a hearing recommended by the minister to bring both proposals to the table, at the minister's recommendation, under Section 122 that the municipality requested you deal with this matter, that your recommendations be brought forward to the Municipal Board. The hearing was held? [interjection] Well, there was a hearing held on January 15.

The decision—[interjection] Let me finish, then you can respond—was brought back to the minister on

March 2, in and around March 2, and it was then released. It is my understanding that that was what the minister was going to recommend, bringing those two proposals together at the same time at a hearing.

So I was under the understanding that the January hearing was the final one. Then they recommended now—again, and I am not trying to create a problem for the minister. I am trying to create an understanding of the due process of the Municipal Board and whether the Municipal Board had every opportunity to hear the issues and make their decision. That is what I am asking.

Mr. Derkach: Mr. Chairman, when I received the letter from the Municipal Board, the recommendation from the Municipal Board, it was at that time in the beginning of March, I guess, that I wrote to the municipality and indicated that what they should do is bring back both by-laws. It is that letter that has not been responded to yet.

Mr. Clif Evans: Okay, the two jurisdictions are in the process, then, or they have to—now it goes to them through your recommendation and the Municipal Board's recommendation. Now if the LUD or the municipality do not accept the recommendation, then what? The previous order from the Municipal Board hearings and this final recommendation, are they not binding, and why not? The minister says the decision of the Municipal Board is binding.

Mr. Derkach: Mr. Chairman, they cannot simply ignore the letter that was sent to them because they have an environmental issue that they have to deal with, with regard to the lagoon, so they have a choice, but it is in their ballpark. They either bring forward both by-laws or else, failing to do that, they must bring forward the by-law that reflects the plan that was put before them by the LUD.

Therefore, one way or the other, the municipality has the obligation to come forward to the Municipal Board with a by-law, either the by-law that reflects the plan that was put forward by the LUD or two by-laws spelling out both approaches, and then the Municipal Board would hear those and make a decision. When they hear the by-laws, when they have a hearing on the by-laws, that decision then is the binding decision.

* (1540)

Mr. Clif Evans: Mr. Chair, I do understand that, and I am aware of that process. That part of it I am aware of, like the last recommendation from the January 15 hearing is before both jurisdictions—[interjection] Well, the LUD has to deal with it, too. The LUD should be made aware of and make their presentation available to present to the R.M. at their council meeting to make a decision on so the LUD has to be made aware of what the Municipal Board had indicated. So what is still available if they bring both? If they decide at their next municipal council that they are going to present both, that means another municipal hearing. When is this process going to end? They bring their own by-law or do not accept the LUD's by-law, what process is in place then? Is there going to be another hearing?

The minister said if they bring in both or the LUDs, there will be another hearing, another decision, but if the two jurisdictions are satisfied with the LUD's proposal and request for a by-law to be passed for borrowing and for the project to go ahead, why so long? What prevented this process from happening quicker?

Mr. Derkach: As a result of the letter that I sent to the municipality, they have an obligation: one, they can bring forward two by-laws, the by-law that the LUD put forward or the by-law that reflects the proposal that came forward from the LUD; secondly, a by-law that is their own, and there are two views of how they should address the issue. One by-law would be to expand the lagoon; the other by-law would be to build a new lagoon. Now, if they do not want to come forward in that way, the least they have to do is to come forward with a by-law that reflects the wishes of the LUD as it was presented in their plan.

The municipality does not have too many other choices in that regard. It has got to come forward with an action plan of some sort, and they were given the option to come forward either with one by-law or to come forward with two by-laws, saving time and saving, I guess, dollars to ensure that they can start to proceed with the work.

Mr. Clif Evans: Two points. The Municipal Board from its hearings on August 30, '96, and September 3, '96: that the board finds itself in a position where it

must refuse to approve the by-law on the basis that the people of the community have indicated by their vote in a referendum—which in my understanding that happened sometime during the last municipal election; there was some sort of a referendum or a vote on all of this—and they are not prepared to accept additional costs involved in relocation of the existing lagoon. So is that when 122 came into play, and when did the minister advise the Municipal Board that they would request two proposals be brought before them at the same time?

Mr. Derkach: Mr. Chairman, it was the Municipal Board that advised the municipalities to withdraw this issue with regard to the dispute and to come back with the two by-laws. That was the original, I guess, recommendation from the Municipal Board.

Since that time, after the communities came forward to the Municipal Board and the recommendation was made to me as minister by the Municipal Board, I wrote back to the municipality and the LUD I believe—at least the municipality because they are the jurisdiction that we would communicate with—that, in fact, they should either come forward with both by-laws or come forward with at least the by-law that was initiated or that reflected the wishes of the LUD but that in coming forward with both by-laws they would then expedite the project.

Mr. Clif Evans: Probably for now I want to put an end to this particular because my basis for the questioning was on the due process of the Municipal Board and all the avenues that were made available to go against—or to appeal, not to go against but to appeal a decision by the Municipal Board that the minister in one of his letters stated was a quasi-judicial entity that could not be interfered with on a decision.

So, technically, if the municipality with its decision presents or prepares a by-law, borrowing by-law, in support of the LUD submission which the Municipal Board has, from my readings, approved, the matter is closed except for the final, one more hearing that the LUD will be presenting to the board for its approval on the borrowing portion, and then it will be finalized.

Mr. Derkach: I think that staff of the department had had a consultation process with the member from

Interlake to go through all of this, and I thought at that time he had understood it, but let me try again.

If, in fact, the community comes forward with the by-law that has been put forward by the LUD, and if there are objections to that by-law and the Municipal Board turns it down, then the municipality is faced with drafting another by-law and coming forward with it. So, in other words, we tried to expedite the process by asking him to come forward with the two by-laws so that the board could hear them and then make a decision based on the presentations that are made on the two by-laws. Then, and only then, would the recommendation of the—because it is a by-law then that they are ruling on—would the decision of the board be binding.

* (1550)

Mr. Clif Evans: I understand what the minister is saying. I do understand what the minister is saying on that. I want to assure him that I understand that, after. Again, my concern is why is it taking so long to get to this point that the minister is saying. I do not want the minister to make light of this, not one little bit. [interjection] Well, you are.

Now, the process and the happenings that were presented to me, my question was why is the due process taking so long and why are there avenues when we are being told that the Municipal Board has the final say on a decision? That is all I am asking. Now, if it is not important for you and if you think that it is because I do not understand what you are trying to tell me, I do. What I am trying to say to you is that the question of the due process has been brought to my attention.

So I want to understand, and I want to make sure that the process that is in place—and it is a question, and I brought this to the minister, talked to him a bit about it prior to when he mentioned the Lorette situation and their environmental concerns and with the briefing on another issue because I did not understand. People are asking me why, so I am asking you why. You tell me on one hand it is a final say; you tell me on the other hand it is not the final say. On one hand, you say I have the right to not interfere, but under Section 122 to put my recommendations to the board on a disputed issue. That is fine.

Mr. Derkach: Mr. Chairman, by no means am I making light of the issue. I thought that I had explained it on at least three occasions now. First of all, when we talk about a binding decision on the Municipal Board's part, it refers to either decisions on assessment or decisions on by-laws. Before a decision can be rendered on a by-law, that by-law has to come forward, and that is what the municipality has been instructed to do: to come forward with either the by-law that reflects the wishes of the LUD or to come forward with two by-laws that have the wishes of the LUD, plus, I guess, the view or the attitude or the wish of the municipality. At that point in time, the Municipal Board will deal with them, but those have not come forward yet, and that is exactly what we are waiting for.

Mrs. Shirley Render, Acting Chairperson, in the Chair

Now, you asked the question why is it taking so long? Because the municipality has not come forward with the by-laws. Until such time that they do, the Municipal Board will wait and will wait until that comes forward, and they have no opportunity to make any kind of a decision until the municipality applies with either one by-law or with two.

Mr. Clif Evans: Mr. Minister, I understand what you are saying, I understand that, and I have understood it. The question was that staff had indicated to me that you were going to make that recommendation to the municipality. I left with that knowledge and basically agreeing with it. What I was not aware of at the time was that the Municipal Board's decision of January you had on your desk in your office.

My impression was there was going to be a hearing in the very near future recommending what you recommended—so that was my question. If there was a decision sent to your office saying that because of Section 13 we have no other alternative but to agree with the proposals of the LUD, if I had not known that you had that, I was not aware that that meeting had occurred, so you see where part of my questioning is coming from.

I was made aware of something that was going to be done under Section 122 but not aware that the hearing and the results, the recommendation of the January hearing and decision, were in your office before you

and your department. So the confusion lies in my understanding the process and what directions are taken and what time they are taken.

Mr. Derkach: Madam Chairperson, the ruling that came down from the Municipal Board that the member refers to indicated that there is no option for the municipality but to come forward with the by-law that reflects the wishes of the LUD. However, because there is such a dispute in the community about whether or not it should be a new lagoon or an expanded lagoon, indeed, when I got that decision from the Municipal Board, I said, well, there is another way. If they wish to come forward with the two by-laws, then the board will hear both by-laws, and it will act on whichever by-law it sees to be the most favourable or the most practical. At that time it would be binding, but there was no by-law that went to the board.

The issue that went to the board was the dispute, and the board's ruling on the dispute was that the municipality, under Section 122, would have to come forward with the plan that reflected the wishes of the LUD. To try and resolve the controversy and the problems that were occurring in that community, between the community and the municipality, it was recommended that to expedite things, the municipality should come forward with two by-laws, one that reflects the wishes of the LUD, one that reflects their wishes. At that point in time, the Municipal Board would hear the two by-laws and make its decision on the by-law that it felt should be implemented.

Now, at the very least, the municipality has to come forward with one by-law. The very least is that they have to come forward with the by-law that reflects the wishes of the LUD. The out for them, and to try and expedite things, would be to come forward with two by-laws. Because if the board hears the first by-law that reflects the wishes of the LUD, and if the board has enough objections and for whatever reason the board decides that that is not the way to go, then the ruling of the board holds. So that means that the wishes of the LUD would not be proceeded with.

When that happens at that time, the municipality would have to make another decision, and that would be to come forward with a by-law to build a new lagoon; however, because of the environmental

problems that are being faced by that community with regard to the lagoon, we recommended, I recommended to the municipality, in order to at least be able to accomplish some resolution to their problem that they proceed with two by-laws, and, in that way, the board in one sitting would make a decision on which way to proceed. They would not have to come back to the Municipal Board with another by-law should the first by-law be defeated.

* (1600)

Mr. Clif Evans: I think I will leave this for now. Referring to the decision on the recommendation of the Municipal Board Order No. E98-012, that the Rural Municipality of Tache proceed with the by-law to provide for redevelopment of the existing lagoon site employing an integrated waste water pond technology, allowing for 4 percent annual population growth and a storage capacity of 227 days: estimated cost, \$620,225 in total and authorizing the borrowing of \$140,000 in the local improvement district of Lorette to be paid over 10 years. That was a recommendation of the board. You have explained and I do understand what you have explained, and it is what I am questioning—if, after all this time, there are still avenues in the process to dispute this decision.

Mr. Derkach: The ruling that the member refers to is not a ruling on a by-law. The ruling is on a dispute, so therefore what the board—[interjection] I am sorry, Madam Chair, I am not finished yet. What the board is instructing is that, at the very least, the municipality has to come forward with a by-law that reflects the wishes of the LUD as is spelled out in that ruling.

Mr. Clif Evans: The Municipal Board, report and recommendation, January 15: In the matter and application by the Rural Municipality of Tache under the Section 122 of The Municipal Act, this matter was forwarded to the board by the minister under date July 24, 1997, with a request that the board hear and determine the matter in the Lorette lagoon expansion. You are saying that this was not a hearing? How can the minister say that this is not an order, it is not in a by-law?

Mr. Derkach: If the municipality agrees with what the board has just put forward, then all they have to do is

come forward with a borrowing by-law that reflects the wishes of the LUD. On the other hand, they have been given an option to come forward, not with just one by-law that reflects those wishes but to come forward with two by-laws, and that is all that ruling of the board or that opinion or that recommendation of the board is meant to do.

Mr. Clif Evans: I understand that. When brought to my attention it was a due—and I can tell you this on record, it was to the due process questions were asked. How can this keep going on and on and on? How can one side have this opportunity, that side have this opportunity? The situation is that the parties, because of the due process that is in place, were saying we have to get a decision on this lagoon done and get started one way or the other for whatever. Whoever is the winner in this in the scenario of where the lagoon goes, let us get on with it.

I strongly believe that both sides were at a loss because of the due process that was taken and back and forth. They are saying decisions were made; others are saying not. Decisions made in favour; others saying not. Referendum was done, I guess, in 1995. Petition was put in place and everything seemed to have to go through the Municipal Board. So the process itself seemed to take too long.

Mr. Derkach: Madam Chairperson, the point that the member is making is that, in fact, the Municipal Board recognized that—indeed, back in 1997, I believe, in order to try and resolve this without having it to go back and forth—and made a recommendation to the two groups, or to the municipality, that they should come forward with two by-laws, and then they could hear that in one sitting and dispense with it very quickly.

However, the municipality chose not to do that, and therefore we have had the dispute come forward to be dealt with, and then the recommendation of the board that said, the least you have to do is live by the act, but, secondly, and I am saying to the municipality as had been recommended to you before, come forward with both by-laws so they can be dealt with instead of having one by-law come forward, perhaps be defeated, then go back and you have to start again, because this process could drag out for another year, and I do not think anyone has any interest in doing that.

Mr. Clif Evans: I agree with that note, because this cannot continue further than it has and as long as the system contributed to the best of its capabilities and mandate, then the satisfaction as far as the decision finally coming into play is what I would like to see, too.

Knowing very little actually of the whole situation to the lagoon and the repercussions that may occur if things do not get going there with a lagoon system of whatever kind—from the questions I was asked, from my own point of view and what I have read and tried to see and get a handle on—it seemed like, without an explanation, due process was allowing this to go on further than it should have.

The bottom line to this, too, is whether the municipality puts in two proposals or recommends a by-law supporting the LUD's proposal, the next board hearing will be binding. Is that correct?

Mr. Derkach: A board ruling on a by-law would be binding.

Mr. Clif Evans: Just some general questions on—I know I have asked some general questions on the Municipal Board. The minister here indicates the board consists of part-time members, 26, and a full-time chairman and executive director.

Because of the workload, as the minister had indicated, the Municipal Board has before it, of the 26—or, first of all, are the department and the minister looking at perhaps if the workload keeps moving on, would they have to appoint further appointees to be part of the system, and does this chairperson sit on every hearing across the province?

Mr. Derkach: We have appointed additional members to the board. We have 26 now. We do require some additional members, especially Francophone-speaking individuals who can indeed conduct hearings in the French language, and I am talking about a chair of the panel, who could conduct a hearing in the French language. We do have some Francophone capability but not enough.

Secondly, I had indicated that with the huge numbers of appeals that are coming specifically from the city of Winnipeg, we do have to try to increase our staff

component, and we are looking at that presently to give some assistance to the board.

With regard to the chairing of panels, the board is struck in such a way where we have several vice-chairs or chairs of panels, so that the chair of the Municipal Board does not have to be at each and every hearing. Some of the hearings are attended by the chairperson himself. Others are attended by the executive director. Others are attended by—we have an administrative person in the office, as well, and also the chairpersons who have been appointed act as chairs for panels. So at any one time, you can have two or three panels sitting and hearing appeals.

* (1610)

Mr. Clif Evans: I think I have been somewhat boring. The staff, I am noticing, as far as dealing with this municipal question, they are probably wondering, ah, will he or will he not understand today or tomorrow what we are talking about, but I do understand.

I would like to pass this line, and I know we have about 45 minutes, but I would appreciate the indulgence of the minister and his staff for about 10 minutes so that I can move my hip around a bit more. If I do not do that, move around a little bit, I will not be moving much anywhere, so I would appreciate—pass 13.2.(b) and—[interjection] I am sure you would like to do that.

The Acting Chairperson (Mrs. Render): Item 13.2.(a) Municipal Board (1) Salaries and Employee Benefits \$561,200—pass.

Mr. Clif Evans: Madam Chair, I had indicated to the minister and to the Chair that I would pass the Municipal Board line, and then if we could take 10 minutes for a quick break.

The Acting Chairperson (Mrs. Render): May I ask the member for Interlake if you would like to pass Other Expenditures right now and then after the recess come back to the Surface Rights Board.

Item 13.2.(a)(2) Other Expenditures \$216,700—pass; 13.2.(a)(3) Less: Recoverable from other appropriations (\$57,400)—pass.

A 10-minute recess—is that agreeable to both? [agreed] Okay, 10 minutes.

The committee recessed at 4:14 p.m.

After Recess

The committee resumed at 4:27 p.m.

Mr. Chairperson: The committee will come to order. We are on 13.2.(b) Surface Rights Board (1) Salaries and Employee Benefits \$20,600.

Mr. Clif Evans: If the minister could just indicate how many disputes the Surface Rights Board has had to deal with in the past year, how often does the board meet, and what types of disputes, other than just strictly landowners and oil companies, do they meet on, or do they intervene with disputes on other issues with respect to surface rights?

Mr. Derkach: There were four orders issued in 1997-98. Three of the four were right-of-entry issues, and one was an application for abandonment.

Mr. Clif Evans: So the five-person board, basically if there is a dispute, it travels to the locale and deals with the situation right there. Is a decision rendered right on the spot between the two parties, or is it something that they take back and make a decision at a later date? And if the minister could indicate just who is on this board.

Mr. Derkach: Mr. Chair, in most instances, I would think that the board would want to examine a situation and then take it back for examination and then after consideration would render their decision.

The people on this board are Mr. Arthur Cowan, who is the president, Mr. Dennis Cochrane, who is the vice-president, Mr. Ivan Carey, Mrs. Margaret Hodgson and Mr. Claude Tolton.

Mr. Clif Evans: Have the board members changed—does the minister appoint them? I believe, if I remember correctly, this is the board where the minister and I attended with their provincial

counterparts for the annual meeting in Eriksdale or Erickson, was it not? Erickson. This is the board.

Mr. Derkach: That is correct, Mr. Chairman. The member is correct when he says that this is the board that he attended when they had delegates from other provinces in Manitoba as well. I might add that the members are appointed by Order-in-Council.

* (1630)

Mr. Clif Evans: This is also the board that would provide the opportunity for a surface and environmental review of MLAs and ministers in the elected assembly to undertake to do an exploration of the areas that Surface Rights deal with and as we did that integrated study a couple of years back, that the minister and I undertook to deal with a specific area and toured it. Under this Surface Rights Board, might that opportunity not arise again, if there is such a meeting being held, that we might undertake that environmental tour like we did?

Mr. Derkach: Yes.

Mr. Clif Evans: I look forward to that meeting, and perhaps there may be an opportunity for some sort of a dispute to occur near the Hecla area as we now know it. [interjection] Well, the minister says there is not any oil out there, but there is a lot of water and there are great concerns over the situation there, so I look forward to that. Pass on this line.

Mr. Chairperson: Item 13.2.(b) Surface Rights Board
(1) Salaries and Employee Benefits \$20,600—pass; (2) Other Expenditures \$15,400—pass.

Resolution 13.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$756,500 for Rural Development, Boards, for the fiscal year ending the 31st day of March, 1999.

We will now move on to Resolution 13.3. Small Business and Corporate Planning Services (a) Corporate Planning and Business Development (1) Salaries and Employee Benefits \$639,200.

Mr. Clif Evans: On this line, I appreciate the outline the department has given here. Could the minister

indicate and provide some of the analytical and policy and program and developments that this part of the department is dealing with now, and what are some of the future programs that we can see come from this department?

Mr. Derkach: Before I answer the question, I would like to introduce two members who have joined us at the table: Mr. Ron Riopka who is the director of Corporate Planning and Business Development; and Mr. Ed Sawatzky who is the manager of the land development, Corporate Planning and Business Development.

Mr. Chairman, the member asked about the activities of this particular branch, and I would just like to indicate that this is the branch of the department that concerns itself with such things as the Rural Forum, planning and putting together the Rural Forum. It concerns itself with special initiatives like the Manitoba-Ukraine MOU that we have taken responsibility for, the Northwest Territories-Manitoba initiative.

It concerns itself with things like—oh, and another special initiative is the Supply Enhancement initiative. It concerns itself with The Planning Act and the streamlining of The Planning Act land use policies. It concerns itself with dealing with programs that have been initiated for the private sector to allow small businesses and medium-sized businesses to locate in rural communities.

The programs such as REDI and Grow Bonds certainly are ones which the corporate branch looks at in terms of how they might be better streamlined or better adapted to changing needs within the province. I guess I should also say that this branch also provides the secretariat function for the provincial Land Use Committee of Cabinet and the interdepartmental planning board and carries out the directives that are set by these two committees. It co-ordinates the interdepartmental development review adoption and implementation of our land use policies.

Mr. Clif Evans: Mr. Chairperson, would this part of the department—when you are talking about interdepartmental planning board, would that entail the land use of large operations coming into different areas? Does this part of the department work very closely with

the planning districts and with the local municipalities as far as putting together their developmental plan and their by-laws in place for their jurisdictions when it comes to residential, commercial or large commercial operations? In other words, also from this part of the department, is the representative from Rural Development on the review committee for the agricultural hog operations throughout Manitoba? Is this part of it?

Mr. Derkach: Mr. Chairman, the interdepartmental planning board or group is a group that is made up of membership from a variety of departments whose responsibility is to examine major issues that come before them as they relate to such things as land use issues, as they relate to large-scale developments. They would bring forward recommendations on how we would deal with these issues as they relate to some of these larger projects that develop in the province. Our department certainly is very instrumental in that.

There is one other area that I did not mention that we had some responsibility for, and this branch also concerned itself with: the large initiatives such as the livestock industry, the livestock initiative and also the Winnport initiative as well.

* (1640)

Mr. Clif Evans: Could the minister enlighten me more on the Northwest Territories initiative, and where are we going with that, and what is the potential for that?

Mr. Derkach: A few years ago the Province of Manitoba and the Northwest Territories put together a memorandum of understanding which would concern itself with the kinds of issues that exist between the two jurisdictions and as they relate specifically to better relations between the two jurisdictions and also trade between the two jurisdictions. As the member knows, for many years, Manitoba has been the supplier of goods and services to the Keewatin region of the Northwest Territories.

With, I guess, the emergence of a new territory called Nunavut and its new capital at Iqaluit, there is every reason for us to pay attention to that area, because indeed over the years we have been a major supplier of

many of their goods and services from the province of Manitoba and specifically Winnipeg.

Health services are also being provided to that region from Churchill and from Winnipeg, so many of the people who require health services either use our Churchill facility or they use the Winnipeg facilities. So, for many reasons, there is a need to become closer neighbours with that part of the territory as it exists today or the new territory of Nunavut.

To that extent, as minister, I was charged to undertake the implementation of the memorandum of understanding to ensure that some of the issues that were identified in the memorandum, as signed by the Premier of the Northwest Territories and our Premier (Mr. Filmon), were embarked on and undertaken and completed.

As one of the first initiatives to try and establish closer relations, we put together a trade mission or a mission to the Northwest Territories, where we took 23 or some odd business people representing different business companies to the Northwest Territories. Additionally, we took members of various departments of government, and the Minister of Northern Affairs (Mr. Newman) also accompanied me on this mission.

We covered the communities of Arviat, Rankin Inlet, Iqaluit, and then we ended up at Yellowknife. We were to do Baker Lake, as well, but we were not able to land at the site because of weather. We did meet with members of cabinet of the Northwest Territories and the Premier and discussed some of the issues as they relate to the relations between Manitoba and the Northwest Territories.

One of the major issues for us, of course, is the resupply issue, and the resupply of fuel to the Northwest Territories is certainly a significant one. Because of competition, we certainly have to pay some attention to our customer because the province of Quebec, Montreal, business people from there are certainly starting to take a keen interest in this part of the territory and have for some time now shown their presence in the communities, such as Iqaluit and Rankin Inlet and other communities as well. If you go west of that region, you find that there are fairly close

ties between Alberta and Yellowknife and the region above Alberta.

In total, we do in excess of a hundred million dollars of business with the Northwest Territories on an annual basis, and I think if you included all of the products and services which includes fuel, it is in excess of \$200 million a year. If you look at the amount of business that is done with Alberta, I think it is somewhere in the range of a billion dollars. Now, with the new territory coming into force in April of 1999, it means that this becomes a very important strategic alliance for us in terms of trade, in terms of providing services and in terms of them providing services and goods to us as well.

Mr. Clif Evans: I am pleased to hear that that initiative has been struck. With everything coming into play in approximately a year for them, the time line as far as our memorandum of understanding between the two jurisdictions, the province and the Northwest Territories, a time line, can we see something put in place further to that? You say about \$200 million being exchanged or being provided, services that are a benefit to us.

Is there a specific time line that this will cease at a certain time, or is it an open agreement? Can we be dealing with it on an ongoing basis so that—you know, what I am saying is does this provide us with something, say, for five to 10 to 20 years, or do we have to renegotiate and get together and sit down—interprovincial trade, if you want to call it that, or exchange of goods and services. Is it something we can depend on for many years, or is it ongoing negotiations?

Mr. Derkach: When the new territory is formed and takes effect, Mr. Chairman, it will mean that we will be dealing with a new jurisdiction, and, in all likelihood, I would think that we would want to strike a separate agreement with perhaps Iqaluit because then they will have their own Premier, and certainly they may identify different issues that have been identified in the memorandum with the Northwest Territories as it is today, but we still want to maintain our presence with the Northwest Territories, as well, with its capital at Yellowknife.

What we see here is an increased amount of competition that is coming for business in the Territories from other jurisdictions. The people of Nunavut or the Northwest Territories are keenly aware that it cannot all be one-way, that there has to be some benefit for them as well, and there are areas in which we can participate jointly. There are areas in which we can employ people from the Northwest Territories on initiatives as they relate to the Northwest Territories. There are goods and services that we can buy from the Northwest Territories.

* (1650)

As the member may know, there is a potential of mining activity that may take effect in the Northwest Territories. Once again, we have expertise in the area of hydroelectricity, in the area of construction of buildings and roads that they so desperately need. We are told that they are going to be spending somewhere in the neighbourhood of \$150 million in the next short period of time to construct buildings for their capital and also for the residences that are going to be required at Iqaluit. They need not only tradespeople but they need some training that we can provide some expertise in. They also need the materials, and at the present time those materials are coming from not only ourselves but also from Montreal and Quebec.

So it is a competitive environment, and what we found was that they do like Manitoba. They like doing business with Manitoba. They have close ties with Manitoba. Many of the people in the Churchill area have similarities to the people of Keewatin, and so therefore there is a lot of relationship there that they want to continue with and foster and build on.

Mr. Clif Evans: Mr. Chair, would there be another liaison with them perhaps here in Manitoba, here in Winnipeg, as far as any future meetings with them to discuss the potentials and to discuss what the minister has said? After the minister and staff and delegation had gone up there, had there been any type of an agreement to return the favour as far as having them come down here to discuss their future and their plans with the Province of Manitoba in the near future?

Mr. Derkach: Mr. Chairman, as I indicated in my opening remarks, we have at least 60 people, I believe,

who are now registered for a Rural Forum from the Northwest Territories, and they come from various regions. That is an indication of them coming to deal specifically with closer ties with them. We have invited them to bring with them their displays of goods that they have, their art, their crafts and the things that they may want to sell to us as a province.

The Premier of the Northwest Territories has met with our Premier (Mr. Filmon). We have had some of their MLAs and their ministers in our province. We have met with them on at least a couple of occasions. The Minister of Industry, Trade and Tourism (Mr. Downey) and I travelled to Yellowknife to meet with the mayors of all of their communities and to meet with a committee on resupply. So there has been over a number of years I would say a low-key relationship but that we recognize needs to be enhanced.

If you look at the whole area of education, and I know the critic for Education is with us here today, there is certainly an opportunity for us to extend our ability to provide at least an exchange of education initiatives between the new territory of Iqaluit and Manitoba. If you look at some of the initiatives that have taken place between Yellowknife and Alberta, Alberta's jurisdictions, once the territory is formed on the eastern side, I think there are opportunities there for us to tie closer relations with them through education. I think that is certainly a very key potential for us to focus on over the next year while they emerge as a territory of their own.

Ms. Jean Friesen (Wolseley): The minister is right; I am interested in this issue. I am very concerned that the government of Manitoba has taken so long to take account of the changes that have been happening in the Northwest Territories. This division of the Territories and the transfer of responsibilities for both health and education, in particular, as well as transport, have been on the books for a long time now, certainly since even before 1990, and yet it is now 1998, and the government has made one trip up to Nunavut to deal with this.

So it seems to me that there are certainly lost opportunities there, and education is one of the areas where we have lost opportunities. The minister made reference to the relationship between Alberta and

Yellowknife. Now that has been going on for a long time. It has certainly been there since the 1960s when I taught in the Northwest Territories. It was the Alberta curriculum which was being used. It was obviously the Alberta health system which was being used, and those kinds of links have continued, but in the eastern Arctic, I think there have been opportunities for southern provinces to assist Nunavut, which could have led to economic opportunities in other areas.

I think it may well be too late for Manitoba. I hope it is not, but teacher training, for example, which is one of the key issues, and getting into curriculum issues, getting into supplies for the classroom, that has been taken over by Quebec. McGill University has been doing the teacher training for the eastern Arctic, much greater distance from the eastern Arctic, very different conditions in those southern cities than there are here, so it seems to me that that opportunity is one that Manitoba could have done.

With its BUNTEP programs, with its Access programs, we had a tremendous advantage in speaking to the Northwest Territories on those issues, and to me it is very disappointing that Quebec has been there ahead of us. It is not that they do not have the opportunity to do that; they do, but the distance is much greater, and we had that opportunity, and I think we have missed it.

So I think the minister is well to talk of his interest in Nunavut, but what concerns me is that it has come so late and that Manitoba may well have been—I hope this is not true. I hope there are opportunities for Manitoba because I think our aboriginal self-government initiatives, the initiatives that we have had in education, certainly not under this government but under other governments, in Access and in curricular development in aboriginal issues, have much to offer to the Northwest Territories.

I would be interested in the minister's reflections on that. He seems to think that there are still opportunities. I would be glad to hear about them. But, for example in teacher training, what are the opportunities for Manitoba's universities and colleges? In KCC, for example, are the resources going into KCC that will enable them to meet some of the opportunities that the minister might still see available in the Northwest

Territories? So could the minister be a bit more specific on some of these things and tell us what the opportunities for Manitobans can be?

Mr. Derkach: Mr. Chairman, I think the member is a little bit mistaken in many of the statements that she has just made because, in fact, Manitoba has had a presence in the Northwest Territories, not for a decade but many, many years. Our affiliation with the Northwest Territories has been basically with the Keewatin region, and there have been agreements between the University of Manitoba and the Northwest Territories, specifically the Keewatin region. I know that while I was Minister of Education there was an agreement between KCC and the Northwest Territories.

As a matter of fact, I have been in the Northwest Territories now on at least four occasions. We have had government representation to the Northwest Territories on at least four occasions in the last two years, I guess, since I have had some interest and some responsibility in that area, and since this was given over to me I guess maybe a year ago or less than that, we have certainly increased my personal and my department's involvement in that area, but I would have

to say also that Quebec is just a newcomer to the Rankin Inlet, to the Keewatin region. The relationship between Quebec and Frobisher Bay, if you like, or Iqaluit has always been there. There are many French-speaking people in Iqaluit because they are so close.

When you look at the Keewatin region, the relationship there has always been close to Manitoba. As a matter of fact, when I was in Iqaluit a young man approached me and said to me that—although I did not know him, he said just to show you that our relationship is close to Manitoba, I have your signature on my academic certificate, and I can find you several more in this area who have. So there is a good relationship with Manitoba.

Mr. Chairperson: The hour being five o'clock, committee rise. Call in the Speaker.

IN SESSION

Mr. Deputy Speaker: The hour being five o'clock, as previously agreed, this House is now adjourned and stands adjourned until Tuesday next, 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 9, 1998

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