



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.
DRIEDGER, Myrna	Charleswood	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.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 21, 1998

The House met at 1:30 p.m.

Point of Order

Mr. Doug Martindale (Deputy Opposition House Leader): I would like to draw your attention to our Rule 10.(2) which says: "No member shall enter or leave the House during the stating of the question."

This morning, during a division on a motion in the Committee of Supply, the member for Emerson (Mr. Penner) was seen entering the Chamber after the doors were closed and the division sign was clearly seen on the door. Either the doors were not locked, and the member entered regardless knowing that he was not supposed to, or someone ordered that the door be opened and the member entered, both of which are improper. I would like to ask you to make a ruling and inform the House as to any action that may be taken. Thank you.

Madam Speaker: The honourable government House leader, on the same point of order.

Hon. James McCrae (Government House Leader): On the same point of order. As I understand the honourable member, he is telling us that the honourable member for Emerson entered the Chamber during the stating of the question. That may well be a subject for review; however, it is my understanding and the Clerk's record would probably bear me out that the honourable member did not vote.

I take it that is not the suggestion the honourable member for Burrows is making, in which case we may be dealing with a rather minor matter, in which case it can be probably dealt with in appropriate fashion.

Madam Speaker: The honourable Leader of the official opposition, on the same point of order.

Mr. Gary Doer (Leader of the Opposition): Yes, on the same point of order. We do not believe it is a minor matter when you have a rule about the process under which you can vote and under which you cannot vote. If the rule is that the doors are locked and no member

enters after the vote is put, it is a serious matter if that rule is breached, and that is the issue before the Speaker. We want the Speaker to investigate this matter and rule accordingly.

Madam Speaker: The honourable member for Inkster, on the same point of order.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, actually there is some relevancy to it. There is another problem, in terms of voting, and that is, for independence, they should at the very least be notified of the vote in order to at least allow us the opportunity, because quite often members of the official opposition or government members have constituency events in which they might not necessarily be in the building to hear the bell, yet they are provided a courtesy of a call to let them know about a vote.

It is something, Madam Speaker, given that you are taking something of some relevance to it, possibly as notice for consideration, I would suggest to you that this is also something that should be taken into consideration.

Madam Speaker: The honourable member for St. Norbert, on the same point of order.

Mr. Marcel Laurendeau (St. Norbert): Madam Speaker, on the same point of order. It might be, I would be seeking advice, but I do believe that the matter did occur during Committee of the Whole, and all matters that occur within that committee should be taken care of at that committee stage, not within the House as a whole.

Madam Speaker: The honourable member for Crescentwood, on the same point of order.

Mr. Tim Sale (Crescentwood): Madam Speaker, on the same point of order. I simply want to put on the record that the sign was clearly visible to members on this side of the House when the member walked through the division sign that was hanging clearly on the door, and we could see it when the door was opened.

Madam Speaker: I thank all honourable members for their advice. As this is the first opportunity that I have had any input on this issue, I definitely will take the matter under advisement and report back to the House.

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Rail Line Abandonment

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I beg to present the petition of J. Hamilton, A. Mullin, M. Hamilton and others praying that the Legislative Assembly of Manitoba request that the provincial government go on record requesting CN and CP not to proceed with any discontinuance of lines until the report has been tabled, that being the Estey Grain Transportation Report.

Mining Reserve Fund

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, I beg to present the petition of S.L. Loewen, B. Sawyer and R.H. Whiteside praying that the Legislative Assembly of Manitoba may be pleased to request the Minister of Energy and Mines (Mr. Newman) to consider transferring the account of the Mining Reserve Fund to a banking service in Lynn Lake, should such a facility meet provincial standards.

* (1335)

READING AND RECEIVING PETITIONS

Dauphin General Hospital Foundation

Madam Speaker: I have reviewed the petition of the honourable member for Dauphin (Mr. Struthers). 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.

The petition of Dauphin General Hospital Foundation praying for the passing of an act to incorporate the Dauphin General Hospital Foundation.

Rail Line Abandonment

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

WHEREAS affordable transportation is a critical component of grain production; and

WHEREAS under the Crow rate benefit, Manitoba was the cheapest place on the Prairies from which to ship grain but became the most expensive following the abolishment of the Crow rate; and

WHEREAS the Canada Transportation Act proclaimed on July 1, 1996, gave railways the ability to discontinue and scrap branch lines without public input; and

WHEREAS several lines were targeted immediately by CN for abandonment; and

WHEREAS CN gave notice on May 6, 1998, that the Erwood Subdivision will be discontinued in 1998; and

WHEREAS the loss of this line would severely impact upon the communities of Bowsman and Birch River as well as surrounding communities; and

WHEREAS in 1997, western grain farmers lost millions of dollars due to backlogs and delays by the major railways; and

WHEREAS as a result the federal government set up the Estey Grain Transportation Review which is scheduled to release a report later this year.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba request that the provincial government go on record requesting CN and CPR to not proceed with any discontinuance of lines until that report has been tabled.

**PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEES**

**Standing Committee on Law Amendments
First Report**

Mr. Peter Dyck (Chairperson of the Standing Committee on Law Amendments): Madam Speaker, I beg to present the First Report of the Committee on Law Amendments.

Mr. Clerk (William Remnant): Your Standing Committee on Law Amendments presents the following as its First Report.

An Honourable Member: Dispense.

Madam Speaker: Dispense.

Your committee met on Tuesday, May 19, 1998, at 7 p.m. in Room 255 of the Legislative Building to consider bills referred.

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

Your committee has considered:

Bill 5—The Agricultural Credit Corporation Amendment Act; Loi modifiant la Loi sur la Société du crédit agricole

Bill 6—The Animal Liability and Consequential Amendment Act; Loi sur la responsabilité à l'égard des animaux et modifications corrélatives

Bill 7—The Public Utilities Board Amendment Act; Loi modifiant la Loi sur la Régie des services publics

Bill 9—The Mines and Minerals Amendment Act; Loi modifiant la Loi sur les mines et les minéraux.

Bill 15—The Dutch Elm Disease Act; Loi sur la graphiose

Bill 17—The Legislative Assembly Amendment Act; Loi modifiant la Loi sur l'Assemblée législative

and has agreed to report the same without amendment.

Your committee has also considered:

Bill 3—The Elections Finances Amendment and Consequential Amendments Act; Loi modifiant la Loi sur le financement des campagnes électorales et modifications corrélatives

and has agreed to report the same with the following amendment:

MOTION:

THAT the proposed subclause 11(1)(a)(iii) as set out in section 14 of the bill, be struck out.

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

Motion agreed to.

TABLING OF REPORTS

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, I would like to table the Supplementary Information for the Department of Natural Resources for 1998-99.

INTRODUCTION OF BILLS

**Bill 57—The Regional Health Authorities
Amendment Act**

Hon. Darren Praznik (Minister of Health): Madam Speaker, I would move, seconded by the honourable Minister of Environment (Mr. McCrae), that leave be given to introduce Bill 57, The Regional Health Authorities Amendment Act; Loi modifiant la Loi sur les offices régionaux de la santé, and the same be now received and read for a first time.

His Honour the Lieutenant Governor, having been advised of the contents of this bill, recommends it to the House.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members first to the loge to my right where we have with us this afternoon Mr. Brian Pallister, the former member for Portage la Prairie.

Also, seated in the public gallery, we have thirty-five Grade 6 students from Mahnomen School in Mahnomen, Minnesota, under the direction of Mrs. Julie Sanders.

Also, fifty-two Grade 5 students from Kleefeld School under the direction of Mr. Eldon Bestvater. This school is located in the constituency of the honourable member for Steinbach (Mr. Driedger).

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

ORAL QUESTION PERIOD

Speech and Language Services Waiting List

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, yesterday the government confirmed that the waiting lists for many diagnostic tests were higher, significantly higher than any other Canadian city. We also have a situation since 1992 where waiting lists for children who need audiology programs and hearing programs and speech programs have had their services cut by this Premier (Mr. Filmon) and by this Conservative government year after year after year, a fact that was raised by Dr. Postl in the Postl report, further confirmed by the head of the Health Sciences Centre when he talked about a two-year waiting list for preschool children in Manitoba.

Madam Speaker, a year after this minister was in office, I asked him what action he would be taking, and he has done nothing since he has been sworn in as Minister of Health. I would like to ask the Premier: why do our children, our preschool children and our children in early years of school have to continue to wait up to two years for needed diagnostic services and for therapy programs that they need to give themselves a chance to live a life of dignity in a Manitoba community?

Hon. Darren Praznik (Minister of Health): Madam Speaker, first of all, we did not confirm yesterday that we had the longest waiting lists of any city in the country. They vary from time to time across the city. I have indicated many times that our lists were not where we wanted them or acceptable to us, and that is why beginning last winter we began to invest additional dollars mid-year into providing the resources to bring those lists down.

Madam Speaker, again, with respect to the very important area that the Leader of the Opposition raises, we fully appreciate the need that is there, and part of addressing that need is the plan that was announced yesterday. I can confirm to him that the resources that we need to reduce those waiting lists from their current levels is being worked on now to be in place as part of this overall initiative in the Winnipeg hospital system.

* (1340)

Mr. Doer: The minister's notes state that the waiting lists are significantly longer than those of other Canadian cities, a fact that the Premier (Mr. Filmon) has denied repeatedly in defences of his cutbacks in health care, a fact that is contradicted by the Minister of Health's notes.

Madam Speaker, the government itself is being criticized by the Wellness Centre in ads that state that the government cutbacks have resulted in long waiting lists for families who are seeking pediatric rehabilitative services. They go on to say that they will provide these services at the Wellness Centre through the use of private services fee-for-service provisions for preschool children and for children in early years in education.

I would like to ask the government: when are they going to reinstate the services that this Premier has dramatically cut back to the children of our families so that they will not have to have a situation where only those who can afford to pay for these services are the only families that get these services in Manitoba?

Mr. Praznik: Madam Speaker, I would remind the member with respect to the first part of his question that we have taken on some initiatives. One, for example, we announced and we are providing funding in western

Manitoba for their program in expanded preschoolers for speech and language services. So there have been efforts made in parts of the province. The Winnipeg plan is now in place.

With respect to his comments about services for children, one of the great difficulties in the whole system that has been there is that the need for these services—partly because of increased technology that has increased the survival rate of children in childbirth—has created a growing demand for services in many areas that we have had to provide. I know in discussions that I have had with Dr. Postl, this is an area that he has flagged as a major growth area, and it is part of what is being addressed in the Winnipeg area and for the province in the plan that was announced yesterday.

Mr. Doer: The Wellness Centre's ad talks about this government's cutbacks. It is directly stating that in terms of what we know has happened since 1991 and '92 after the majority government, this government cut back virtually on most programs that served the most vulnerable in our communities.

Madam Speaker, the number of private clinicians providing speech and language therapy and audiology programs has gone from 10 in 1990 to 60 private, fee-for-service clinicians today. The waiting list for those people who can pay between \$65 and \$100 an hour is negligible. The waiting list for people who cannot pay that service is up to two years.

The Premier (Mr. Filmon) was stating just recently that he did not support a two-tier health care system for hepatitis C people. Why can this Premier support a two-tier health care system for preschool and early-year school children, one tier and one line for those who can afford \$60 to \$100 an hour and a two-year waiting list for those who cannot?

Mr. Praznik: Madam Speaker, it is very regrettable that it has become so fashionable in health care to blame every issue or problem on government cutbacks right across the country.

An Honourable Member: This is the Wellness Centre.

Mr. Praznik: Well, it may be the Wellness Centre; it may be the Manitoba Medical Association; it may be a host of other particular organizations. But I just say this to the member to put in context that every government in Canada and particularly this one has been increasing its expenditure on health care on a regular basis. Why, just over the last year we have added a hundred million dollars. One of the difficulties faced for our whole health-care delivery system is that the growth and need in that system for a variety of reasons—growth in technology, aging population—continues to require greater and greater amounts of expenditure, and it is difficult for all governments to keep up with every need as it grows. We try. We try the best we can. During this same period we have lost over \$200 million in funding from the federal Treasury, and yet we have still maintained health services in our province.

* (1345)

Speech and Language Services Waiting List

Mr. Dave Chomiak (Kildonan): Madam Speaker, one of the reasons that Manitobans do not jump up in joy and agree with everything the minister or the government says on health care is because of what the minister just responded to my Leader's question about the fact that for years we have had these long waiting lists and there has been nothing done. How does the minister expect Manitobans to believe when in fact the program says there is no program to be announced for speech and language, when in the last year, within the last year this government spent \$2.4 million on renovating St. Boniface Hospital for neurosurgery—now neurosurgery is going to Health Sciences Centre—when they spent 2.9 on intensive care beds and coronary care beds when coronary care is going to Health Sciences Centre?

Madam Speaker, is there any wonder that there are grave doubts of members on this side of the House as to the credibility of this government delivering those programs like speech and language therapy when they have moved money around and are now wasting money like a million dollars on plastic surgery renovations in Misericordia, with now a change in plan again, over and over and over again?

Hon. Darren Praznik (Minister of Health): Like all massive systems that are in need of change, there is always going to be a difficult period when that change takes place, and one of the things that we are attempting to do here, for the first time in the history of the city of Winnipeg, is to be able to build and operate our hospital system on a system-wide basis. That does not mean that planning and operation in the old system stopped, Madam Speaker, to wait. If we had done that, we would have been accused of doing the wrong thing by the members of the opposition.

Madam Speaker, decisions were made in the past. The design teams did their work, and the rationale behind each of their decisions is a very solid rationale. It was presented yesterday. The design teams worked very, very hard on it, and in each case they have proved in the long run and in the short run the ability of the hospital system to deliver service to patients in the city of Winnipeg, and that is what it is about.

Health Care Facilities Nursing Shortage

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

Mr. Dave Chomiak (Kildonan): Thank you, Madam Speaker. Can the minister explain how it is that the government can find \$3 million to pay the executives of the Winnipeg Health Authority, and yet to address the nursing shortage in the tertiary care facilities at St. Boniface and Health Sciences Centre, the plan says, and I quote: nursing shortages at tertiary care centres have to be addressed immediately by transferring six to eight nurses from community hospitals to the tertiary care centres.

Can the minister not explain—how can he explain that that can possibly happen? They have money for executives and no money to hire new nurses, and they are going to take them from the community hospitals.

Hon. Darren Praznik (Minister of Health): Madam Speaker, is the member suggesting that the management of a nearly \$700-million budget of public money should not have professional people to manage it? Should it

just be managed by sending out cheques in the mail and say go and deliver health care without management?

Madam Speaker, the point of regionalization was to be able to bring together the management of the system to operate on a system-wide basis and ultimately to reduce the overall expenditure in management. That is what will go on. If our experience in rural Manitoba over the last year gives us any idea of what can happen, in some of the RHAs rurally where they had a large number of facilities, they have reduced their administrative dollars by nearly 50 percent. We expect savings in the Winnipeg system as well.

Health Care System Reforms—Transition Funding

Mr. Dave Chomiak (Kildonan): Madam Speaker, will the minister, who did not address the question obviously, try to explain to this House why at least his predecessor, when he brought in hospital transition, put in \$38 million in the budget, put in a specific budgetary item to deal with the transition and the additional cost, and this minister will not put one single penny, will not commit one penny to these changes except he will do it on a case by case? We have already shown—how are they going to deal with the tertiary care shortage? They are going to transfer nurses from community hospitals to the tertiary care, and already community hospitals are short.

* (1350)

Hon. Darren Praznik (Minister of Health): You know, in my year and a half in office, I recall decisions we made around the Grace Hospital and obstetrics where we made a decision to consolidate obstetrics. It saved \$1.8 million which has now bought Manitobans 500 additional surgeries a year, and that was opposed by New Democrats. It was opposed by the member for St. James (Ms. Mihychuk). It was opposed by the member for Kildonan, and yet that move, that particular move and working on a system-wide basis means 500 Manitobans more a year will have hip and knee replacements. In each of these cases, these results were designed by people who work in the system. Each time I hear from the member for Kildonan on many of these things, at the end of the day their opposition to many of

the changes would mean longer waiting lists and greater pain for Manitobans.

Speech and Language Services Availability

Ms. Jean Friesen (Wolseley): My question is for the Minister of Education. In its submission to the special needs review, the Manitoba Speech and Hearing Association makes a very simple and clear statement, and I quote: that speech and language services are not sufficient to meet the vast needs—their words, Madam Speaker—of Manitoba students, with direct consequences for the child's ability to learn.

I would like to ask the Minister of Education to explain how her department's cuts to clinicians in previous budgets and how the hundred-million-dollar cut in the purchasing power of school divisions from this government has contributed to the growing waiting lists for children's services across the province.

Hon. Rosemary Vodrey (Acting Minister of Education and Training): Madam Speaker, I know the Minister of Education, in Estimates, has had an opportunity and continues to have an opportunity to speak to the member in detail about this matter, but the issue of clinicians has been one which has been dealt with. I am sure the member has asked in the process of Estimates. If not, she may like to raise the question further. It has been important to this government to continue support so that school divisions can in fact determine what clinical services they need within their area, and the Minister of Education continues to support that.

Ms. Friesen: Madam Speaker, would the minister confirm that it is the unstable and unpredictable funding of this government that has added to the burdens of parents, and I quote from the Speech and Hearing Association's report, who relocate only to discover that the service has changed or been withdrawn or is no longer funded. It is difficult to predict from year to year how the education of a particular student in a designated location will be delivered.

Mrs. Vodrey: Again, I am sure the member did cover this in Estimates. I understand those Estimates may be finished, so I assume that some discussion did take

place during the Estimates process of this important area when the minister was able to fully explain the position.

Ms. Friesen: Could the minister tell us how this newly promoted \$60-an-hour diagnostic and therapeutic service available at the private Wellness Centre differs from a deliberately created two-tier system in education, the legacy of this Tory government?

Mrs. Vodrey: I totally reject what the member has delivered in her preamble in terms of any information that she has attempted to put on the record. In the many tens of hours, and I am not sure how many hours the member spent during Education Estimates, I am surprised that this issue did not come up.

Fabian Torres Sentencing

Mr. Gord Mackintosh (St. Johns): To the Minister of Justice. After the minister has been pointing fingers at everyone in sight for the release of dangerous offenders, the province's highest court yesterday pointed the finger right at his own department for its handling of Fabian Torres's gangland execution of Beeper Spence.

My question for the minister is, if the Crown prosecutors are indeed adequately supported, as the minister says, why did the Court of Appeal reprimand and question the wisdom of and the need for the Crown reducing Torres's plea from murder to manslaughter when the court says, and I quote: the facts do not support manslaughter, and says, I quote: the accused in the case before us has thus pleaded guilty to an offence he did not commit? He committed either murder or nothing.

Where is the tough talk now, Madam Speaker?

* (1355)

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, the specific case involved a very complex and difficult fact situation. The Crown attorneys in the prosecution of that case made certain decisions, and they are always difficult decisions. I

know that the prosecutors spent a lot of time with the victim's family to discuss this particular case.

One of the things that the Supreme Court of Canada has said is that courts should be careful before they attempt to second-guess a prosecutor's motives when he or she makes a decision. I am not questioning the right of the Court of Appeal to look at that situation, but sometimes there are issues that cannot very properly be shared with the court. Indeed, we know in this particular case there was a conviction of murder of one of the individuals, and there were convictions for manslaughter in some of the others.

Mr. Mackintosh: We will take the word of the Court of Appeal and not this minister, Madam Speaker.

**Kami Pozniak
Appeal Process**

Mr. Gord Mackintosh (St. Johns): My question to the minister: what policy of his is responsible for the Crown then not even appealing the co-accused Kami Pozniak's two-year sentence in the killing, when the Court of Appeal makes the extraordinary statement, and I quote: a higher sentence should have been imposed on that accused. Acquiescence, Madam Speaker. The court called that Crown error.

Hon. Vic Toews (Minister of Justice and Attorney General): I can indicate, Madam Speaker, that I as a political official do not become involved in those types of decisions. Those are decisions that are very carefully considered by our prosecutors. Our prosecutors made a decision. As I indicated, it was not an easy case—a very difficult case where the majority of the information was from other gang members. It was a very difficult case to prosecute.

**Fabian Torres
Appeal Process**

Mr. Gord Mackintosh (St. Johns): Then could he at least explain why it also took one year to appeal Torres's conditional sentence that was only for one year, and meanwhile Torres was wandering around the community—because the court said the appeal could have been dealt with within three months and described it as a serious Crown delay.

Will he explain to the Gagnon family of Ste. Anne, if Torres is found guilty in that home invasion while he was wandering around, why his department failed to protect their safety? Where is this government when we need it?

Hon. Vic Toews (Minister of Justice and Attorney General): I understand that the Crown immediately appealed the conditional sentence of May of 1997 and proceeded appropriately.

**Manitoba Hydro
Amalgamation—Winnipeg Hydro**

Mr. Kevin Lamoureux (Inkster): My question is for the Premier. I was quite disappointed with the lack of leadership shown by the Premier yesterday on a very important issue facing Manitobans, and that was the whole issue of the two public Crown corporations, Madam Speaker, providing the same service of electricity.

My specific question to the Premier is: what is this government's position, or does it have a position on the need for amalgamation of Manitoba Hydro and Winnipeg Hydro?

Hon. Gary Filmon (Premier): Madam Speaker, we have encouraged Manitoba Hydro to pursue the issue of amalgamation with Winnipeg Hydro.

* (1400)

Mr. Lamoureux: Madam Speaker, yesterday the Premier said that the city was in opposition to it. My question to the Premier is: does the government have anything in written format to suggest that the City of Winnipeg would oppose discussions of any sort that would ultimately lead to a buy-out of Winnipeg Hydro?

Hon. David Newman (Minister charged with the administration of The Manitoba Hydro Act): Madam Speaker, the whole issue of what might happen in the relationship between Winnipeg Hydro and Manitoba Hydro is in the hands of the City of Winnipeg at this point in time. There is no question that Manitoba Hydro has expressed interest in an integrated kind of system in the public interest for Manitoba, but the advisers, the professional independent advisers

hired by the city have not shared the report, certainly, with my office. They presumably have shared it with the mayor and maybe Executive Policy Committee of the council of the City of Winnipeg. We await with interest as to what might emerge in the public interest, the province of Manitoba, to provide even better and more appropriate service to the citizens of the city of Winnipeg, but it is their move.

Mr. Lamoureux: Madam Speaker, given the minister's response, is it then safe to say that the position of this government is in favour of the two Crown corporations amalgamating and that in fact this government will be working aggressively to see that happen, that we are not going to let another decade pass and say, well, it is still in discussions?

Mr. Newman: Madam Speaker, this will, of course, be the kind of concern, consideration, focus of attention when there is a sharing of information, when the City of Winnipeg's leadership determines what they perceive to be in the best interests of the citizens of the city of Winnipeg and customers of Winnipeg Hydro. That, then, will lead to a discussion which could lead to a negotiation, and then it comes to a matter of price and alternatives. That will be something which would take place in the normal give-and-take of corporate bodies that have responsibilities and have mandates and have budgets, and those sorts of things will ultimately result, I am sure, in an enlightened, responsible decision in the best interests of Manitobans as a whole.

Rail Line Abandonment Continental Lime

Mr. Clif Evans (Interlake): Madam Speaker, my question is for the Minister of Highways. Two years ago CNR announced that they were abandoning the Steep Rock line which ran to the Continental Lime plant at Faulkner, Manitoba. I would like to read a quote: the present rail line from Faulkner to Winnipeg is therefore the lifeline of our operations in Manitoba, and the question then becomes one of survivability of our Faulkner plant. We will be working closely with all levels of government.

I want to ask the Minister of Highways and this government: what efforts and support did he give in

assisting Faulkner, the communities, Continental Lime in maintaining this line?

Hon. Glen Findlay (Minister of Highways and Transportation): As with other rail lines that have been proposed for abandonment, the province takes a position that we want to promote people to take over those lines as short lines where they are viable, economically viable operations. The department has facilitated and been involved in discussions involving the partners and the players to help them reach that decision whether they could or they wanted to take over the line to maintain it for the purpose the member has mentioned. I am sure the member is aware that, prior to any decision that the rail be abandoned, over 50 percent of the cargo from the mine, the rock haul, was travelling by road already on decisions made by the shipper. So the shipper, in the process of making its decision, decided to or not to enter a purchase option with CN.

Impact on Highways

Mr. Clif Evans (Interlake): Obviously, this government did not support the Continental Lime and the people. Given the fact that this line is already being torn up and with the increased truck traffic that we are going to have on our highways in the province, can the minister tell us what estimated costs will be to the province and the people of Manitoba to repair the deterioration of our highways?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, I am sure the member should recognize that over the last 10 years there has been a continuous evolution of freight from rail to road, whether it is grain or rock or whatever it is. It has been going on. These are decisions made by the shippers, whether it is based on price or service reliability or other factors known only to them.

Madam Speaker, wherever possible we certainly encourage the operation of a rail line as a short line. If there has been any decision change, it has been by the federal government which brought in the Canada Transportation Act which facilitated an escalation of the degree of abandonment we have seen. There is no question about that, and as western provinces we lobbied in the hearing process that this was going to

cost every province a considerable amount of money. This has been going on. At the same time, the federal government eliminated the Western Grain Transportation Act which again has pushed more freight from rail to road. It has not put any of the taxes it collects from the roads fuel tax into the roads of Canada, particularly western Canada.

Madam Speaker, the Western Grain Transportation transition fund, the federal government would not even spend it on the roads. So if you want to lay blame, it is at the doorstep of the federal government for their decisions and lack of support of roads in western Canada.

Rail Line Abandonment Moratorium

Ms. Rosann Wowchuk (Swan River): Madam Speaker, ever since the privatization of CN and the introduction of the Transportation Act, railways have been moving full steam ahead to discontinue services in many parts of the country and the majority of them in Manitoba. As a result, the tremendous burden has been put on our roads and they are in terrible condition. Given that the federal government has appointed former Justice Estey to do a study of the grain transportation system, will this government take a position and urge the federal government to put a moratorium on all rail line abandonment until the Estey report is complete?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, Manitoba, Saskatchewan, Alberta and B.C. have met twice with Mr. Estey. This has been discussed. We have recommended to him that that be the case and hope that he can move that issue forward with the federal government. In addition, the Premier (Mr. Filmon) of this province has written a letter to Jean Chretien, Prime Minister of Canada, advocating exactly that all abandonments at this point in time be put on hold until the Estey review is completed and the recommendations are known. That is the position of this government.

Ms. Wowchuk: Well, I am pleased that the Premier has written. We cannot wait for Estey to do it, because all the railways will be gone by the time his report is complete.

Madam Speaker: Order, please.

Short Line Railways Joint Running Rights

Ms. Rosann Wowchuk (Swan River): Since short-line railways are supposed to be the answer to all this rail line abandonment, will the government encourage CN to offer joint running rights to short-line railways or put together reasonable packages so that short-line railways can really operate rather than have what we have now from CN with bits and pieces of railway being put up for abandonment where no short-line railway can operate successfully?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, on several occasions we have advocated both principles that the member has recognized. We have advocated joint running rights in the CTA act review. We have advocated it through our discussions as four provinces with the federal minister in the course of the events that are unfolding. We have advocated that economic units be packaged for rail short-line operation, whether it was the northern rail lines that OmniTRAX bought, whether it was the four subdivisions in her backyard. We have advocated on more than one occasion that the economically viable unit be packaged so the short-line operation viability has an opportunity to survive. So we have been on that agenda.

Unfortunately, at this point in time, all efforts on behalf of us or other provinces have been denied either by the federal government or by the railways involved.

Rail Line Abandonment Government Action

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I would ask the minister then: what other efforts can be made? You know, he says we have done things. Rail lines are being abandoned. Roads are being deteriorated. Communities are dying because of this. You supported the privatization of this railway company. What are you going to do now to help these communities before they die?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, I do not think the

member and I have any dispute on what we would like to see happen, but let us face it, decisions were made in terms of act changes by the federal government unilaterally. Even though the four provinces of western Canada supported a different approach, they went ahead anyway for their own purposes, and they are just letting things unfold as they shall. You also see that elevator companies are closing a lot of elevators and building big ones. The railroads appear to think that all grain for export, for salt-water export will come to those lines one way or the other, and they are proceeding at what they think is the right game plan for themselves.

The provinces as a whole are lobbying against that, because we see an impact on our roads if short lines cannot be viable. Unfortunately, the federal government does not listen to us, either individually or collectively as four provinces.

* (1410)

Apprenticeship Programs Student Financial Assistance

Mr. Daryl Reid (Transcona): In 1988, the Transcona-Springfield School Division Co-operative Education Off-Campus program began in co-operation with the federal government. Since that time, over 700 adults have been retrained with at least 90 percent of them being re-employed. This co-operative education program trained people in the fields of automotive technology, machine shop, cabinet woodworking, electrical, automated office technician and others. Some of these courses can cost up to \$10,000 per student and are accredited by the provincial Apprenticeship branch.

Last year the federal government transferred responsibility for this program to the province along with funds. I want to ask the Minister of Education to explain why school divisions do not qualify as eligible training institutions under the Manitoba Student Financial Assistance Program, making students attending the off-campus program ineligible for student financial assistance.

Hon. Linda McIntosh (Minister of Education and Training): I am delighted the member has asked the

question because to date they have asked no questions on apprenticeship, which is a huge new change in Manitoba. A really good program is being brought in. The problem the member talks about is one that is currently under examination.

When the federal government withdrew all funding for apprenticeship, it stopped the direct purchase of seats for training for students. Instead, they are providing the money directly to the student as opposed to the training institution. Because the federal government has EI-eligible conditions, students who are EI eligible are not—they can apply for student aid if the cost of their training is more than the money the federal government gives. Unfortunately, what we are discovering is the money the federal government gives is always going to be less than the cost of the training. So, in order to accommodate those students who currently take training in the high school setting, we now have to re-examine the qualifications and criteria for student loan assistance which currently, under the agreement, is only for those attending post-secondary institutions.

This is currently being examined in terms of financial assistance for students who attend other than post-secondary institutions.

Mr. Reid: I have a number of letters of support from employers of this province for this particular program, Madam Speaker, very vital to the retraining of people looking for work.

I want to ask the Minister of Education to explain why students attending private vocational schools—some just certified by the province—are eligible for student financial assistance when students attending similar programs at public school facilities are not eligible for student financial assistance.

Mrs. McIntosh: Again, the member should understand that up until recently the federal government purchased direct seats for students—whatever institution they attended. Now, with their changes, the money goes directly to the students. The students will have to borrow some money then in some cases to top up the cost of their education.

The current wording is that student financial assistance is only for post-secondary education

students, but indeed many of those students are taking, as the member correctly points out, some of their training in high schools. So we have to take a look then at the student assistance program and take a look at how we can accommodate those people who take training in high schools so that they, too, can receive full access to training wherever it may be, Madam Speaker, to pursue their training in Manitoba. The new model for apprenticeship that we have will open up all kinds of opportunities. This is one facet that we need a decision on in the very near future.

Mr. Reid: I would like to ask the Minister of Education, Madam Speaker, to explain to the employers who need skilled workers in this province, since it has been quite a number of months now—in fact, I think over a year since this province knew that the program was transferring from the federal government to the province—why they have not made a decision with respect to supporting students who attend off-campus programs in the public school system of Manitoba.

Mrs. McIntosh: Madam Speaker, I wish that the member had taken advantage of the opportunity to attend and hear what the Apprenticeship Task Force, the new apprenticeship model has to say for Manitoba. The new apprenticeship program, which was announced on Friday, has universal approval from employers, from employees, from unions, from industry, from workforce, from colleges, from apprentices, who were widely consulted during the year and a half that the new changes are being put in place. Those changes will come into place at the end of next year, and those changes will see us being able to double the number of apprentices in Manitoba. It is a stated goal, and it is possible under the new system we are bringing in.

So the member seems to imply that we have run out of time. Not so, Madam Speaker. The plan is in place, and by the time that students are opted into the new plan, the final details will also be in place.

Madam Speaker: The honourable member for Transcona, with a new question.

Mr. Reid: With a new question. Madam Speaker, there are a number of employers in this province, for which we have letters here today, indicating that they

support the off-campus program run by the school divisions in this province. In fact, they were looking for these types of skills for their particular business operations. Time is of the essence here. It is my understanding that this off-campus program run by the Transcona-Springfield School Division is going to expire. That program is going to end at the end of this school year, leaving those facilities unused during the weekends and the off-school hours in the summer months, underutilized when the taxpayers of this province have paid for this equipment. The employers want the workers. The people want to be retrained, and the program is going to die if you do not take steps to protect it.

What are you going to do?

Mrs. McIntosh: Madam Speaker, I am fully aware of the great degree of support that employers and employees have for our new apprenticeship model because they were involved in the consultations, in the discussions and in the final decision. They were present at our announcement to indicate their very strong support for the new model.

The situation that the member describes has to do with the situation in terms of EI eligibility and the new EI laws.

Taxation Revenues Forecast

Mr. Tim Sale (Crescentwood): Madam Speaker, to the Minister of Finance. The minister will know that the federal government has released its 12-month revenue and expenditure statements at the end of last week, and they showed the federal government's taxation revenues from income tax, both corporate and personal, to have risen an astounding 12.7 percent in the 12 months.

Will the minister confirm that his own tax revenues are likely of a similar order of magnitude and that he has continued to understate his revenues to the people of Manitoba?

Hon. Eric Stefanson (Minister of Finance): No, Madam Speaker, I will confirm no such thing. The member for Crescentwood knows the process, that we are updated periodically from the federal government in

terms of the revised estimates of our taxation revenues. They are numbers that are provided by the federal government, and we will be receiving our next update shortly.

Mr. Sale: Madam Speaker, this minister has refused to tell the people of Manitoba the true revenue picture for several years now. He is hiding revenue in order to build it into a pre-election slush fund.

Will he explain to the people of Manitoba why it is that the Government of Canada knows what its tax revenues are to the end of March 1998 but he claims he does not know what his revenues are? Why will he not tell people what the revenues have actually been?

Mr. Stefanson: Madam Speaker, the member for Crescentwood is wrong. He knows the process in terms of taxation numbers being provided by the federal government. If he looks at our revenue growth, in terms of our own source revenues, we are projecting very reasonable growth here in Manitoba for obvious reasons, because our economy today is doing amongst the best in Canada.

But when it comes to personal income tax, when it comes to corporate income tax, those numbers are provided by the federal government. If he talks about governments exceeding their targets, I think the federal government, for 1997-98, was projecting a \$17-billion deficit, and it appears as though they are more or less going to balance their budget. So, in terms of additional revenues for governments, all he need do is look all across Canada at provincial governments of all political stripes and he will find, because of Canada's economy doing well, most provincial government revenues are doing better. Certainly, in Manitoba, because of the strength of our economy, our revenues are performing very well.

Madam Speaker: Time for Oral Questions has expired.

* (1420)

MEMBERS' STATEMENTS

World Catholic Education Day

Mr. Marcel Laurendeau (St. Norbert): Madam Speaker, today, May 21, is World Catholic Education

Day. This day is noted annually as the day on which Roman Catholic schools around the world engage in some activities that recognize their international associations.

These activities take various forms which even include engaging in an Internet hookup with Catholic schools of the same name in several other countries. The Canadian Catholic Schools Trustees Association holds the view that Catholic schools contribute a great deal to the scholastic, spiritual and social aspects of life wherever they exist. In Canada, the continued support of parents of over one million students say it is a great deal, even in St. Boniface.

I am pleased to rise in the Chamber today to extend congratulations and best wishes to all those who today celebrate World Catholic Education Day.

Thank you, Madam Speaker.

Swan River Valley Centennial

Ms. Rosann Wowchuk (Swan River): Madam Speaker, this year we are having many celebrations in the Swan River Valley as we celebrate our centennial. A few families came to the valley down the Sifton Trail from Dauphin, but those did not stay for any length of time. A hundred years ago the Canadian Northern extended railway service to Cowan, which the pioneers used, then crossed the Duck Mountain over the Cowan Trail to settle in the valley. These people faced many hardships and challenges but they persevered and soon opened up some of the most fertile land in the province and began growing excellent crops.

A hundred years have passed and many of these homesteads that were taken in 1898 are still in the hands of family members of those first settlers. On Sunday, I attended a Centennial Farm Recognition supper at the Swan River museum, which the member for Portage la Prairie (Mr. Faurichou) also attended, where 16 of these families had their centennial farms recognized. They are Alex Anderson, A. J. Cotton, Robert Emmond, Charles Henry Goodman, Albert Gray, Dan Hawes, Christopher Henderson, John Lambert, William Samuel Leslie, Patterson Lyons, Archibald McArthur, Tom Metcalfe, Arthur Peyton,

Essly Rose, Thomas Silverthorn and Richard Newt Staples.

All of these families had farm plaques presented to them, to members of their families. These people who got the plaques are still owners of the existing farms that were taken up by the homesteaders.

Many other families should also be recognized. However, their farmlands are not being held by the same families. In the next few years we will be having many more awards in our part of the province, and I want to take this opportunity to recognize the many pioneers who have settled in the Swan River Valley, and made it such a wonderful place to live.

Summer Active '98

Mr. Edward Helwer (Gimli): I rise today to ask all members to join with me and with the Minister for Culture, Heritage and Citizenship (Mrs. Vodrey) in congratulating the volunteers and community groups who made the kickoff to Summer Active '98: A Taste of Activity just a great success.

Summer Active '98 is a four-week celebration of healthy, active living taking place all across Canada from May 21 to June 19. In Manitoba, at least 214 communities are offering a wide variety of fun-filled events, whether it is a noon-hour walk by residents in Selkirk or outdoor games in Waterhen or a sneaker hunt in Killarney, people of all ages and abilities are encouraged to participate and enjoy the healthy benefits of regular physical activity.

Today's kick-off event on the legislative grounds was made possible by the partnership and enthusiasm of community groups like the Heart and Stroke Foundation, Manitoba Recreational Trail Association, the Winnipeg Native Alliance and the RCMP, just to name a few. In total, over 18 organizations have set up information booths and/or displays. In addition to the information booths, there were demonstrations by local athletic associations showing that whether a person jumps the rope or juggles or dances or plays volleyball or just goes for a walk, they will all benefit from a healthy, active lifestyle. So today's event was made even more special by the participation of 21 Manitoba schools. Approximately 300 students watched and

visited the information booth and the demonstrations, learning from the benefits and importance of regular physical activity.

Again, I urge all members to join me and Minister Vodrey in congratulating the volunteers, community groups, participants and students in making Summer Active '98: A Taste of Activity, a great success.

Highway Maintenance

Mr. Stan Struthers (Dauphin): I am pleased today to rise and put a few comments on the record about the deplorable conditions of the roads in this province. I want to draw particular attention to the roads in one particular part of the province, a particular part of the province that is doing some things I think that are very positive and very much depends on decent road conditions, No. 1, Madam Speaker, for safety and No. 2 for economic development.

I talk about the area known as Waterhen, Mallard, Skownan and the provincial road, No. 328, that connects that area to the Interlake, connecting up with No. 6 highway. I had the opportunity to drive on this road less than two weeks ago and bounced my car all over the road. I must say it is in terrible condition, and the folks at Waterhen have approached me several times about the condition of this road. They have also put together petitions, one of which I would like to submit to the House today, and hopefully the Minister of Highways will read the petition and see that the conditions of PR 328 and PR 276, within the community of Waterhen, are in dire need of some attention.

As I said, Madam Speaker, this is an area of the province that is doing some good work in terms of economic development. It really needs to be connected with the rest of the province by a good decent road that is safe for its citizens and also a road which they can use to attract some kind of economic activity to the area. In that way, hopefully the area can prosper, but they cannot do it without a decent transportation system like any other town in our rural areas. So, with those words, I hope that the government starts to take seriously the condition of our roads in this province. Thank you.

ORDERS OF THE DAY
(continued)

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, I would like to obtain the unanimous consent of the House, notwithstanding the sequence for consideration of Estimates as outlined in sessional paper No. 142 tabled on March 24, 1998, and subsequently amended, to consider in Room 255 the Estimates of Status of Women, followed by the Estimates of the Department of Culture, Heritage and Citizenship on completion of the Estimates of the Department of Environment. These changes are to apply until the Estimates of Culture, Heritage and Citizenship are completed.

* (1430)

Madam Speaker: Is there unanimous consent of the House to alter the sequence of the order of Estimates in Room 255 to consider the Estimates of the Status of Women, followed by those of Culture, Heritage and Citizenship on completion of the Estimates of the Department of Environment until the Estimates of Culture are completed? Agreed? [agreed]

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

COMMITTEE OF SUPPLY
(Concurrent Sections)

JUSTICE

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 Justice. To clarify when the committee last sat, it had proceeded to line 4.1.(b) Executive Support (1) Salaries and Employee Benefits \$442,300 on page 95 of the Main Estimates book.

Before returning to that line, we would invite the minister's staff to join us at the table, and we ask the minister to introduce his staff as they are present.

Hon. Vic Toews (Minister of Justice and Attorney General): I have with me today my deputy minister, Mr. Bruce MacFarlane. I have with me Mr. Rob Finlayson, who is the assistant deputy minister of Prosecutions. I have Mr. Pat Sinnott, who is the executive director of financial-Administration. I know him as a numbers man, so that is why I said financial matters, but Administration; and I have Mr. Jeff Schnoor, who is my director of Policy Research. Mr. Jeff Schnoor was formerly with the Law Reform Commission. I am very pleased to have him within the department. I also have with me Mr. Wyman Sangster, who is the director of Public Safety.

Mr. Chairperson: I thank the honourable minister. Line 4.1.(b) Executive Support (1) Salaries and Employee Benefits.

Mr. Gord Mackintosh (St. Johns): Mr. Chair, I have a series of questions on the minister's role in the appointment of judges to the Provincial Court. The first question I have is following on questions from the member for Crescentwood (Mr. Sale). When did the minister receive the report or a synopsis of the report from Judge Chartier on the issue of bilingualism on the bench in Manitoba?

Mr. Toews: I met with Judge Chartier, who was at that time conducting the report. His report was in a draft stage. I did not see any formal completed report. As well, Judge Chartier has met with myself and other colleagues and discussed the report and its implications for government. That was in the earlier part of this year.

Mr. Mackintosh: Does the minister remember what month he saw that draft report in?

Mr. Toews: I cannot even say that I saw a copy of the draft report. I know that Judge Chartier spoke from certain notes. He showed me notes, and I do not know whether that in fact was the report or even a draft report, but it was certainly the notes that he relied upon to explain his position in respect of the delivery of French language services for the courts.

Mr. Mackintosh: Did the minister see these notes or this draft before or after the Order-in-Council was issued, I believe in January, in respect of the two appointments to the Provincial Court?

Mr. Toews: I do have the dates upon which I spoke to Judge Chartier, and I will get those dates, and if there were any other meetings with Judge Chartier in respect of that, I or my deputy will go through the schedules to see when those meetings took place.

* (1450)

Mr. Mackintosh: When the minister signed the Order-in-Council to begin the nominating process for the two vacancies in the Provincial Court, how was that matter communicated to the Chief Judge? Was the Order-in-Council sent to the Chief Judge or did a letter accompany the Order-in-Council or was there a meeting with the Chief Judge?

Mr. Toews: I do recall that I had a series of conversations with the Chief Judge related to the possibility of adding more judges to the court. I know that we had discussions in respect of the numbers of judges that were required and some of the issues that revolved around those appointments. I do not know how the actual Order-in-Council goes from cabinet or Executive Council once I have signed that and the Premier (Mr. Filmon) has signed that. I believe the Lieutenant Governor also signs that. So I cannot say that. Many of these things are done through court staff, and it could have been transmitted through court staff, that is, staff that is Department of Justice staff but is assigned to the Courts Division.

Mr. Mackintosh: Is the minister taking the position that he communicated to the Chief Judge directly that at least one of the two positions to be filled on the bench must be bilingual?

Mr. Toews: We had a number of conversations over a number of period of months, and one of the issues was, in fact, that of the requirement of a bilingual judge, that is, French and English speaking.

The issue arose initially at and around the time that Judge Martin of The Pas was either retiring or was going to resign. It was in around that time. I believe he eventually resigned and retired. I cannot recall whether the first conversation took place prior to the resignation and retirement or after, but it was at that time that the issue of a French language judge was raised with me. So that was sometime last year. I cannot give a date on

that. I can determine from my records, but it would have been in around the time that Judge Martin was leaving the bench.

The Chief Judge and I at that time discussed the issue of French language services and specifically the issue of Judge Gregoire was raised with me, concern being expressed that Mr. Gregoire would be leaving on a one-year sabbatical. At the same time, during that time as well and again over a series of conversations the concern was expressed to me about all the part-time judges who would be retiring as a result of legislation in March of 1998, just past. So we talked about French language services, we talked about the retirement of judges, how many judges we needed, for what purposes, and their qualifications. One of them very specifically was the issue of an additional bilingual judge.

Mr. Mackintosh: What is the minister's understanding as to when Judge Gregoire will take a leave of absence?

Mr. Toews: Well, at that time my understanding was when it was first raised with me, it was expressed, I believe the Chief Judge said within 18 months. So last year sometime she said within 18 months, I think that is, if my recollection is correct.

Mr. Mackintosh: Is the minister now aware that Judge Gregoire will be leaving apparently not until the summer or the fall of 1999?

Mr. Toews: No, in fact I am not aware of when he is leaving. The only issue was that when that matter was raised with me, it was a concern that was presented with me last year, and I knew that we had to respond to that in a timely fashion.

Mr. Mackintosh: Well, other than having general discussions with the Chief Judge about bilingual capacity on the bench, did the minister at any time communicate to the Chief Judge a request that one of the two at least of the judges to be appointed following the Order-in-Council in January be bilingual?

Mr. Toews: Well, it was clearly my understanding that one of those judges would fulfil that capacity.

Mr. Mackintosh: If that was indeed the case, would the minister explain what action he took after he saw

the ads in local media and perhaps in the Gazette advertising the two vacancies and asking for applicants to come forward, noting that the ads did not ask for a preference or a requirement for bilingualism?

Mr. Toews: I do not believe I have ever seen a copy of those ads until they were produced for me I believe by the deputy minister some time later. I remember the deputy minister perhaps a month ago produced that ad for me, or maybe not even a month ago, and the copy that was presented to me was on a pink piece of paper. The ads are done by the Chief Judge, and I wanted to review that particular ad. I did not have a copy of that ad, and I asked the deputy minister to produce what in fact the ad was. The ads are in fact done by the Chief Judge, and I leave that administrative issue to the Chief Judge as chair of the board.

Mr. Mackintosh: Well, my question still stands then. What did the minister do after having seen the ad and noting that bilingualism was not preferred or required of any of the candidates?

Mr. Toews: Well, my deputy advises me that, to the best of his recollection, when we had that discussion on that ad, it was sometime after this controversy arose. I do not think I did anything in particular as a result of seeing that ad. The issue had already arisen.

Mr. Mackintosh: I know the minister, like myself, sometimes does not like to read the paper, but I find it unusual it never came to the minister's attention that there was this posting in very public places: a fairly large ad in the Winnipeg Free Press; there was an ad in the Headnotes and Footnotes, which I am confident the minister receives from the Bar Association; and there were postings, I believe, in the Manitoba Gazette. I am bewildered if the minister is saying that he has never seen those ads which were posted a number of months ago.

Is that what the minister is saying, that he is not keeping up with these kinds of publications?

Mr. Toews: Well, I think, in this particular case, that is accurate. Not only did I not see the English language ad, I also asked because a concern had been raised with me as to whether the ad had been placed in the French language. I wanted to ensure, in fact, that there had

been a French language ad for the judge as well. I cannot recall whether the deputy produced that French language ad after I had seen the English one. I believe that is what in fact happened. That is my recollection. So I can say to the member that I did not see the ad at any time before the deputy showed that to me. If I did, I certainly do not recall seeing it, and it was simply not something that I would look at.

* (1500)

Mr. Mackintosh: We understand, and, of course, the minister knows full well, that the allegations being made are not those of the opposition in this matter. They are allegations being made by elected and esteemed members of the legal community in Manitoba, leadership in that community. One of the allegations is that the minister was angered when he saw the list that was presented to him by the Chief Judge or the nominating committee. Is the minister saying that his understanding that the appointments, or at least one or two of them, were to be bilingual and the fact that they were not one of the reasons for his anger?

Mr. Toews: Well, as I recall the discussion, in fact, the list was in a sealed envelope which was not opened while we had that discussion. I specifically raised that particular issue, and we did have discussions about that. That was before I saw the list. Before the end of that meeting, I can indicate that I did see the list and that I was very pleased with the list.

Mr. Mackintosh: I understand from the minister that he had a meeting with two of the cabinet appointments to the nominating committee. Would the minister tell us what two members they were? Was it McPherson and Bottomley, or was Mr. McDonald one of them?

Mr. Toews: Once the committee had, in fact, been appointed, that the three LG in C members had been appointed, my secretary arranged an appointment for all three members. Unfortunately, we were unable to meet with the third for one reason or another. I have never met with her to discuss this particular issue. I do not ever recall meeting that particular individual in any event. It may have been at a social occasion or something, but I do not think I have had any conversations with her—perhaps in passing because I do know who her husband is and I may well have been

introduced to her in that context. I know I have met with her husband at a social or at other functions.

So I met with the two members who could attend, the committee members, and my concern was generated by issues related to appointments to the bench and what we as a government were concerned about. One of the specific issues—and I know criticisms made of a prior appointment process were why a female had not been appointed, and I think it is totally appropriate for me, as Justice minister, to raise with members appointed by the government to ensure that the committee consider applicants not solely on very narrow legal criteria, but also on a broader community relevance.

So for that reason I spoke to both of those members and, again, unfortunately, unable to meet with the third member. I did so in the presence of my special assistant, and we went through a number of issues which I felt was relevant for the committee to consider in respect of the appointment of a judge.

Mr. Mackintosh: When was that meeting held?

Mr. Toews: That meeting was held on April 9, my actual diary notes indicate.

Mr. Mackintosh: Were there other meetings with any of the cabinet appointments or other communications with them since the time of their appointment until this issue arose?

Mr. Toews: I do not believe—no, not on this issue. I would not have met with them to discuss this issue. I want it to be very clear that I dealt with it in a very structured way. My concern was not to appoint or suggest any names, nor did I make any suggestions to them in terms of names, but I wanted to look at general criteria which the government felt was important in respect of this issue.

Mr. Mackintosh: Well, since the Order-in-Council was issued early in the year, I find it interesting that the minister would meet with the cabinet appointments as late as April when the committee was well along its way toward recommending certain names.

What propriety does the minister think there is in meeting with members of the nominating committee, an

arm's-length organization, a body established under the act, as late as in April to discuss the matters that he is describing?

Mr. Toews: Well, in fact, I believe I was advised by the Chief Judge. I know I was advised by someone who indicated—I believe it was the Chief Judge—that the nominations closed March 31. No one saw any names certainly by that time, and by April 9 I am not aware of whether any of these members had received the list of names or any applicants at that time.

I cannot say whether they did or not. I do not know. But certainly they had not yet met as a committee, I understand, on April 9. So I know that they had not at that time considered any names as a committee. So that is all the information I have on that.

Mr. Mackintosh: Did the minister not have a chat with these two cabinet appointments about the interest that he would have and urging that they be on the lookout for supporters of the Conservative Party when they are going through the names in the near future?

Mr. Toews: Absolutely not. I never made any such indication. I believe I was very clear in what I as a Justice minister was looking for. I certainly did not indicate that the members should be people of the Conservative Party. I certainly did not want to disqualify members of the Conservative Party, but no such suggestion was made to them that they only consider Conservatives or was the issue of political party mentioned to them at all.

* (1510)

Mr. Mackintosh: Would the minister then list what issues, as he called them, were raised with the two nominating committee members as he raised them with those two?

Mr. Toews: To the best of my recollection, what occurred during that conversation was once Mr. Bottomley and Mr. McPherson came to my office—my assistant, Mr. Haasbeek was there as well—I indicated to them very clearly what my purpose was for calling them into that meeting.

I indicated to them of the importance of what they were doing. I spoke to them about the power of judges,

that once appointed would be appointed for life and would not be accountable in the same way that politicians are accountable. I made it clear at the onset of my conversation that I was not telling them who to appoint, but I said to them I want to make clear to you what our needs were.

I indicated to them a number of issues. I talked about the importance of criminal law experience. I talked to them about the issue that a Provincial Court judge does not simply hear criminal proceedings but in fact also in our rural areas deals with family law, so I wanted to make sure that anyone who had that kind of application or knowledge would be considered. I indicated that criminal Crown experience was something that I would be looking at because I believe that criminal Crown lawyers are some of the finest lawyers in our system. I certainly indicated to them that the person could be a defence lawyer; I was not excluding that.

I specifically raised with them that one of these should be bilingual, and in that context—I just indicate that Mary Humphrey from my staff is here, as well, and she is the Executive Director of Judicial Services. At that time, we discussed why I felt that one of these people should be bilingual.

I talked about Judge Gregoire going away for a year. I spoke to them about the initiative that Judge Chartier was planning to introduce and in fact had discussed with some of my colleagues and me personally. I talked specifically about our needs in that respect.

I indicated the importance of gender balance. I said that in respect of the two positions that they could have as many as 12 names, and I indicated I would prefer as many names as possible. I indicated that, generally speaking, I would prefer a list that had at least six men and six women. I wanted a measure of gender equality. For me, that was a very important issue. I had indicated to them that I was concerned that at a prior appointment process cabinet did not have the benefit of female representation on a list. I am sensitive to the concerns of women's organizations who believe that women deserve to be on the bench and are every bit as qualified as men. We talked about that particular issue.

So the issue of bilingualism, the issue of gender balance, and again one of the other issues that I raised

was that they review all names, that of the applications that the committee receives, they receive all names; that there was to be no screening out of names prior to them seeing the list; that as many applications as there were, they were to see each and every application; and that they would want to consider each of them on their own merits.

I specifically indicated to them that they should not feel intimidated by the two judges and two lawyers on the committee. I know sometimes dealing with judges and lawyers can be very intimidating for laypeople, but I told them that I valued their opinion very, very much. I indicated to them that just as judges and lawyers have their own interests and their own agendas, so the community has a very valid interest and concern.

That was, in essence, the meeting that I had with those two individuals, and I think the meeting went very, very well. They were appreciative of my comments and, frankly, given our existing system under the Provincial Court nomination process, I would do exactly the same thing again. I think it is very, very important that I, as a Justice minister, indicate those types of concerns to the community members.

In respect of the other members, I felt it would be more appropriate for any comments that I might have to be transmitted through the Chief Judge, and those are the nature of the discussions I had with the Chief Judge in terms of other issues.

Mr. Mackintosh: The minister characterized these issues as concerns, to use his words, and indeed by suggesting that he wanted as many names as possible and that there was a preference for Crowns, as appears from his comments, it is also to be noted that he said that he had a concern, or he said that one position should be bilingual. In other words, these were not criteria; these were not specified bases of disqualification or selection but rather his preferences. So the minister has confirmed for the committee that indeed when he had the opportunity, he did not relay two cabinet appointments, two at least, that one position shall be bilingual.

Does the minister accept as appropriate that he, at this stage, indicated preferences to the type of lawyer, in other words, the Crowns that he prefers?

Mr. Toews: No, in fact I simply indicated that I wanted people with criminal law experience. I thought it was very important. I did not specify that they should be Crown attorneys. In fact, I said they could well be defence lawyers, but I said those are some of the things that I would be looking for in terms of making my recommendations to cabinet. I very specifically said that one of those positions should be bilingual and that was consistent with my conversations with the Chief Judge.

* (1520)

Mr. Mackintosh: Did the minister provide these two cabinet appointments, or the third one as well, with any document, with any writing at all, any letter, any description of the concerns that he had as expressed orally?

Mr. Toews: I certainly did not supply them with anything other than their letters of appointment, or that would have been done through my office. I did not supply that to them. I believe I contacted—I cannot recall whether I contacted any of the three directly on their appointment itself to the nominating committee. That is generally the practice. I cannot say whether I did, but I believe that once cabinet approves a name, the notification of those people took place either through my office in one way or another.

Mr. Mervin Tweed, Acting Chairperson, in the Chair

Mr. Mackintosh: After the closing of applications on March 31, and I will take the minister's information on that one as correct, was the minister given a list of those who had applied for the two positions?

Mr. Toews: No, at no time was I provided with a list. The only thing that I knew was from the Chief Judge, who advised me after closing. Again, I do not know whether it was March 31, but I think the ad indicates when the closing was, and I would stay with that. If it is March 31 on the ad, that is the day. But I know that afterwards the Chief Judge, in a conversation, indicated to me that she had received 66 applications.

Mr. Mackintosh: What other information did the Chief Judge give at that time?

Mr. Toews: Well, there was no information given on names. Many people over the next couple of weeks came up to me and indicated that they had applied. In fact, that continued through various people. Various people would come up to me and ask me to please consider such and such a name. These would be people walking up to me off of the street. In fact, I do not know how many people would have phoned or called or contacted me, either members of the legal community, members off of the street or people who applied directly. Indeed, I recall one specific candidate who came up to me and said he had just been interviewed and told me that. I simply indicated, well, that was nice, and we would see what would happen.

So I cannot tell you who told me what, but at no time was I ever presented with a list of 66 people and told, these are the people on the list.

Mr. Mackintosh: Was the minister at any time before being given the name of the nominees a list of those who had been interviewed?

Mr. Toews: No, at no time was I ever given a list of those that were interviewed. Again, people would come up to me and tell me that they had been interviewed or others would phone me up and tell me that so and so had been interviewed and would I consider that person.

Mr. Mackintosh: Now, there have been allegations that a particular individual, Glen Joyal, was one individual who was interviewed. Was the minister aware that that individual was interviewed before this matter was raised in the newspapers on May 7?

Mr. Toews: I certainly knew that Mr. Joyal was one of the 66 applications that had been told to me. I cannot remember the source, and indeed I believe I knew that he was interviewed as well, yes.

Mr. Mackintosh: What understanding did the minister have of Mr. Joyal's ability to perform the practice of law in both official languages, or English and French, I should say?

Mr. Toews: Well, I have known Mr. Joyal as a Crown attorney. Mr. Joyal and I worked together in the Attorney General's department, and not only does Mr.

Joyal speak French, I believe that he speaks Italian as well.

Mr. Mackintosh: Was the minister aware whether there were any other candidates that were interviewed who were bilingual?

Mr. Toews: I do not know of any other—I cannot recall any other names that were mentioned to me, whether they were interviewed or on the list of 66, who were bilingual. I could not say that off the top of my head; I do not know.

Mr. Mackintosh: When was the minister first told who was on the list to be presented by the nominating committee? What date?

Mr. Toews: I was not told that. In fact, the Chief Judge delivered the list to me in a sealed envelope, and I opened that at our meeting. We went through that list after we had a fairly lengthy conversation, and that time was the first time that I saw the list.

Mr. Mackintosh: What date was that?

Mr. Toews: It was a Monday. That is what I recall. Perhaps May 4 could be the day.

Mr. Mackintosh: Could the minister just check his schedule to determine whether that was May 4 or whether it was the earlier Monday?

Mr. Toews: Yes, to the best of my recollection, that was May 4.

Mr. Mackintosh: Did the minister have conversations with the Chief Judge about the contents of the sealed envelope, if he will, before the meeting on May 4?

Mr. Toews: No.

Mr. Mackintosh: Did the minister have any communications with any member of the nominating committee about the contents of the sealed envelope and the names before the meeting of May 4?

Mr. Toews: To the best of my recollection, the interviews took place the week before that. That would have been—if the 4th was a Monday, the week before,

they took place on the Monday and the Tuesday, I am advised, by the director of Judicial Services. They took place on the week before, Monday or Tuesday. Certainly during that time I had no contact with any member of that nominating committee, certainly not in respect of any issue related to this. I cannot recall if I spoke to the Chief Judge personally. I may have had a phone call sometime during the week or a couple of phone calls. I am not certain.

Mr. Mackintosh: Did the minister have a phone call from the Chief Judge, or did he make a phone call to the Chief Judge at any time before the meeting with her on May 4?

Mr. Toews: Before May 4, did I have a phone call with her?

An Honourable Member: May 4.

Mr. Toews: Yes.

Mr. Mackintosh: Would the minister tell the committee what the contents of the discussion were with the Chief Judge?

Mr. Toews: Now, you are asking me: did I have a conversation with her before May 4? I did, yes.

Mr. Mackintosh: I am talking about in the days leading up to the meeting with the Chief Judge on May 4. Did the minister have a telephone conversation with the Chief Judge after the interviews and before the meeting on May 4?

Mr. Toews: Well, as I am trying to recall, I do not believe I had any conversation with her in the days leading up to that May 4 meeting.

* (1530)

Mr. Mackintosh: Did the minister have a sense as to who was on the list and who was not on the list before the meeting on May 4?

Mr. Toews: No, I did not.

Mr. Mackintosh: There are allegations that have come to our attention that the minister had made comments at

some kind of a public gathering to the effect that the minister was not happy with the contents of the list—on the weekend of May 1, 2 and 3. I am just wondering how the minister would respond to that allegation.

Mr. Toews: The only issue that had been raised with me was the issue of the bilingual issue. Again, I did not know of any of the names; those names were not disclosed to me by any members of the committee or the Chief Judge directly.

Mr. Mackintosh: The minister has just told the committee that the issue of a bilingual candidate did arise on that weekend. Will the minister clarify that?

Mr. Toews: Well, I know that the issue—see there were two issues that were of a concern, legislation that was being considered by cabinet and the issue of bilingualism. But both those issues had been raised at some time with the Chief Judge. No, the issue of the legislation would not have because that was an issue that came about as a result of a cabinet meeting. So I cannot recall on that particular issue.

Mr. Mackintosh: Why would the issue of bilingualism regarding the appointments arise in a conversation on the weekend?

Mr. Toews: I do not know whether it arose on the weekend or not. There were numerous people coming up to me for numerous reasons talking to me about issues of candidates. I might just say, these are people coming in right off the street to talk to me, I mean, literally, lawyers or others expressing concerns about this person should get the judgeship or that person should get the judgeship. The way I dealt with the particular issue was that, look, it is a committee process, those names would be raised with me and that I would make my recommendations to cabinet.

Mr. Mackintosh: Did the minister make a representation to another individual on that weekend that if there was not a bilingual candidate on the list presented to him by the nominating committee the list would be rejected?

Mr. Toews: I do not believe I made any such statement to anybody that weekend.

Mr. Mackintosh: The minister said he was also raising the issue in this time period about legislation being considered by cabinet. Is that legislation to amend The Provincial Court Act to remove or to change the composition of the nominating committee?

Mr. Toews: Certainly we have had discussions in respect of that particular legislation in light of the Supreme Court of Canada decision related to the payment of provincial judges case. The case raises a number of issues including not only the independence of the judiciary but the independence of the executive from the judiciary and the propriety of having any judges on any committee related to executive functions.

For example, I cannot remember when this occurred but shortly after I became Justice minister—maybe, well, certainly last year I believe it was, the issue was raised in a very peculiar context, and that was that judges were sitting on civil service nominating meetings for positions. I felt that was inappropriate that judges should be sitting on civil service commissions to hire civil servants. When I found out that judges were sitting on civil service panels, I said that should be stopped, that should never occur again because I felt that, as valuable as their insight is, judges, in involving themselves in those kinds of functions, I think, compromised the separation of powers between the executive and the judiciary. That arose essentially out of my concerns of the case dealing with the judges' pay, and the issue of the legislation similarly raises similar concerns. I understand that in fact this is an issue that the Chief Justice of Canada has raised as well.

Mr. Mackintosh: Who was the minister expressing this concern to over these several days?

Mr. Toews: I am not sure I understand your question.

Mr. Mackintosh: Well, I understand from the minister that he had been discussing over the course of the Friday and the weekend, with particular individuals, two issues, one being bilingual candidacies for the vacancies, the second being legislation being considered by cabinet which was amendments to The Provincial Court Act. That is what I garnered from the minister's early answer. So I ask now: Who is it that the minister was having conversations with during that

period of time with regard to the legislation under consideration by cabinet?

Mr. Toews: In fact, I do not recall having those conversations on that weekend. If there were, I do not believe that I was involved in any such conversations over the weekend.

Mr. Mackintosh: Was the minister involved in conversations with individuals in the period since the end of interviews earlier that week and before the sealed envelope was presented to him on the Monday with regard to the legislation considered by cabinet and bilingual candidates?

Mr. Toews: I was certainly involved in conversations with staff. I know that I called in Legislative Counsel as early as—I cannot recall the date but it occurred some time in April to draft legislation dealing with that particular issue.

Mr. Mackintosh: Was one of the individuals who contacted the minister urging a particular appointment Mr. Glen Joyal?

Mr. Toews: I am sorry, I do not understand your question. If you could say that very clearly.

* (1540)

Mr. Mackintosh: Was Mr. Glen Joyal one of the individuals who contacted the minister with regard to an appointment to the bench?

Mr. Toews: No, Mr. Joyal did not contact me with respect to an appointment.

Mr. Mackintosh: Did any other individual contact the minister to urge a consideration or appointment of Mr. Joyal to the bench?

Mr. Toews: During that period of time that we are discussing?

Mr. Mackintosh: From the time of the posting of the vacancies to the time he received the sealed envelope.

Mr. Toews: I cannot recall anyone specifically urging me to appoint Mr. Joyal. I knew that Mr. Joyal was one

of the 66. I do not recall the source that I learned that from.

Mr. Mackintosh: My colleague has some questions as well. Before that, I am just wondering if the minister can now describe for the committee in detail the conversation, and if he can time it or he can put it in the correct sequence, with the Chief Judge on May 4.

Mr. Toews: I think I have answered those questions extensively during Question Period, and that is where I am going to leave that issue.

Mr. Tim Sale (Crescentwood): Mr. Chairperson, the minister has indicated at the interview process concluded early in the—or by the middle of the week previous to May 4, during which time the Appointments Committee presumably came to its conclusions about the names that it wished to put forward.

When was the minister made aware by the Chief Judge that the list was completed and ready to be the subject of a meeting?

Mr. Toews: I do not believe the Chief Judge contacted me on that issue. I believe the Chief Judge contacted one of my staff to set up a meeting for the Monday.

Mr. Sale: Mr. Chairperson, the minister has indicated a short while ago in committee that he had a serious concern about the need for a Francophone judge. We have found it strange that, if that were the case, the ad did not specify that ability. Nevertheless, the minister claims he has had those discussions and that he was very concerned to indicate the need for that capacity on the bench.

When did he first become aware that there was no Francophone name on the list, Francophone capacity on the list?

Mr. Toews: I cannot—the only issue I know that I raised with the Chief Judge is that particular issue at the onset of our meeting before that list was opened, and so we discussed that particular issue at that time.

Mr. Sale: So, Mr. Chairperson, then, the minister is saying that he asked the Chief Judge at some point,

either before the meeting or at the meeting, whether or not there was a Francophone name on the list. So when did he ask that question? Did he ask it in the week previous when he was aware that there was going to be a meeting, or did he ask it on a Monday morning?

Mr. Toews: I asked that question of her on the Monday morning.

Mr. Sale: Mr. Chairperson, then what was the judge's response as chairperson of the committee?

Mr. Toews: We raised that issue, we discussed that issue, and my answers in the House are my response to that.

Mr. Sale: Mr. Chairperson, the minister has said moments ago that he asked the judge the question of whether there was a Francophone member on the list or not. The question of the response of the judge is not in his statement. What was the judge's response to his simple question? Did she say yes, or did she say no?

Mr. Toews: I can indicate that at that time we had a discussion about whether or not there was a bilingual—I do not know if I used the word Francophone. In fact, I might have even used French speaking or bilingual. I do not know if I used Francophone, but that issue was raised at that time and we had a discussion about that.

Mr. Sale: Mr. Chairperson, the minister is obviously indicating that the answer of the judge was no. Obviously, that must have been the answer. Can he confirm that?

Mr. Toews: My answers in the House speak to that issue.

Mr. Sale: Mr. Chairperson, the minister is behaving in the same way we saw earlier in the debate about his resignation. Clearly, there is a gag order that cuts two ways here; the minister is gagged, and the judge is gagged.

In the context of that meeting, then, who made the request that additional names be considered?

Mr. Toews: I have answered that question extensively.

Mr. Sale: Mr. Chairperson, I respectfully ask the minister to answer it again then if it is clear. I am not clear as to the answer to that question, so perhaps he could help me understand what it is he has said in this regard. Who made the suggestion that additional names be added to the list?

Mr. Toews: I have answered those questions.

Mr. Sale: Mr. Chairperson, this is quite astounding. We have a circumstance here where the minister received a sealed list. He claims that the list was not opened during his discussion. He will not even go so far as to be forthright with the committee and say the judge told me that there is no Francophone on my list, there is no French-speaking judge on this list. The minister says they then had a conversation, but he refuses to be forthright about the nature of that conversation.

Let us make it clear again that no matter what that conversation had in it, the law was broken, because there is no provision in the act for the adding of names. There is no provision in the act for the refusal to accept a list. There is no provision in the act for the minister putting forward names. So it does not matter, Mr. Chairperson, who made that suggestion, somebody broke the law. You cannot add names. You cannot send the list back except under circumstances that are outlined in the act, and this was not one of them.

So will the minister simply tell the committee who suggested that additional names be considered and that one of them at least be bilingual, Francophone, French speaking, I do not care which? Was it the minister? Was it the judge?

Mr. Toews: Mr. Chair, this gives me an opportunity why I would be reluctant to answer this individual's questions, because it is a very important thing. Frankly, every time I provide an answer, this member twists the answer in a very peculiar fashion in order to meet his own ends.

I want to refer to a few articles that sort of govern my thinking in dealing with this particular member.

* (1550)

Point of Order

Mr. Mackintosh: A point of order, Mr. Chair. I know what the minister's speech is going to be. I have heard it twice today now. It is, of course, a personal attack based on a certain editorial writer's view and has no relevance to the particular question, a very important question, before the minister.

Therefore, I ask, Mr. Chair, that you call the minister to order and ask that he now make his answer relevant to the question.

Mr. Toews: Well, on the same point of order, this is a member who has been known for his creative counting and his creative way of dealing with facts. I have indicated very clearly what my position was, what occurred, and this member cannot even take basic facts and understand them. I have made my position very clear. Therefore, I think it is important that others know why I am taking the position I am with respect to this particular member.

Mr. Mackintosh: On the same point of order, Mr. Chair, the minister has made his three different positions all very clear, which is the reason we are asking the question now. We want a detailed account as to what took place in the conversation on May 4 with the Chief Judge, matters that are absolutely essential to the entire issue. That is why we are calling on you to call the minister to order and answer the question, in a relevant manner, that is posed to him.

The Acting Chairperson (Mr. Tweed): There is no actual point of order, but I will ask the minister to deal with the question as much as he is comfortable in doing so.

* * *

Mr. Toews: I have been very clear about what occurred. My answers in the House stand, and I am prepared to leave it at that.

Mr. Sale: Mr. Chairperson, how did the minister know that the sealed list did not contain a Francophone judge?

Mr. Toews: I have indicated my answers in the House and here, and that is where I am going to leave it.

Mr. Sale: Mr. Chairperson, could the minister indicate his understanding of the construction of the act under which this nomination process took place, and could he explain, point out, reference the section that allowed either the chair of the committee or the minister to reject a list and to request that names be added to the list? Could he point to the section that enables that to happen?

Mr. Toews: I have provided my answer in the House on that issue as well.

Mr. Sale: Mr. Chairperson, this is a very interesting situation. The minister feels free to criticize question askers on the basis of some claimed inability on that question asker's part to handle statistics or some other such matter.

Mr. Chairperson in the Chair

It is a very interesting technique. Usually one tries to discredit a witness, but it is unusual to try and discredit a questioner. I would think the minister might have a little discomfort with that as a member of the legal profession, that someone who asks questions as a matter of fact and what happened in a meeting would be challenged on the basis of credibility raised by a newspaper editorial as to their right and ability to ask questions.

This is a strange legal approach, but let me ask again: Why is it that the minister is unable to tell us whether or not there is any section in the act that would enable the list to be returned with new names to be added by anyone? Why is the minister unable to tell us who made the suggestion that we could take the list back and perhaps add a couple of names, one of whom would be bilingual, surprise, surprise, Mr. Joyal?

Why is the minister unable to answer those factual questions? Clearly they are matters of simple fact. Somebody suggested, let us try again. We will add some more names. Somebody made that suggestion. There were only two people present capable of making the suggestion. Why has he thrown a cloak of secrecy and a cloak of silence over the truth of what happened in this meeting?

Mr. Toews: Well, first of all, I did not realize that I was a witness here. I thought this was a committee, and

this is the first that I have heard that I am a witness. So, you know, again this shows how this member has totally confused this entire process. I am here to do Estimates on the Department of Justice. This particular member is wandering around, dealing with an issue that has nothing to do with the Estimates of the department. He says I am a witness. He says this is somehow a legal process.

Point of Order

Mr. Sale: Mr. Chairperson, I described an analogy that I wish to put on the record, which was the analogy that in a court proceeding one often tries to discredit a witness in terms of his recitation of the facts on the basis of some presumed reputation or whatever. I did not at any point indicate that I considered the minister a witness. I was using an analogy. I am sorry the minister is unable to understand use of analogy, but that was my intent. I was questioning why the minister would attack a questioner, that it was more common in a legal situation to attack the credibility of a witness.

Indeed, the Legislature is a court, always has been understood as a court. That is what we are engaged in, a process of debate in the highest court in the land, which is the Legislature of Manitoba.

Mr. Chairperson: The honourable member does not have a point of order. It is simply clarifying his view on the matter.

* * *

Mr. Toews: Well, thank you for that clarification, because he indicated: Why is he attacking the questioner? Well, let me tell you why I am attacking the questioner. The first article that I wanted to refer to speaks directly to this issue.

Point of Order

Mr. Mackintosh: We are getting stonewalling again from the minister. The minister is engaging in irrelevancies. The critical question before this committee is who raised the issue of sending the list back to the nominating committee. Whose idea was it to turn a one-way street into a two-way street in search of the minister's candidate? And we are calling on the

Chair, once again, would he please require or direct the minister to answer the question that is before the committee rather than engaging in personal attacks and irrelevancies.

Mr. Toews: Well, yes, now is it not interesting? The member for St. Johns changes the question. The question that was directly put to me and clarified by the member for Crescentwood (Mr. Sale) was: Why are you attacking the questioner? So I would like to answer that question. That was a question directly put to me by the member for Crescentwood.

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

* * *

Mr. Chairperson: The honourable minister, to finish your response.

Mr. Toews: The Winnipeg Free Press on January 17, 1998, spoke very directly about this particular member and talked about his creative counting or—

Point of Order

Mr. Mackintosh: Mr. Chair, on a new point of order, the minister was given a question, and he is not answering it. It is not a matter that is relevant to the Estimates for the Department of Justice, the minister's conduct in a very serious matter before Manitobans.

The minister, I am sure, is getting the calls that I am getting, that we are getting as a caucus, deep laments about how the Chief Judge's position has been corrupted by this minister, how he has compromised the position of the Chief Judge as a result of his ministerial statement in the House.

* (1600)

I ask the minister: Would he please consider the public interest here, the integrity of the Chief Judge's office, his office, and let us deal with the issues and clarify them? He was doing fine until he got to the questions about what took place at the meeting, and it appears obvious, Mr. Chair, that this minister is subject

to a gag order negotiated with the Chief Judge, contrary and undermining the very purpose of the Legislative Assembly and this committee. I ask, Mr. Chair, your co-operation and ask that you enforce the rules here and enforce relevancy in debate, a very important rule.

Hon. James McCrae (Minister of Environment): On the same point of order, Mr. Chairman, I have recently completed consideration of the Estimates of the Department of Environment, and I came into this committee a little while ago. You know, I am hearing exactly the same questions, exactly the same answers as we have been hearing for some time. Now, the honourable member for St. Johns (Mr. Mackintosh) may think that threshing the same old kernels over and over again somehow brings out something else in the harvest. I do not know. But the point is that he is on a point of order arguing about relevancy, and this is not Question Period, with all due respect. This is a committee where members from all sides of the House are entitled to take part, and I know the honourable member for St. Johns would prefer to get some kind of different answer than he is getting, and I understand that. I can understand his frustration too because sometimes just pounding on a desk simply does not have any quality in a debate. That does not really take us very far down the road here.

I get involved now only because the member has raised a point of order. There is no point of order. This is committee, and the minister is given the same kind of latitude as other honourable members in a committee proceeding. I mean, we are on item 1, I believe, which allows very liberal interpretation of any kind of relevancy rule. After all, this is Committee of the Whole.

Now, that is my understanding of the rules of this place. If it were Question Period, the honourable member might be getting closer to having some kind of a point which, as Steve Martin says, is a good thing to have if you are going to tell a story. If you make a point, it makes it more interesting for the listener.

Mr. Chairman, there is no point of order here, and I have sat here a very short period of time and listened to several points of order being raised. The minister, as he has pointed out, is here to deal with issues of importance to people in Manitoba with respect to his

department. The members, just by attempting to browbeat the minister, are not going to get more out of him. He is a very intelligent individual, the Minister of Justice of our province, and we are pleased to have him serving in that capacity.

The honourable member knows this about the minister. Simply going over and over and over the same ground to me is not very productive, and by no stretch does the honourable member for St. Johns have a point of order.

Mr. Chairperson: The honourable member for St. Johns, on his point of order, does not have a point of order. It is a dispute over the facts.

* * *

Mr. Chairperson: The honourable minister, to continue.

Mr. Toews: So the question that was put to me by the member for Crescentwood was: Why are you attacking the questioner?

I will tell you why. He, in a number of cases, has totally shown himself to be unhelpful in any exercise to determine any true issues. As Mr. Brian Cole of the Winnipeg Free Press said, he is a desperate man. Right now, Mr. Cole indicates that "as a result, government critics are desperately searching for the gloom and doom in an otherwise upbeat picture." They are talking about the economy. Mr. Cole says: "It's an ugly job, but someone has to do it, and no one does it with more flair than Mr. Sale."

He goes on. He says: "A good example of his creativity"—and I think Mr. Cole is being very kind when he uses the word "creativity"—"can be found in a letter the Crescentwood MLA wrote to his newspaper earlier this week bemoaning Finance Minister Eric Stefanson's use of job creation numbers."

Point of Order

Mr. Mackintosh: You know, if we do not have confidence in the minister as a result of this issue of the appointment of judges, it is only going to get worse with this kind of response in dealing with a very serious

issue. I regret that there are people out there that have to read or listen to this kind of nonsense.

Again, Mr. Chair, I ask you, please enforce the rule of relevancy, direct the minister to deal with the issues before the committee rather than engage in a personal, irrelevant attack on the member for Crescentwood.

Mr. Toews: Same point of order, Mr. Chair.

Mr. Chairperson: Honourable minister, on the same point of order.

Mr. Toews: Well, Mr. Chair, we have been over these answers over and over and over again. I am willing to stand by the answers that I gave. Those are the answers. I gave them in the House. Now he has raised a new question. He says: Why am I attacking the questioner? I am telling him very explicitly that, just like many people in Manitoba have no faith in this MLA's ability to deal in appropriate fashion with facts, I have no confidence in him either.

So the articles, I was simply using them to demonstrate exactly what I believe that this member does, not just in this area but in every single area that he is involved in.

Mr. Mackintosh: Mr. Chair, on the same point of order, the minister is continuing—

Mr. Chairperson: Order, please. The honourable minister has the right to finish his point of order, and I would advise the committee of that. I have recognized the honourable minister to address the point of order, and I will leave it at that.

The honourable minister, to conclude.

Mr. Toews: Yes, so, basically, this is a person who distorts meaning and criticizes without being constructive, and that is the answer to the question that he put to me.

Mr. Chairperson: The honourable member for St. Johns does not have a point of order.

I would advise the committee at this time that we are on Item 4.1.(b)(1) which allows a lot of scope in terms

of the questions that are posed to the minister, and the response is equally the same in terms of the scope, in terms of which the minister chooses to answer the question.

So, with that, I would hope that the committee would take that into consideration, so that we can proceed in an orderly manner with the Estimates of the Department of Justice.

Mr. Mackintosh: I appeal your ruling, Mr. Chairperson.

Mr. Chairperson: There has been an appeal of the Chair by the honourable member for St. Johns (Mr. Mackintosh). The honourable member for St. Johns wishes to challenge the ruling. The ruling of the Chair has been challenged.

Voice Vote

Mr. Chairperson: Shall the ruling of the Chair be sustained? All those in favour, please respond by saying yea.

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Yeas have it, and the ruling of the Chair is sustained.

* * *

Mr. Sale: Mr. Chairperson, when the minister—
[interjection]

Point of Order

Mr. Toews: On a point of order, I have not answered the question. When the point of order arose, I was in the midst of answering the question. I had not completed my response, and the question that was very specifically put to me and clarified by the member was why is he attacking the questioner, and so I will respond to that question.

Mr. Chairperson: Order, please. The honourable minister does have a point of order. He was completing his response, and I would ask the minister to complete your response to the question posed by the honourable member for Crescentwood (Mr. Sale).

* * *

Mr. Toews: So, in Mr. Cole's words, what the member for Crescentwood says is a classic case on how to manipulate in order to produce the result you want. So the reference there is in his letter, and I am quoting here from Mr. Cole: "The NDP critic argued that Mr. Stefanson had misled Manitobans by stating last November that 'this year there had been more than 15,000 new jobs created in Manitoba.' The truth, Mr. Sale argued, was that only 2,200 jobs had been created in 1997."

* (1610)

Again, here is an example of how he then uses facts by simply failing to mention significant issues. What Mr. Cole indicates is that he fails to mention that there are many ways of looking at job figures, and all of them are legitimate depending on the question you are trying to answer.

So Mr. Cole goes through a lengthy explanation about how our Finance minister approached the problem, and then, in the words of Mr. Cole, "reveals his talent for manipulating facts to serve a political end." I mean, that is the member for Crescentwood's (Mr. Sale) reputation. He manipulates facts to serve a political end, and he does it on a consistent basis.

Again, in the second article here, May 2, and this is a number of months later, and, obviously, the member for Crescentwood did not learn. [interjection] Well, the member for Wolseley (Ms. Friesen) says the Free Press is repetitive. I think the Free Press also gets it right and sometimes has to make the point more than once. I do not always agree with everything that the Free Press writes, but I know that I do read the newspaper just to ensure that I am not missing any particular issue that I should be considering.

Now, here, on May 2, the editorialist—again, it does not indicate who that is—says—and it could be someone different from Mr. Cole, although Mr. Cole is the

editor, but I believe others write as well. He says, and I quote: "Manitobans were treated to another example of this weakness," and the weakness is to distort the meaning of statistics or to criticize without being constructive. "Manitobans were treated to another example of this weakness when NDP MLA"—and that is the member for Crescentwood (Mr. Sale)—"endeavoured to find a cloud on what most people see as Manitoba's sunny economic horizon." And so—

Point of Order

Mr. Mackintosh: The situation is untenable here. The rights of members of the opposition are being infringed by a minister who is engaging in irrelevancies to the Estimates of the Department of Justice and the questions specifically posed to the minister. I call on you, Mr. Chair, to call this minister to order so this committee can get down to the business of Manitobans, deal with the public concerns, the extremely serious issues that are facing both his office and that of the Chief Judge so that we can get into the details of the meeting between the minister and the Chief Judge and whoever else was there on May 4. I ask you to consider the purpose of the very Estimates itself and the content of the question and answer.

Mr. McCrae: For a fly on the wall or someone else outside coming in and listening to what is going on here, Mr. Chairman, as I have done recently coming into this discussion, you would have to conclude that something very, very repetitive is going on here. We have members on one side accusing the other of being repetitive. We have members on the other side accusing the ones on the first side of being repetitive, all of them seeming to accuse the Winnipeg Free Press of being repetitive, and then we have these repetitive points of order followed by repetitive responses followed by repetitive rulings.

Does anybody not notice that we are kind of going around in circles with this, Mr. Chairman? There is no more merit to this point of order than any of the others that have been raised this afternoon. I mean, that is pretty clear, and I appreciate the honourable members are trying to make a point. They are not trying to seek information, because the minister has clearly made his response to these questions, and these honourable members know the minister is not one who is going to

be easily tricked by members of the calibre of the two that are engaged in this discussion this afternoon. That is not likely to happen, so I am just wondering if honourable members, I mean, especially the honourable member for St. Johns (Mr. Mackintosh) with his background knows darn well that he has not raised a valid point of order in the last half an hour. He knows that, and yet he continues to raise them.

Who is really being repetitive around here, Mr. Chairman? I just appeal to members on all of the sides of this table to perhaps maybe see it in their consciences to put the people of Manitoba first and perhaps not waste their money in the way that they are with this repetitive discussion. Maybe we can get on with some real discussion that is going to yield some fruit, perhaps, for honourable members on the New Democratic Party side, because it is clear to me after all of this that the minister has said what he is going to say on this topic.

Mr. Sale: Mr. Chairperson, I have refrained from entering into the debate about points of order. Clearly the minister has decided to ignore the questions that I raised and to respond to a hypothetical analogy which I raised and used and explained to him.

The two questions, Mr. Chairperson, just so you can rule appropriately on relevance, were these: What section of the act gives permission to either the Chief Judge or to the minister to send back a list of nominees for positions that have been posted and interviewed? What section of the act gives permission to add names or to send the list back? That was the first question.

The second question was: Who made the suggestion that names be added? Was it the Chief Judge or was it the minister? Those were the questions. The minister has not even pretended to respond to those questions but is engaged in irrelevant and personal attacks using old newspaper clippings to read them into the record. That is fine if we were in some other kind of forum, but clearly irrelevancy is a serious issue here. If the minister will not answer, let him simply say that he will not answer. But wasting Estimates time by engaging in personal attacks, irrelevant, is clearly a breach of our rules.

Mr. Mackintosh: On the same point of order, Mr. Chair.

Mr. Chairperson: On a new point of order?

Mr. Mackintosh: A point on the existing point of order, Mr. Chair, if the minister has negotiated and arranged for a gag order on himself, in other words, if the minister has negotiated with a third party to limit the information he will provide to the public of Manitoba in the Legislative Assembly, let him say so, but not engage in this kind of irrelevancies and abuse of the rules of this House and the time that is being spent in this committee. Let him deal with the public business.

Mr. Chairperson: The minister, on the same point of order.

Mr. Toews: I want to make it clear, I mean, the suggestion here is that it is me who is wasting time. This is a member who has continually asked the same questions over and over and over again. I have responded. I have given exactly what my answer is, and then he wants to go through it again. I stand by the answers that I have given.

Mr. Chairperson: Order, please. The honourable member for St. Johns (Mr. Mackintosh) does not have a point of order.

* * *

* (1620)

Mr. Mackintosh: Oh, Mr. Chair, I appeal your ruling.

An Honourable Member: I challenge the ruling of the Chair.

Mr. Mackintosh: I challenge your ruling. It is shameful.

Mr. Chairperson: The honourable member for St. Johns wishes to challenge the ruling of the Chair. The ruling of the Chair has been challenged.

Voice Vote

Mr. Chairperson: Shall the ruling of the Chair be sustained? All those in favour, please respond *yea*.

Some Honourable Members: Yea.

* (1440)

Mr. Chairperson: All those opposed, respond nay.

Mr. Dewar: Has the minister looked at other alternative ways of applying the slurry?

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Yeas have it.

Formal Vote

Mr. Mackintosh: A count-out, Mr. Chair.

Mr. Chairperson: A formal vote has been requested by two members. This section of the Committee of Supply will now proceed to the Chamber for a formal vote. Committee recess.

Currently, it is injected, I believe, but only in small amounts, that a lot of the waste is applied by what is called the big-gun method where it is simply sprayed onto the soil. I believe in the Netherlands, immediately following the application, the slurry is tilled into the soil, for example. Have you looked, perhaps yourself and the Minister of Agriculture (Mr. Enns), at alternative ways of applying slurry to try to lessen both the odour and the possible contamination of the environment?

Now, it is my understanding if you use the big gun, there is very little control as to how much any particular section of land or an acre of land receives. Obviously, the lower the land, the more—it is a liquid, after all, and would accumulate in lower areas, which I know is detrimental to that particular piece of land. It would cause irregular growth of crops.

So have you looked at other ways of applying slurry to the land?

ENVIRONMENT

Mr. Chairperson (Ben Sveinson): Good afternoon. Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply will be resuming consideration of the Estimates of the Department of Environment.

It was agreed at the outset of the Estimates for this department that questions could proceed in a general manner with line items to be passed once the questioning had been concluded. Accordingly, I will open the floor for questions.

Mr. McCrae: Mr. Chairman, indeed, this is part of the work of various sectors, including the government. The regulation we have now has specific enforceable limits as to what amounts can be spread on land. It is based on what the crops can use.

Mr. Gregory Dewar (Selkirk): Mr. Chairperson, I believe that before we recessed I had raised the issue with the minister regarding the level of waste, hog manure in particular, in this province. He was explaining that because there will be a doubling of the number of hogs, there very well will be a doubling of the manure, and I believe I asked him if he thought the province had the ability and the land base to absorb that level of slurry.

Yes, we do have the land base, as I pointed out, and no one can operate within—under our regulation, manure management plans have to be in place, and those manure management plans take into account the agronomic point which ought not to be surpassed with respect to the nitrogen levels.

Hon. James McCrae (Minister of Environment): I have no indication that a province like Manitoba, as sparsely populated as it is compared with so many other possible livestock production areas in the world, I have no reason to think that with the appropriate regulation in place that there should be any damage to our environment.

All of this activity going on also gives rise to Manitoba being a centre for research into the issues the honourable member raises about how is the best way to apply this material, and what is it that makes this material like it is. There are those who believe sometimes that what goes into the hog has an impact on what comes out of the hog, too, and the government has been supportive in encouraging the work of the Laliberte committee, because that committee is funded

partly by government, but Manitoba Pork itself is very interested in this question the honourable member raises. This committee is financing new and innovative ways of dealing with waste including soil injection and composting and other techniques and research.

So we are very hopeful that the time will come when some of the things being worried about and complained about may be history because research, being what it is, holds great potential. If there is anywhere where that research ought to be important, it is in the province of Manitoba, where we are seeing the greatest growth in an industry that has been seen, certainly here but almost anywhere else as well.

Mr. Dewar: In terms of lagoons, how often does the Department of Environment do an inspection of a lagoon, and during the process, how does the department get involved, first during the construction and then once the lagoon is in operation?

Mr. McCrae: Mr. Chairman, inspection is carried out during construction and then when operations are underway, and depending on the nature of the operation, the frequency of inspections after that depends on the nature of the operation itself.

Mr. Dewar: So lagoons are inspected more than once annually?

Mr. McCrae: It is not something that you could say is a regular thing. During construction, to see that specifications are being met; during operation, to see that the facility is doing the job it was designed to do, and after that, it would depend upon what the inspector learned during the first two inspections as to whether there was any requirement to come back on a frequent basis or at all in the future, depending on the type of facility that has been built, depending on where it has been built and depending on environmental conditions in the area. All of those things would dictate how frequent or whether it needs to be very frequent at all that future inspections take place.

Mr. Dewar: Well, is there at least a requirement that there be an annual inspection of all the lagoons in Manitoba?

Mr. McCrae: It does depend on the nature of the risks that are involved in a particular storage facility, so that some may even be inspected monthly if it is in a higher risk area or if ground conditions are such that more frequent inspections are indicated. In other cases, it might be annually. In other cases, it may not even be annually, depending on the circumstances.

Obviously, if someone knows about a problem with a particular lagoon or storage facility and wants to make a complaint or issue some form of warning to the department that there is a problem, that again would be taken into account in determining whether another inspection was needed. I do not think there has been any change in that just by virtue of the regulation; I think that has probably been the case for years and years.

Mr. Dewar: I just want to suggest to the minister that there be at least an annual inspection. It would go a long ways to try to deal with some of the concerns that individuals have regarding this industry. All of us hear these concerns, and the major issue is, of course, one is the odour, and the other, which I would suggest is the more serious, is the potential for lagoons to be damaged either during the agitation process or when lagoons are pumped out. The liners could be damaged.

This is a concern that people are raising. The potential for the contamination of their ground water I think is a very high concern that people have regarding this industry. I think if the government was to say, well, we will at least do an annual inspection of lagoons, I think it would go a long ways to deal with some of these very legitimate concerns that Manitobans have.

Mr. McCrae: Certainly, I do not want to rule out any positive and helpful suggestions the honourable member might make. That is something I will talk about with the department. So, in essence, I will take the honourable member's comments as a representation for consideration.

* (1450)

Mr. Gerard Jennissen (Flin Flon): I wonder if I could ask the minister one or two questions on a very specific issue, and that is regarding a fuel oil spill at

Gods Lake Narrows. I am in correspondence with a Father Edmond Paradis, and perhaps the minister is as well. I was given to understand that we were dealing with a fairly large spill—I believe it was the winter before last—at the rectory there. Now, I think we have to understand that those priests are not always at the rectory. They are itinerant priests and they move around, so these buildings are empty for weeks at a time.

So there was a sizable spill, and then there was a smaller spill later. The archdiocese does not object to the notion of polluter pay and certainly wants to take responsibility for this, but, at the same time, Father Paradis says it is a tremendous fiscal burden on them. This is not an economic enterprise in the sense of a business; this is a Roman Catholic church. It is more a charitable organization, and their bills, I believe, are running somewhere between \$80,000 and \$120,000 with possibly more to come later.

They are very cash strapped, and they are wondering, is there any way to mitigate this? Is there any way to soften this blow? They are not begging off; they are just saying we should not be treated the same as, let us say, a big company which maliciously or wilfully or indirectly pollutes. The pollution happened. They are going to admit it. They are just having great difficulty paying for it. They are wondering if there should not be perhaps a different scale, a way of evaluating so that a charitable institution like a church should not have to pay the full burden. They admit the guilt and the problem. They are willing to rectify it. They are just having trouble coming up with the money.

Mr. McCrae: Just very quickly to go back to the last question raised by the honourable member for Selkirk (Mr. Dewar), the example my department has suggested—for example, if a lagoon is over a hundred feet of clay, it is hard for anybody to suggest seriously that an annual inspection is required. So I do not say that it is a ridiculous suggestion the honourable member is making, because it is not, but there are some which it clearly does not make any sense to do that. So that has got to be taken into account too.

With respect to the point raised by the honourable member for Flin Flon (Mr. Jennissen), on the specific case that he is talking about, we would attempt and

have done, I believe, but we certainly would try to be sensitive of the unique circumstances the honourable member has raised. I am advised that the department would be open to some reasonable way of dealing with the issue. So it is not our wish to be hard and fast and treat some nonprofit organization like we might treat a large smelter operation, for example. Simply, different circumstances require different solutions, and I believe that is the strength of this department in some ways, certainly the strength of a province like Manitoba where we have all of the things that are going on here, but we have a relatively small population, and it is like somebody who is a fellow resident of Manitoba is not much different from a neighbour.

That is one of the wonderful things about living in a place like Manitoba. We do not have to be as bureaucratic as you might find it in places where there are greater populations and more issues to deal with. So all I can say today is that we will sure take what the honourable member has had to say to heart and attempt to be sensitive to the nonprofit type issues that are being brought forward.

Mr. Jennissen: I thank the minister for that answer. Would members of the minister's staff then be prepared to talk to Father Edmond Paradis in The Pas and perhaps work out some compromise solution that everybody could be happy with? Again, I want to stress the fact that Gods Lake Narrows is an isolated community, it is a small community, it is in the North, it is off the beaten track. The church basically does charitable work. We are not talking money here, not talking profits. If you could work out some resolution with Father Edmond Paradis out of The Pas, we would be very happy.

Mr. McCrae: Mr. Chairman, we will undertake today to the honourable member to make a contact with Father Paradis and also to report to the honourable member particularly what kind of progress we are making.

Mr. Jennissen: I thank the minister and I would like to turn over to my colleague from Dauphin.

Mr. Stan Struthers (Dauphin): Mr. Chairperson, I think it is too nice a day to be talking about pig slurry and oil spills, so I am going to move on to flowers, if that is okay.

An Honourable Member: Why do we not call it five o'clock?

Mr. Struthers: It is not that nice a day. I would like to talk a little bit about an area of the province that I had a chance to see, to view, and to see that there is a well being built south and west of Gull Lake. It is the Gull Lake project that I am referring to. The current concern that has been brought to me and to the attention of the Minister of Environment is that the well is being built to drain some freshwater from some wetlands and pump that water into Gull Lake to try to dilute the mess that the lake has come into because of development in and around that lake.

The concern is that the wetlands that are losing this fresh water also are the home of wild orchids, lady slippers, several different species of flowers that are unique to that area that you would have to look high and low and probably not find anywhere else in the province. At least that is the information that is given to me. So I think it is an issue that I know the minister takes seriously because he has addressed this issue about a year ago in a letter to me, and I appreciate the straightforwardness I received at that time.

I think a good case can be made for being very careful in this sensitive part of our province. I would not want to see the level of water in the wetlands be reduced to such a stage that they could not sustain the unique species that already thrive in that area. I believe that the minister would share that concept.

I would like the minister to begin with, just to update me on the status of that Gull Lake project, and indicate to me the kinds of factors that this government is willing to consider to lessen the amount of damage that could be done to the wetlands south and west of the Gull Lake project.

Mr. McCrae: Mr. Chairman, there is a pumping test taking place right now. It is a test only, and our decision as to what position we would take would be based on those test results. The test I am talking about will also form the basis for whatever conditions the Department of Environment would put on the new licence governing any activities in this area. It is good that the member raised that because my department officials are here and can hear what he is saying and

read, and also we will make sure that those involved are aware of the concerns the honourable member is raising before any decisions are made respecting those test results or any licence issues.

Mr. Struthers: Can the minister indicate when that pumping test will be completed?

Mr. McCrae: Do not have a specific date, but we think that the pumping test would be completed this spring at some point.

Mr. Struthers: Has there been an attempt by your department to consult the public in general? Are there public hearings that needed to be done before the test was started and were there any public hearings conducted? Or is the process that once the test is done, then you do public hearings before you give the project the go-ahead or reject?

* (1500)

Mr. McCrae: Well, a decision about public hearings is made based on a determination as to whether public hearings would in any way have an impact on the outcome as it would show up in the licence, for example. We believe at this point that we would have sufficient expertise to be able to make a determination based on a pumping test. If that feeling should change, we will know that later this spring and whether anything further needs to happen in terms of things like public hearings, that would be looked at, I assume, after those pumping tests and determinations made after that. Not every matter that comes along needs to be the subject of a public hearing, but if there are indications that as a result of a public hearing we could learn something that we do not already know, then that would be one of the reasons we would have public hearings.

Mr. Struthers: I can see that if the pumping test says that the project should not go ahead and you can simply say, no, this project is rejected based on what we learned in the pumping test, then I can see there would not be a need to go for public hearings. If the pumping test says, yes, we can go ahead, then I can see that would be the scenario under which you would then involve the public in some formal way if you are considering going ahead with the project. I wonder if

I have encapsulated this correctly or if I am way out in left field on that one.

Mr. McCrae: I think the honourable member has it characterized correctly.

Mr. Struthers: Maybe this question is dependent on what you find out with the pumping test as well, but I believe that the proposal is to pump water out at around the level of 1,600 litres per minute. Is that still the game plan of the proponent? Can the minister tell me if that is correct?

Mr. McCrae: No, I cannot tell him that, but we will certainly find that out for him right away.

Mr. Struthers: The funding for the project, I understand some or part or maybe all, I am not sure, will be coming out of the Sustainable Development Innovations Fund. Are there dollars through that fund earmarked for this project?

Mr. McCrae: We will find that out for the honourable member.

Mr. Struthers: Could the minister also report what class of project this Gull Lake project is considered? I am not sure—that obviously has some implications on the process which the proponent would move ahead or not move ahead. I am not sure what class of project this is. Maybe the minister could help me out with that.

Mr. McCrae: It would be a Class 2 development under the act.

Mr. Struthers: Has this project always been a Class 2, or has it moved?

Mr. McCrae: As far as I know, it has always been a Class 2. I think the committee needs to understand—the honourable member knows more about this matter than I do—and I make no secret about that. We will certainly—if there are further questions, the honourable member can write them down or bring them to my attention. We will get him the answers.

Mr. Dewar: Last year in October it was reported that the community of Virden was accepting, and again this is reported, contaminated waste from Saskatchewan. I

believe it was 4,000 cubic metres of separator sludge, and at the time the province ordered a review. Maybe the minister can just enlighten us as to the outcome of that review.

Mr. McCrae: It was a very quick review because what I wanted to find out was what was going on that would lead to a headline like the kind the honourable member has referred to: Waste sparks fear in Virden. It turned out—and I think honourable members, ones that are here on our committee who attend UMM meetings, as we all do, and that sort of thing, know exactly what is going on in that particular corner of our province. There are disputes between a rural municipality there and a town about one thing and another, and it is my theory that that is what gave rise to this particular matter coming to the surface as it did.

What is the case here is that the town owns a landfill on property which is in a neighbouring rural municipality, not in their own backyard as it were. In any event, this landfill is accepting fill, and it turned out that an analysis of the material showed something different from what was indicated in the headlines in the newspaper. This is the status near the end of February. During an audit at the landfill using an independent consultant hired by the R.M. of Wallace, analysis indicated one sample that had hazardous waste level material in it. That was 130 parts per million of ethyl benzene. Hazardous waste level is 100 parts per million.

Hazardous waste material is prohibited at the landfill. The current permit does not allow for hazardous waste level material at the landfill. A warning letter was issued to the Town of Virden in regard to the findings of the independent consultant. The issue apparently has been rectified but department staff will be doing confirmatory drilling and sampling before the end of March, but I think the thing that was misleading was the level of hazard involved. No one is saying that there is no hazard at all, but I think sometimes using one issue can help highlight another one, and I believe that is what might have happened in this case. But we are keeping our eye on this one.

Mr. Dewar: In the minister's answer, he mentioned they were doing drilling which was to be concluded by

the end of March. Well, now we are into May. Can you give us the results of those test drillings?

Mr. McCrae: The information I was putting forth was information made available, as I have said, near the end of February, so when we say that we are going to be doing some of this drilling before the end of March, the honourable member is correct. It has been done, we have results, and that is something we can share with the honourable member as well and will do so.

* (1510)

Ms. Rosann Wowchuk (Swan River): I just have a couple of questions to ask of the minister that I started this morning when the bells were ringing, and that is an issue I raised last year with the minister. That was the way chips were being distributed by L-P. There was some concern in the community about the sites that they were being dumped in and that there was no environmental process in place. There was only inspection if someone brought it to the attention of the department.

I want to ask two things. There was one site that we got a report on and there was an indication that the site would—in fact, there was a problem with the site and the chips would be cleaned up. I want to ask the minister whether or not those instructions have been followed, and I want to ask also what the process is now. Is it now required that sites are inspected before chips are being deposited?

Mr. McCrae: I will deal with the second question first. The process to assess sites for receiving wood waste has been established by the department and Louisiana-Pacific. Louisiana-Pacific will initially assess a proposed site and then send their proposal to our department's regional office. If low-risk site approval occurs—sorry, if it is low risk, the site is approved. If it is moderate-to-high risk, the regional office may inspect. They can propose sites and they can approve or reject sites. These will be based on environmental considerations. From April 1997 to February '98, 123 sites were approved and 45 percent were inspected by regional staff. Total quantity of wood waste shipped as of March 9 of 1998 has been 18 million kilograms of wood waste.

Now, on the first question, the issue that was raised last year with respect to the one site. The person involved was issued a director's order to remove the material and that order has since been rescinded on the condition that the person involved take the necessary action to prevent surface water from entering or leaving the slough. The person accepted all the responsibility for the material, and Natural Resources department advised him that they did not disapprove filling in the slough under The Water Rights Act. Now, there is another party that was directed to provide a plan for the use of the material stored on his property, that plan has not been submitted and the regional director will follow up. This matter is still in process. Other approved disposal practices are being monitored to ensure the practices are environmentally safe.

Ms. Wowchuk: I just want to ask the minister: Is it possible to get copies of that correspondence, or are those documents within the department?

Mr. McCrae: I do not know if it is or not. I would want to think about that. We are talking about correspondence between—what?—private citizens doing business with Louisiana-Pacific and being monitored by my department. I do not know to what extent I am entitled to, by law, bring that forward. I will ask about that though, and if it is the appropriate thing—if it is not infringing on everybody's rights, I do not know why I could not do that.

Ms. Wowchuk: I just want to raise one other point. The minister indicated that over the past I believe year and a half, somewhere in that range, some 18 million kilograms of chips have been disposed of as landfill.

I wonder if the Department of Environment is doing any work with any other department to look at ways that we might be able to use this as an energy source because there has to be an awful lot of energy that could be developed out of that, and that is certainly an area that I think we should be doing some work on.

Mr. McCrae: The honourable member is on the right track with respect to this material and work is underway, research, to see if it is not an appropriate use for this material, like as a fuel. Unfortunately, it is not being used as a fuel yet, because that work has not been

done. Now the honourable member is wondering who is doing this work. I will find that out.

As I say, the timing of this is not—I do not think it is moving as well as some of us might have hoped, but Louisiana-Pacific is changing its bark burner system. See, that system would eliminate the need for bark disposal offsite. Now the honourable member is familiar with this. I know I have been out there myself and been given the briefing on this matter. Even if burning is going to be happening, laced woodchips would probably still be needed to be handled in an approved manner because then you are dealing with other kinds of pollution issues.

The company has been asked to continue seeking positive means of reducing the generation of this material and also seeking ways to find beneficial uses for the waste woodchips. We have advised Louisiana-Pacific that we are concerned that wood wastes would ultimately, on a permanent basis, be used for bedding material.

* (1520)

Mr. Dewar: I believe during the minister's opening comments he mentioned that the Manitoba Product Stewardship Corporation has just completed its five-year plan. What are some of the initiatives that this corporation will be taking over the next number of years to deal with some of the problems with recycling here in Manitoba. As you know, we have debated this in the House, there are a number of Winnipeggers that do not have access to recycling initiatives if they live in apartments and townhouses and so on, and there are other municipalities that have not signed up for different reasons, generally an issue of money. Of course, there are all of the Manitobans who purchase one of these containers, literally millions, I believe well over 200-and-some-odd million containers that are purchased every year.

So what action is this corporation going to be taking to try to deal with some of these little flaws, I suggest, with this program?

Mr. McCrae: I think that we should have a meeting and invite the honourable member, so that we can talk about various issues facing Manitoba Product

Stewardship Corporation, because I do not think any answer I give could give you a complete picture of all of the issues that they grapple with. I mean obviously today, we have problems with the market for recyclables. It is not a good time right at the moment, but experience has shown that this is cyclical. Hopefully, we are in one of those valleys right now and would like to get back up closer to a peak in that area, because I guess I should say that it is a good time to have a surplus. I remember hearing the honourable member talking about the surplus in that account, and it may be that they have to use some of that surplus to help them through these difficult times with respect to the market.

I have directed the corporation to get on with incorporating multifamily dwellings into the system, as well as extend it to the institutional and commercial sectors. I met recently with Councillor Timm-Rudolph talking about this matter. I do not know what the ultimate resolution is, but we are working on it and having discussions. I know the Manitoba Product Stewardship Corporation is concerned about this part of the issue. That is kind of a major problem I think that is getting looked at, and hopefully we can report progress before too very long.

We are looking at the levy. Nothing is going to happen tomorrow, but if we can get—I mean, maybe if there is such a surplus, and we do not need it all to iron out the wrinkles in the programming, maybe there is a way to either spread out the levy more to more products or more waste stream items, or alternatively, or maybe both, also reduce the level of the levy. We do not need to raise more money than we need on a continual basis. But on the other hand, having a surplus does not mean we need to run out and spend it either till we know that it is the right thing to do.

So those are some of the things that are kind of before the corporation at the present time.

Mr. Dewar: I have the report which was included in the fiscal year of March 31, 1997, and the surplus of the fund at that time was \$5.7 million.

What is the current surplus in that corporation as of the fiscal year ending March 31 of this year?

Mr. McCrae: We are getting close to the point where a dollar into the fund is going out as well. The number the honourable member quoted, we are not too far away from that, although it has climbed a little from that to hovering around the \$6-million mark, but I am advised that is probably now to the point where it is going to level off and not grow anymore, which means now we can take a good look at what to do with money that is surplus but not to count on this to be a continuous cash cow.

Mr. Dewar: In a report to our caucus, I believe probably the same report that the UMM presented to the minister, they talk about this program and that they support the program, but they also felt there was a need to, and this is a quote from it, the need to review municipal support payments.

What action would the minister take to look at that? I imagine what they are talking about perhaps is sliding scale in terms of a municipal supporter. Is that part of the five-year plan, to review support payments to municipalities in this province?

Mr. McCrae: In the first question, I forgot to correct the honourable member, but it was a three-year plan not a five-year one as we were talking about. I would think those are the things that the board of the corporation needs to look at on an ongoing basis. Are the programs the municipalities are running effective? Are they able to sustain those programs? In times of bad markets, you get the odd complaint that maybe they cannot go on with present levels of support from the corporation. I mean, you have to look at that pretty hard because you do not want programs to be going down. You want to keep them running because we have made some good progress and we want to continue that. You want to look at that matter in the context of how much money is reasonably available. I mean, talking a few minutes ago about the possibility of reducing the levy, well, if the municipalities make a good case that they are not able to sustain at present levels of support and the corporation has to look at increasing the support, and we do not want to raise the levy, well, then you have to do some careful financial planning about how you can make that happen. The corporation regularly audits actual program costs for municipalities and therefore looks at adjustments as they might be added as a result of these audits, based on actual costs.

So I think what the honourable member is asking is really what is happening.

Mr. Dewar: They also raised concerns regarding the future of ACRE, you know, the Association for a Clean Rural Environment. I know they feel that it is a very good recycling program currently. They have stated that 90 percent of the containers are returned to depots, but they are also concerned about this Crop Protection Institute to replace the system. What is the status of ACRE, and does the minister support ACRE or is he looking at changing this program?

* (1530)

Mr. McCrae: Well, the ACRE, Association for a Clean Rural Environment runs a program for the Crop Protection Institute, which is the group of companies that produce and distribute all these pesticides and herbicides and those sorts of farm chemicals. It is another industry stewardship program which ACRE runs. Now I guess you would have to say it is not ACRE's program, but they are running it, because they get their money from the Crop Protection Institute which is money raised on levies on these containers of farm chemicals.

Well, recently and as a result of this, ACRE has set up collection sites at numerous rural locations in Manitoba, and generally speaking, and I believe the UMM agrees with this and others, this is a good program. It is taking all this stuff out of the wrong places in our environment and dealing with the materials in a proper fashion. Everybody is in favour of that, and Manitoba's program is achieving good levels of compliance and success. In other words, I do not know of any grumbling going on. It is a good program.

The Crop Protection Institute, however, it is theirs. It is their levy. They are the ones that have to raise the money, and they think they have maybe another idea for this. A suggestion was made that maybe they could have a return to dealer system. Well, it is a little hard to accept that right away because, goodness gracious, there is all this work has been done to set up the depots we have and there is a high level of satisfaction and compliance which is not necessarily there in other areas but it is here. Yet it is their program.

So we are not too interested in seeing change. So what I have asked the Crop Protection Institute to do, if

they are interested in moving to a different system, show me that it is going to work better. I mean, I cannot really stand in the way of something that might turn out to be an improvement simply because we have all this buy-in-Manitoba and everything, which is good to have. I want to know: are your dealers all set up and ready to start receiving containers that used to have these chemicals in them? Have they got the space? Have they got the facilities in their shops? I already know the answers to some of those questions. They do not.

They are not really ready to do that, and I do not think they are all that interested as a matter of fact. Yet dealers are not going to speak out too loudly because these are their suppliers of materials that they retail. I have written to the Crop Protection Institute, and I have sent copies to my colleagues in Saskatchewan and Alberta who also have programs. I have written saying that I would not support what you are suggesting without some kind of independent review of any proposed changes that might come forward here.

So I am hoping that the Crop Protection Institute will know that the ball is in their court on this. I understand that support has not been forthcoming from the pools. Now that is important support. The KAP, the Keystone Agricultural Producers, I believe have concerns about the proposed changes and so does the UMM. That being the case, it is pretty hard for me as minister to say oh, yes, we will go ahead and change everything. I am not going to because I do not need to do that unless I am shown that they can protect the environment better than the environment is being protected right now.

Mr. Dewar: Mr. Chairman, I am prepared to pass these Estimates at this time.

Mr. Chairperson: Item 31.1.(b) Executive Support (1) Salaries and Employee Benefits \$371,800—pass; (2) Other Expenditures \$76,500—pass.

31.1.(c) Financial and Administrative Services (1) Salaries and Employee Benefits \$684,600—pass; (2) Other Expenditures \$303,600—pass.

31.2.(a) Environmental Operations (1) Salaries and Employee Benefits \$4,424,100—pass; (2) Other Expenditures \$1,224,700—pass.

31.2.(b) Environmental Management (1) Salaries and Employee Benefits \$2,732,700—pass; (2) Other Expenditures \$2,132,600—pass.

Anytime any of you would like—if there is something, just holler out and I will recognize you, in case I am not looking at you.

31.2.(c) Legislation and Inter-governmental Affairs (1) Salaries and Employee Benefits \$178,000—pass; (2) Other Expenditures \$103,500—pass.

Resolution 31.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,795,600 for Environment, Environmental Management, for the fiscal year ending the 31st day of March, 1999.

31.3. Clean Environment Commission (a) Salaries and Employee Benefits \$299,500—pass; (b) Other Expenditures \$189,200—pass.

Resolution 31.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$488,700 for Environment, Clean Environment Commission, for the fiscal year ending the 31st day of March, 1999.

31.4. International Institute for Sustainable Development \$1,145,900—pass.

Resolution 31.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,145,900 for Environment, International Institute for Sustainable Development, for the fiscal year ending the 31st day of March, 1999.

The last item to be considered for the Estimates of the Department of Environment is Item 1.(a) Minister's Salary. At this point, we request the minister's staff leave the table for the consideration of this item.

Item 1. Administration and Finance (a) Minister's Salary \$26,300—pass.

Resolution 31.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,462,800 for Environment, Administration and Finance.

This completes the Estimates of the Department of Environment.

STATUS OF WOMEN

Mr. Chairperson (Ben Sveinson): The next set of Estimates that will be considered by this section of the Committee of Supply is the Estimates of the Status of Women. Will the Committee of Supply please come to order. Does the honourable Minister responsible for the Status of Women have an opening statement?

Hon. Rosemary Vodrey (Minister responsible for the Status of Women): I am pleased today to present the working Estimates of the Manitoba Status of Women ministry for the fiscal year ending March 31, 1999. As a department of government, the Women's Directorate envisions a society committed to the true equality for women and men in our country. To that end, we are focusing our efforts on five major areas. They are enhancing the capacity for Manitoba women to attain economic self-sufficiency; facilitating strategic education choices and enhancing employment opportunities in high-growth, well-paid fields for women; eliminating violence against women; facilitating opportunities that promote healthy lifestyle choices for youth; raising awareness of women's health issues.

The Women's Directorate works to further the achievement of equality for women directly by working to influence government decision making through research support, policy development and evaluation of government programs, policies and legislation, and by generating government initiatives which reflect specific priorities or concerns of women, and indirectly, by interacting with the community, the business sector, and the various departments of government to raise awareness of the reality of women's lives.

Through its ongoing participation in federal, provincial and territorial working groups on economic equality, education and training, gender equality in the justice system and violence against women, the Manitoba Women's Directorate has worked with its counterparts across the country to address issues of common concern such as the need for more effective maintenance enforcement legislation, strategies to better protect women from violence, researching and developing with Statistics Canada a study that monitors more completely the economic status of all Canadian women. The study identifies areas where women's

economic self-sufficiency can be addressed, developing a resource for use in schools to educate young women on becoming money-wise and on the importance of taking charge of their own financial futures.

* (1540)

Our government believes that the most effective guarantee of economic security for all Manitobans is having the means to obtain employment. To that end, we have undertaken a number of initiatives. Labour market forecasters tell us that small business is the engine of economic growth and the major source of new job creation. They also predict that in the not-too-distant future a majority of Canadians will be self-employed. Increasingly, this is true for women, as a growing number of women are starting their own businesses. Women now start more small businesses than men and more women than men are still successful in that business after five years.

Both the departments of Industry, Trade and Tourism and Rural Development recognize the potential of the entrepreneurial sector and the vital contribution that women can make and offer programs which assist women to start their own businesses. The Business Start Program, through I, T and T, has been extended for another two years. It is a loan guarantee program which allows entrepreneurs to borrow up to \$10,000 to match their equity contributions. This program has provided a total of 220 loans to women as of January 1998. Similarly, Rural Development offers the Rural Entrepreneur Assistance program which provides loan guarantees to participating lenders for rural businesses. The amounts range from \$10,000 to \$100,000, 80 percent of which is guaranteed by the provincial government. To date, 48 loans totalling more than \$1 million have been granted to women by credit unions and CIBC.

I, T and T and Rural Development also offer services such as business start-up seminars, training in the development of business plans, how to conduct market analysis and mentorship. The Business Resource Centre of I, T and T has recently joined with the Women's Enterprise Centre of the federal government to provide a single-window access to government entrepreneurial programs. Manitoba Industry, Trade

and Tourism women's consultant is now at this joint facility and offers services to women who are looking to develop their own businesses.

Promoting economic self-sufficiency and breaking the cycle of dependence among social assistance recipients is also a priority of this government. We have refocused training and social assistance dollars to help those on social assistance make the move to employment.

Manitoba Education and Training and Family Services work together to offer job readiness training, specific skills training and job placement supports to clients on social assistance. This maximizes opportunities for women to participate in and benefit from our growing economy.

Since the introduction of welfare reform, there has been a reduction of almost 1,500 in the caseload of single parents, almost 95 percent of whom are women. Since the inception of Making Welfare Work, 40 percent or more than 5,000 social assistance recipients are now reporting income. Making Welfare Work initiatives will help more people achieve self-reliance. We are building on the successes of these programs through the investment of \$9.3 million in this year's budget dedicated to Making Welfare Work.

Another important key to self-sufficiency is training and education. The Women's Directorate has developed and administers the very successful Training for Tomorrow Scholarship Awards Program. A total of 191 \$1,000 scholarships have now been awarded to women entering two-year diploma courses in math, science and technology-related programs at the province's community colleges. The training offered in these programs equips women to obtain employment in high-skill, high-demand and well-paid career-oriented jobs available in today's high tech labour market.

A high priority for our government has been increasing access to computers in schools and providing distance education throughout the province. Distance education is particularly important for women due to the demands of family. Last year, our government provided \$10.7 million through the infrastructure program to assist with distance education for schools. We will continue to expand these capabilities. We are

also expanding the first year by distance education program into more communities.

Our government introduced Manitoba's Learning Tax Credit in our 1996 budget. In 1998-99, the Manitoba Learning Tax Credit will provide \$15 million as direct support to students and their families. This direct support will be important for women who often have difficulty in finding high-paying summer jobs to finance their studies. We are also increasing funding by \$4 million to provide \$5 million of scholarships and bursaries for post-secondary education, I am informed by Education. We will add \$1 to every \$2 raised by universities and colleges for their scholarship and bursary funds. We recognize the importance of preparing all of our young people for jobs. Therefore, we are offering, along with the federal government, the program Partners for Careers, a \$1.4-million initiative to help place aboriginal high school, college and university graduates into positions in the private and public sectors.

Recognizing the importance of providing well-trained tradespeople, we are providing \$3 million to the Apprenticeship Branch of Manitoba Education and Training and of this, 1.4 is earmarked for the expansion of the program.

The Women's Directorate is working with the Apprenticeship Branch to ensure that strategies to attract and support women in trades training are included in the expansion. Of course, key to women's participation in the labour market is the availability of accessible child care. This year's budget includes an additional \$4.8 million to deliver more accessible, portable and flexible child care options for Manitoba families, including services for children with disabilities. In addition, 1,000 new subsidized spaces will be available to support lower income parents, and the subsidy will now move with the child. There will now be a single funding rate for eligible infant and preschool spaces to simplify and equalize funding for centres in family daycare homes and full funding will be provided to approximately 2,000 infant and preschool spaces in centres and family daycare homes. Operating grants will also be increased by 2 percent for infant and preschool spaces in centres and family daycare homes. Of particular interest to shift workers

and rural families will be the \$200,000 provided for the development of new flexible child care arrangements that recognize changing work patterns.

This government is committed to promoting the well-being of families and children. The economic security of Manitoba's single parent families is all too frequently jeopardized by the failure of noncustodial parents to pay their maintenance. Maintenance enforcement has been and continues to be a primary focus for our government. Our government remains firm in its commitment to the women of our province to address violence against women and to work towards providing for women and their children a violence-free environment. Manitoba has the most comprehensive approach in the country for addressing violence against women: crisis intervention, services to the victim, follow-up and after-care, as well as prevention and deterrent strategies. Our continuing dedication to working toward the goal of eliminating violence against women has once again been demonstrated through our response to the recommendations put forward in the Honourable Mr. Justice Perry Schulman's report on the deaths of Rhonda and Roy Lavoie, a study of domestic violence and the justice system in Manitoba.

This government views the Lavoie inquiry as a concrete starting place, not a resting point, for initiatives that deal with the serious problem of domestic violence. In September of 1997, our Justice minister and Family Services minister announced an additional \$1.9 million in funding to help Manitoba families caught in the web of violence. Dr. Jane Ursel is chairing the implementation committee. This committee is working with community groups to coordinate the implementation of a short- and a long-term plan of action.

* (1550)

Our government is also working to establish safe and secure environments in which to live, work and raise our families. To help employers and employees identify ways of making their workplaces safer, making crimes more difficult to commit and increasing personal safety, the Manitoba Women's Directorate, in partnership with CIBC, Workers Compensation, the RCMP and the province's police services, launched Keeping Safe at Work in September of 1996. Mr.

Chair, I have some Keeping Safe at Work pamphlets which I am pleased to table at this time.

This province-wide initiative focuses on the safety of those who work alone, travel to work alone and provides tips on awareness of potentially threatening situations. Staff from the directorate and CIBC's Employment Development Centre offer information sessions on site at workplaces and the CIBC's Employment Development Centre, as well, Train the Trainer workshops, and approximately 50 workshops and public information sessions have been conducted for participants from Flin Flon, Thompson and The Pas, Portage la Prairie, Brandon, Dauphin, and Swan River, as well as in Winnipeg. There have been approximately 400 hits on the Internet through the Workplace Safety and Health's home page; 43,000 pamphlets have been distributed across the province and a number of TV and radio information sessions have been aired. Two sessions of Keeping Safe at Work were held at the Civil Service Commission and the workshop will now be offered as one of the commission's ongoing training programs.

Recognizing that hopes for a prosperous future for young Manitobans is based in part on equipping our children with the skills they need to be productive and healthy citizens in the future, the Women's Directorate has sharpened its focus on fostering the healthy development of young women. Our efforts are targeted towards encouraging girls and teens to stay active in sports or recreational activity, stop smoking, refrain from early sexual activity, and recognize the importance of staying in school. Our aim is to encourage young women to replace unhealthy behaviours with healthy ones. Toward that end, Manitoba Status of Women launched the Take the Challenge, a comprehensive initiative designed to address challenges facing today's teenage girls. The directorate has established partnerships with other government departments, service deliverers and community organizations to maximize the effectiveness of a major campaign to encourage personal responsibility and attitudinal change.

The first part of Take the Challenge focused on the benefits of physical activity for girls. The directorate partnered with several agencies to bring this initiative to Manitobans. The directorate developed a poster

called Do It For You, introduced On the Move, an initiative designed to encourage nonactive teenage girls to participate in fun-filled, supportive recreational activity and worked to have On the Move incorporated into the Urban Sports Camp model so that the inner city community groups are better able to consider the unique needs of teenage girls when developing their programs.

The directorate partnered with the Recreation and Wellness branch of Culture, Heritage and Citizenship to distribute On the Move manuals to all the recreation directors in Manitoba. The directorate is currently developing a website that will provide the latest information on programs important to women. The website will feature the latest publication of About Women, as well as information on the Training for Tomorrow Scholarship Program, Keeping Safe at Work and the Stop the Violence resource guide.

In addition to research and analysis, the directorate also provides an outreach function. The Women's Directorate has developed a new method to enhance outreach liaison and referral service delivery to much of northern and rural Manitoba. Women employees in the departments of Housing or Labour who live in rural and northern communities will participate in the work of the directorate on a part-time or casual basis. These women will create a link between their community and the Women's Directorate, providing consultation on issues of concern to women. This approach facilitates enhanced collaboration between Winnipeg and rural communities, more effective service delivery and more efficient use of resources. A toll-free women's information line provides women from any part of the province with easily accessible information on programs and services within government and the community.

Women have made and continue to make a significant contribution to the cultural life of our province. This fact was recognized as the theme of Women's History Month in October 1997. As Minister responsible for the Status of Women and Minister of Culture, Heritage and Citizenship, I am particularly pleased that the staff of the Women's Directorate and the Cultural Resources branch of Culture, Heritage and Citizenship worked together to develop a curated exhibit of women's art entitled The Light Within: Manitoba Women and Art. The exhibition premiered

in the Pool of the Black Star in October in celebration of Women's History Month and remained there until the end of November 1997. Approximately 1,300 people reviewed the exhibition during these two months. In January of 1998, The Light Within: Manitoba Women and Art began a year-long tour to several communities in rural Manitoba. The tour will allow many more people to share in our celebration of Women's History Month. The project also involved Manitoba Education and Training, which together with culture officials, compiled an education art curriculum supplement based on the exhibition for Senior 1 through Senior 4. Mr. Chair, I am pleased to table a copy of the program for the benefit of the member.

The directorate has also worked with the Child and Youth Secretariat as a member of the teen pregnancy working group and the child prostitution working group as it considered these difficult issues. I look forward to more collaborative opportunities that will both recognize and provide opportunities for the women of Manitoba.

The Manitoba Women's Advisory Council is an arm's-length advisory appointed by government to enhance the Status of Women by promoting change in social, legal and economic structures. In appointing members to the council, the government ensures representation that reflects Manitoba's multicultural heritage and also geographic diversity. There are currently 14 council members and council is chaired by Sandra Hasenack.

The goal of council is to ensure the equal participation of women in society and also to address the equality issues. To accomplish this, council serves as a provincial resource by sharing information on events and programs of interest to women, acts as a facilitator in building effective and collaborative partnerships among women, community organizations, researchers and other government departments. Council's present priorities are women's health and wellness, child care, teen pregnancy and violence against women. As well as giving voice to women's concerns, it continues its overall focus on community liaison and outreach to Manitoba women.

In the last year, council has provided support services such as faxing, photocopying and mailing to the

women's community at no cost, reprinted a fourth edition of council's Parenting on Your Own, a handbook for one-parent families, compiled and maintained a listing of community events and information of interest to women which is sent weekly over the fax to 85 individuals and organizations, maintained a mailing list of over 2,100 individuals, as well as relevant community organizations and government offices, provided a one-stop library resource with Internet access and provided expertise and consultation, as well as participation on planning committees for community events.

Council broke new ground this year on a number of fronts. For example, council travelled to Swan River, Flin Flon and Beausejour to hear from these communities on a number of issues such as violence against women, unemployment issues in rural areas, rural child care and women's education and training needs. They held a Wellness Day for over 30 residents and staff of the Portage Correctional Institution for women to address their informational needs on women's health, nutrition and general wellness. They played a role in the implementation of the Victims First emergency cellular telephone program, a program to enhance the short-term safety of high-risk domestic abuse and stalking victims. They also toured a working farm to identify issues relating to the agricultural community.

* (1600)

To demonstrate its support to the women's community, council provided the following sponsorship: coffee to Elizabeth Fry support groups, 10 Filipino community members to a meeting called Living Without Fear, a conference, as well as the buttons and brochures, three community members to the YM-YWCA Women of Distinction Awards in Brandon, provision of coffee for the Alice in Cyberland conference, donation of Caring Together, an aboriginal game about health, life and relationships to Elizabeth Fry, the Portage Correctional Institution for women and the Winnipeg Native Alliance, food for youth attending the special matinee of Hectic, a play about street life. This past year council attended many conferences throughout the province. Two examples are the Farm Women's Conference and the Crime Prevention Conference in Brandon.

As part of its community networking and information sharing, council continued to hold onsite information sessions and events on a number of topics, including breast cancer, osteoporosis, elder abuse, financial and retirement issues and a sunrise breakfast to commemorate the events surrounding the Montreal massacre. Council also worked in co-operation with several government departments and organizations on the following: the generation of the principles of the National Framework on Aging, development of a public awareness program on teen pregnancy, the planning and implementation of public awareness program on domestic violence, an information session on child prostitution, a strategy for collaboration to promote awareness of osteoporosis. On women's health and wellness, women's health and wellness continues to be a priority for council. In the past year, it has focused on diseases such as diabetes, breast cancer, osteoporosis, fetal alcohol syndrome, menopause.

Through the sharing of best practices with other women's advisory councils across Canada, council was able to access a variety of successful programs to address teen pregnancies in other jurisdictions as well, and that information is shared then. In terms of violence against women, another issue of concern to council is violence against women, and some examples of council's work in this area are representation on the Lavoie implementation committee, public awareness working group.

They also provide a referral service to individual women accessing council's office because they are victims of family violence, and they participated and supported the Living Without Fear Conference put on by the Coalition of Filipino-Canadians on Violence Prevention.

In the area of child care, council has prioritized the issue of child care, for example, in participating on the child care recommendation committee that resulted from the child care review, met with the Children and Youth Secretariat, as well as rural child care professionals to strategize on funding for the development of child care family access program.

Council has also had consultation with rural women, and that consultation continues as council recently held outreach meetings in Swan River and Flin Flon, will

hold an upcoming meeting in Beausejour to complete council's province-wide consultation on issues of concern for women. Council will continue to work with the community on issues of concern to women by providing the onsite informational sessions and events of interest to women, providing the one-stop library resource and Internet access to the public, support services to individuals and nonprofit women's organizations, information and referral services to women accessing council's office for assistance, consultation expertise and participation on planning committees for community events of interest to women, and a weekly fax list of information and upcoming events to women's organizations and interested community members.

In conclusion, council is looking forward to another productive year working to enhance the status of women in Manitoba. By advising government on issues of concern to women and participating in the women's community, council will continue to play a pivotal role in the advancement of women's equality.

I am very proud, Mr. Chair, of the successes of both the Manitoba Women's Advisory Council and the Manitoba Women's Directorate. During the coming year, I am confident that both organizations will continue their work to ensure equal opportunities and equal participation for Manitoba women in all aspects of our society. Thank you.

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

Ms. Diane McGifford (Osborne): Yes, I am just having a bit of trouble with this microphone. I do have a few remarks. I would like to thank the minister for her comments, and begin with something that we have discussed before, and that is, last year we discussed the possibility that this government might consider a different model for the Ministry for the Status of Women. I am referring here to a model where the Minister for the Status of Women would have more direct control over the issues directly impinging on the lives and rights of women, for example, child care, women's program, policies on violence against women.

I start here because it seems to me that many of the problems that continue to influence and influence negatively Manitoba women are beyond the purview of the Minister for the Status of Women. I think here of poverty, economic equality, child care and maintenance, women's health issues, violence against women. Those same old bug-a-bears, Mr. Chair, with which we have been dealing, generally speaking, for centuries and more specifically since the new wave of feminism launched in the 1960s.

I regret today that 30 years after the publication of *The Female Eunuch* and *The Feminine Mystique*, the first issues discussed at just about any women's meeting remain child care and violence against women. Sometimes it feels that we are not making progress, though of course I do know that we are making progress. This is clear in the fact that we now have shelters, that we now have programs for women, that we see more women in university, and that we see some more women in managerial positions and even in the Legislature of Manitoba.

Perhaps one of the reasons that we have not been as successful as we might like to be in solving the problems of women is that only rarely have women been the decision makers. Far too often I think that women remain the recipients of social policy, rather than those who make policy and implement it. Because of this dilemma, I suggested last year that a stronger ministry for the Status of Women might be in order, and I flag this idea once more. Again, I make the point that with more direct influence and control, the minister might expedite changes which would alleviate the inequalities afflicting Manitoba women.

I will elaborate on some of these in my introductory remarks, though more of them will be raised in the question part of the Estimates process.

First of all, child poverty—and I mention it here as we all know that poor children have poor parents, that single-parent families tend to be poorer than two-parent families. Indeed, 59 percent of all single-parent families live in poverty, and 85 percent of single-parent families have a mom as the sole parent. I know that poverty afflicting 59 percent of our single-parent families is an extremely complex social issue, and the eradication of this poverty would require complex and

carefully planned solutions. I know, too, that all of us are dedicated to finding workable solutions, that nobody in the House today, the Manitoba Legislature, is satisfied with the status quo.

But the fact remains, Mr. Chair, that there are some 69,000 poor children in Manitoba and that the programs of this government are woefully inadequate in dealing with this problem. This is especially true among aboriginal people, especially among aboriginal women. The fact remains, as well, that 25.4 percent of all Manitoba children live in poverty, while the national rate is 20.9, and despite the employment record of this government, there has not really been any progress in eradicating child poverty; in fact, we have seen backsliding in this matter. Of course, I do not believe for a minute that the main reason for overcoming female poverty is to overcome child poverty. Clearly, women have a right to economically viable lives, women with and women without children, but I do make the point that poor mothers mean poor children and often the social, educational and health handicaps that unfortunately tend to accompany poverty.

* (1610)

Last year, I spoke to the minister about using her influence to promote women's economic equality. I suggested the extension of pay equity and particularly prorated benefits for part-time workers. I asked the minister last year to work with her colleague the Minister of Labour (Mr. Gilleshammer). She did not seem very enthusiastic, and judging from the legislation we have seen this year, neither was her government. But I remain convinced that prorated benefits for part-time workers, many of whom are women, and the extension of pay equity would be excellent ideas in alleviating both child and female poverty.

I wish to say a few words about child care, because we all know that child care is a family issue and not just a women's issue, but the reality remains. Despite the fact that more and more men are taking serious interest in child care arrangements, the fact remains that women are still largely responsible for child care and arrangements for child care out of the house. Women are still accepting the lion's share of responsibility for their children.

Now I know that this government has put \$4.8 million back into child care—the minister mentioned this in her introductory remarks—and I know that this money is designated for several specific purposes, including subsidies to approximately 1,000 additional spaces, but this money does not really atone for the government's past cuts to child care and there are several serious problems in the system. Before flagging those problems, I want to say that I know the minister talked about one of the progressive changes being the fact that the subsidy will now accompany the child or, to put it another way, the change from the case system to the space system, but of course the space system was something that we had for many years until this government introduced the case system, which, of course, never did work for the good of parents and children in Manitoba.

I did want to return and flag a couple of the problems in our child care system, and there are many. I have been told by people who work in child care that it would take millions and millions of dollars to solve the problems in our child care system, but here I flag the additional \$2.40 per day that subsidized families can be charged by child care centres. This is obviously a hardship for people, for the working poor. Mr. Chairperson, \$2.40 may not seem a lot, but I think it works out to somewhere around \$40 a month; in fact, it would be a little bit more than \$40 a month. For a family that is already near the poverty line, that is indeed a financial hardship and means that they need to cut elsewhere.

I also want to mention the cut from a six-week to a two-week job search period for students. I do not know anybody who finds a job in two weeks. I want to talk about the need for new child care centres in the face of huge waiting lists, and this government's abandonment of the NDP's initiative to create child care centres in new schools. I regret that the only school that has recently acquired a child care centre is in the River Heights constituency of the Minister of Corporate and Consumer Affairs (Mr. Radcliffe).

I know that all children deserve quality child care, even those living in NDP and Liberal constituencies, but I do notice that it was only this particular school. I think it was Montrose School that did receive a child care centre when it was rebuilt. We all know that latchkey kids often seek families on the streets. We

know that latchkey kids have anxious and unhappy mothers and, of course, we all want, I know, to work seriously to alleviate these problems.

I want to say, too, a few words about services and programs for women. This year I believe that most agencies funded by family disputes have received small increases which they certainly needed, having been cut 2 percent twice since 1993, and I believe the other year was 1996-97, and having to cope in the face of what would have been a 4 percent cut, having to cope with increased operational costs and lengthy waiting lists. A quick phone-around for me, for example, revealed that staff have not had wage increases for years and that waiting lists for services are about nine months to a year, which is telling me that a woman can conceive, carry and deliver a baby more quickly than she can get a counselling appointment at some of our funded women's resource centres, for example.

I also regret that more attention was not given to services for rural women. Both the Evergreen Women's Resource Centre and Lakeshore Women's Resource Centre have been struggling for years to obtain the financial resources necessary to provide proper services to women in their areas. I regret that again this year their work has not been properly funded, at least if they are to provide a range of needed services.

Now I did hear from the minister in the Estimates of Family Services that there may be the possibility of a new contract with the Evergreen Women's Resource Centre. I think that she mentioned this may take place in September or there may be a meeting in September, so I will certainly be looking forward to hearing that there has been a change there.

I know that the Lavoie report indicated many gaps in services and that Justice Schulman recommended increased funding to women's counselling agencies. I know that the Premier (Mr. Filmon) promised last December 6 that the recommendations from the Lavoie report would be implemented by October 1998. So we certainly await developments, and we will certainly be interested in progress. I know the minister, in her remarks today, did talk about some of the Lavoie work, and I certainly applaud that. There has been some progress, but there is some distance to go yet as far as implementing the recommendations.

I am certainly pleased that Family Violence Court is now receiving extra resources, though I do not know how long abusers wait for their court dates and how long women wait for justice. Presumably the wait is now shorter, and this is as it should be, because this was the recommendation from Justice Schulman.

The payment of maintenance remains a serious issue and a serious threat to women's economic stability. I know that women in Dauphin are upset by the closure of the maintenance office there and say that they make endless phone calls to a telephone answering machine, calls which are now long distance and which they can ill afford. So women continue to face serious problems here.

I know that I was reading a document produced by the Provincial Auditor called Value for Money Audits, and within one of the areas audited was the Maintenance Enforcement Program. I was quite shocked to realize that the arrears in maintenance for 1996, the total arrears were \$39,057,000, that the total arrears are almost equal to the actual funds collected, the total funds collected. The funds collected are \$39,164,000, so we may have made progress but we have a long way to go; \$39 million into the pockets of Manitoba women would be greatly appreciated.

Women's health issues. I want to indicate here, and perhaps we will get into detailed discussion later, that women across Manitoba are concerned about the dismantling of the Breast Care Clinic at Misericordia. This clinic, which adopts a holistic approach and which consequently offers a range of services including counselling, physiotherapy, nutritional and dietary information, complete medical services—and this is actually only a partial list—is valued by women all over our province. After a difficult bout of radiation or chemotherapy, rural woman can stay overnight, urban women can receive all services at one place so that a woman is able to be comfortable and secure.

In the current Misericordia Breast Care Clinic, a woman can learn her way around. She bonds with service providers, she is confident in her surroundings, confident of her service givers, and it seems to me that the closing of Misericordia threatens these services. Perhaps the minister and I can talk about that later too.

As well, I would like to ask the minister for support in ensuring the expeditious establishment of a cervical cancer registry. This type of cancer is among the most preventable, and yet women continue to die from it. Clearly, more vigilance is required, and perhaps the minister can influence or persuade the Minister of Health (Mr. Praznik) that these lives are worth saving.

* (1620)

Lastly—I think it is last—a quick comment on pornography. In our discussions, I would like to bring up, and perhaps I can just end with this, the question of pornography. I know that last June, the Manitoba Women's Advisory Council arranged a session on pornography that I was not able to attend. I believe it was at Kelvin School. I wrote the minister a letter asking if she could arrange a similar session in the Legislative Building because I believe that all MLAs would be well served by more education and information on this topic. Now, to the best of my knowledge, the arrangement was not made. Maybe it cannot be made, so perhaps I could end by asking the minister here today, on the record, if she could arrange such a session, and then each of us could encourage our colleagues to attend.

I am now completed. I hope it is not procedurally unsound to end with a question.

Mr. Chairperson: Since there is no ministerial salary for the Status of Women, we will proceed to questioning. However, before we do that, we invite the minister's staff to join us at the table, and we request that the minister introduce her staff present.

Mrs. Vodrey: Mr. Chair, I would just like to take a moment to introduce everyone who is at the table. I think just about everyone knows Theresa Harvey is the assistant deputy minister for the Status of Women; Ruth Mitchell, who is the manager of the Policy Unit, again from the Women's Directorate; and then I believe members also know Sandy Hasenack, who is the chair of the Advisory Council, and Sue Barnsley, who is the executive director of the Women's Advisory Council.

Mr. Chairperson: Thank you. We are now on line 22.1. Status of Women (a) Manitoba Women's

Advisory Council (1) Salaries and Employee Benefits on page 127 of the Main Estimates book.

Ms. McGifford: Mr. Chair, our practice in the Status of Women has been, since the ministry is quite small, to proceed in a less orthodox manner and to ask more general questions, and I wonder if that would be satisfactory to the minister. If I could perhaps outline my intention, I wanted to ask one or two questions about annual reports; then I wanted to ask some questions arising from last year, and then I have a few other questions still.

Mrs. Vodrey: Mr. Chair, that is fine. That is the way it has been done in the past, and I think it works quite well.

Mr. Chairperson: It is agreed then by the committee. Agreed? [agreed]

Ms. McGifford: I wanted to ask a question based on information in the annual report on the Status of Women, and under Role and Mission of the Women's Directorate I read: "The Manitoba Women's Directorate works to influence government decision-making through research support, policy development and evaluation of government programs, policies and legislation in order to promote women's equal participation in our society and the workplace."

Mr. Chair, one of the things that I have become very interested in lately is gender analysis, and I am sure that the minister and her staff are familiar with the federal document, *Setting the Stage for the Next Century: The Federal Plan for Gender Analysis*, and I wanted to ask the minister if she had considered implementing gender analysis or gender-based analysis in evaluating our policies—

Mr. Chairperson: We will recess and proceed to the Chamber for a vote.

CONSUMER AND CORPORATE AFFAIRS

Mr. Chairperson (Marcel Laurendeau): Would the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with the Estimates of the Department of Consumer and

Corporate Affairs. Would the minister's staff please enter the Chamber at this time.

We are on 5.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits.

Before we start, could I ask all honourable members who are having their private conversations to do so out in the hall. It would be much more appropriate. Thank you.

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Mr. Chair, at this time, I would like to introduce my staff who have so kindly joined me this afternoon. First is my able deputy minister, Ms. Alex Morton, assisted by Fred Bryans of financial administrative services; Doug Brown, deputy director of the Securities Commission; and Ron Pozernick, director of Cooperative and Credit Unions and I believe the *caisse populaires*.

Mr. Chair, I would like to now resume my remarks with regard to the update to my honourable colleague with regard to the Elmwood Cemetery, where I believe we were just before the noon recess. I believe I have already covered the issues of the major problems that we have perceived to date, some of the minor, more housekeeping pragmatic problems. I have covered the issue of where we understand the problem to be of ownership of the Elmwood Cemetery at this point in time. I do not think I have any definitive answers at this point. All I can do is advise my honourable colleague as to where the discussions have reached with the respective parties.

The next issue I would like to discuss and cover for my honourable colleague's benefit is the ownership and benefit, the *cestui que trust* to the perpetual care fund. The perpetual care fund, as I indicated, has approximately a \$1.1-million balance, held by the trustee, National Trust, representing a portion of the sale price of each individual burial plot since the 1950s. I indicated that it generates approximately \$65,000 a year, give or take, and this comes in periodically.

One of the salient points will be, of course, when the ownership-operation responsibility of the graveyard is transferred to some new authority, whomever that may

be, it is also essential that the ownership-operation control and access to these funds transfer as well, so therefore that would be ownership or control of the capital, the corpus of this fund, and also the benefit to the income. At this point in time, we have had verbal assurance from Mr. Stewart who, I indicated earlier, met with various Winnipeggers out in Souris a couple of weeks ago.

Mr. Stewart has indicated verbally to us, and his written consent is being sought as we speak, that he will agree to the transfer of these funds, both the benefit of the income and the access to the capital for the control of the capital to be kept intact, of course, to continue to be invested as a perpetual care fund, is my understanding at this point in time, by some other authority. We have discussed the issue, and the City of Winnipeg, I believe, at this point through its officials has indicated that it will explore the opportunity of taking over the management of those funds at a nominal cost.

The National Trust, of course, exacts a commercial rate of return on the income at this point in time, and we are looking for ways to diminish the outflow or expenses against this perpetual care fund, and this might well be one way to do it. One suggestion has been that these funds be managed by the City of Winnipeg for a much smaller, diminished charge. There will be some sort of administrative charge, but the City of Winnipeg very wisely point out that they have been very successful in the last decade, I believe, in the rate of growth and return they have been able to effect on their managed funds. They made some very sage and wise investments within the parameters of trustee investments. So that is a very significant issue.

We have had advice that it may be necessary to seek a court ruling, a court application, to effect transfer of these funds to a different trustee and to a different *cestui que trust*. If that is the case, I can assure my honourable colleague that, on behalf of the provincial government, I will seek the appropriate authority and give the commensurate instructions to effect such a transfer once it is clear what the business plan will be, who will take ultimate responsibility and what the purpose and direction of that function will be.

* (1440)

Ideally—and this is now entering into a little bit of blue sky—there will be a private not-for-profit corporation entitled or styled the Friends of the Elmwood Incorporated or Ltd. headed at this point in time by the prominent citizens that I have mentioned who will solicit members of the public for contributions. I can tell my honourable colleague that I have had any number of personal contacts and individuals from the public at large who have written me, who have said that they are very interested and concerned about the outcome of the Elmwood Cemetery. I have written back asking their permission, if we are able to create and set up a charitable function, charitable corporation, if I could pass their names along to the charitable corporation with the view of soliciting these people for support, for contribution for the upkeep and maintenance on a perpetual care basis and on a remedial basis for the Elmwood Cemetery.

So, therefore, I would invite my honourable colleague, Mr. Chair, once we got to that stage—we are not in the position yet where we can solicit funds, and I do not want to be premature nor raise false expectations that we cannot meet, but once we get to the stage where, if, in fact, these issues are to be determined, that I could contact my honourable colleague, and if he would be so kind as to either contact these individuals themselves and elicit their permission to be contacted or contact them himself to see if they would be prepared to contribute to this fund.

So, ideally, as I have said, we are looking for a contribution of approximately \$2 million to be added to the \$1 million that is already in hand in order to have an appropriate collection of cash available to be invested—

Mr. Chairperson: Order, please. Could I ask the members who are carrying on a conversation to do so quietly. The microphones are picking you up very clearly for the record. Darren, the microphones are picking you up. You have a very clear voice. That is better.

Mr. Radcliffe: So, ideally, as I am saying, we will have this charitable foundation headed by these volunteer citizens who have stepped forward. We will have a best practices business plan which will be the operational arm. There will be funds in place, and the Elmwood Cemetery will carry on as a memorial park.

The individuals who have presold plots will still have access to their real estate, to their real property, in order that they can place members of their family, that a very practical research will be addressed as to whether it is wise to continue having any further burials or sales other than the presolds, and that I can assure my honourable colleague we will exercise great caution with respect to directing any public funds to the private owner of the assets.

This is probably an update, as far as we can tell to date, on the Elmwood Cemetery. We have had a series of morning meetings with the individuals involved, and we look forward to continuing this process as we gain more and more information and have access to more and more directed thought on this issue.

So I want to assure my honourable colleague that this is not a matter that is being ignored by either the municipal government nor the provincial government, that the volunteers are stepping forward from the community who are attempting to show their best efforts. Of course, I can also tell my honourable colleague that in other provinces this issue of abandoned private graveyards is not an issue, because there is a default in the legislation to the municipal authority in question. That legislation does not, at this point, exist in Manitoba. I make no other comment other than that at this point in time on the record.

I can assure my honourable colleague that both my deputy and I will be addressing the terms of The Cemeteries Act in the course of the next year because of all the things that we have learned from a very practical hands-on experience of our adventures with the Elmwood Cemetery to date. We do not know where it will take it at this point in time, but I can assure you that there will be attention so that we can anticipate and remediate the problems that have come forward and which we anticipate would come forward in the future with other issues.

Mr. Jim Maloway (Elmwood): Mr. Chairman, I would like to thank the minister for his comments. I would like to ask him: what is his time frame for seeing this proposition through? The business plan, is it going to be done within the next few weeks, months, years? When will this Mr. Stewart relinquish control of

the trust fund and relinquish control of the cemetery? Will that be weeks, months or years from now?

Mr. Radcliffe: Mr. Chairman—and I am only speaking of my knowledge right now which is secondhand—I have not spoken to Mr. Stewart directly, and I have chosen deliberately not to speak to him because he has counsel, and I did not want to be in a position where remarks could be attributed to me or policy be attributed to me which had not been reviewed and discussed and shared with my colleague. So the information I produce at this point in time is from the council that we have marshalled of municipal officials, private volunteers and members of the department. The time span for producing a business plan will be in the next weeks to month.

We believe realistically what will happen is that the—and this is speculative, and I put a caution on the record that my remarks are speculative at this point in time, but that over the course of the next year the city and the province will do the bare essentials to maintain the graveyard once title has transferred. We basically held our nose to spend some money right now on the grasscutting and the spraying even though it is now still private property, but we are doing this with the consent of the private owner and on the expectation and under his verbal assurance at this point that he is prepared to turn the ownership of the yard over to some appropriate authority. The application for incorporation is being drawn as we speak, which is the beginning of the process to create an entity to be the recipient of the yard. The time span on when that would be effected, I would say would be within the next month to six weeks I would anticipate. If it is going to happen expeditiously, it will happen within that period of time.

What I might add, as well, for the honourable member's benefit, that the City of Winnipeg has also put the wheels in motion once again to drive the legal process to complete the final order of foreclosure on the tax sale. That is grinding ahead as well. The City of Winnipeg still have, of course, the option of not filing the final papers, but they are moving forward through the last service and waiting period, which I believe is a 90-day waiting period after service of document for final order foreclosure.

* (1450)

So we are looking at quite possibly maintaining the yard on the public purse for a period of a year to 18 months as a very much pragmatic band-aid approach in order to give the volunteers time to get in place, to get the asset transferred to them and then for them to start soliciting funds and obtain charitable status, because charitable status again, from a time span point of view, takes about six months once the process has started.

So our bottom line goal, I guess a long winded way of saying, of when the whole project would be up and running would be about 18 months.

Mr. Maloway: I would like to ask the minister: how many cemeteries are operated in this province and, in fact, in this country, in the fashion that he envisions under this committee structure?

Mr. Radcliffe: I believe this would be unique at this point in time. There are other graveyards in Manitoba that are attached to individual denominational parishes. There are private graveyards on private property, there are public graveyards on private property, there are commercial graveyards on private property, and then there are municipal graveyards as well. So there is a full panoply of the spectrum, but I believe this would be unique and perhaps we are designing something that could be a prototype.

Mr. Maloway: So its tax status then, the charitable tax status would be approved by the federal government? Is that expected to be done without trouble?

Mr. Radcliffe: I would confirm that my honourable colleague is correct, that there would be a charitable tax status sought. Having worked on the periphery of a number of files where we have sought charitable status in the past in my law practice, I can assure my honourable colleague that there are always intricacies and permutations and combinations which appear when one is seeking tax status. So I would hesitate to say that that would be without difficulty.

Mr. Maloway: I listened to the minister's figures that he gave of \$2 million, and I have some questions about that because you have indicated that you need about \$200,000 to run this cemetery in a year, and given that the trust funds must be invested in conservative-type investments, you would be looking at say \$50,000 per

million dollars. So you would need about \$4 million in that trust fund.

So how putting \$2 million into it is going to solve the problem, I am really not sure. It seems to me that you will have to bring it up to \$4 million, which is an increase of \$3 million, and I was not exactly clear on how you plan to have the money allocated and spent. Earlier in your comments you had indicated that \$2 million would appear, but it sounded to me that you were talking about spending most of that money to get certain critical operations done, which would mean that your trust fund would not be much bigger than it is right now.

So I guess what I am asking is: can we not agree that ideally we should have \$4 million in the trust fund, and that is after additional monies have been used to spruce up and clean up the cemetery to an appropriate level? In other words, this \$4 million is required for perpetual care, the interest of which should run the cemetery and that cannot be used for—I mean, that has just got to keep the cemetery operating year after year, but it cannot be siphoned off to correct problems that have developed over the last 20 years, 30 years.

Mr. Radcliffe: I think we are both wrong, and we are both correct. I believe that right now the current \$1.1 million produces about \$65,000 a year, so if we have another \$2 million, that is roughly \$130,000 at the current rate of return and the current investment policies. So there is practically \$200,000, and I believe—yes, if you have \$2 million more plus the million you have got, you have \$3 million, so that generates, at the current rate of return, approximately, give or take—I do not want to be held specifically to the figures. These are very much blue-skying the issue at this point in time because we are a long way away from either soliciting or setting these goals, but that I believe would produce approximately \$200,000 a year.

I have not had an opportunity, nor has my deputy, to assess the business plan and the list of expenses on a critical basis, so I think that I give the figure \$200,000 a year very much advisedly because if we are not running an office, if we are not hiring an employee on a full-time basis, if we hand the archival records over to the City of Winnipeg or another archival authority who would conserve those records but not maintain them as

an independent business, then there is a significant saving in the form of insurance, tax, light, heat, water, et cetera. Water, I mean, we have discerned right now that the present owner has a significant water bill that is not paid, and he was running it through his water meter out of the office while he is sitting right on the riverbank. So all it took—and this is not rocket science—all it took was to go and buy a couple of pumps, put a couple of hoses in the river and pump river water onto his grass. So this is the problem with management absentee landlordism.

So I guess I would say to my honourable colleague that in addition to those funds—and I think he is correct that I was off—I think we need \$2 million more for the perpetual care fund added to what we have already got, then we need another accumulation of capital which would be expended for upgrades. I believe you may be correct that the total corpus may be \$4 million. I believe I heard that figure being bandied about the table in the course of our discussions over the last couple of weeks, granting that these are still very much creative boxcar figures, but I think that my honourable colleague may be correct.

Mr. Maloway: I would like to know what other cemeteries in this province are developing similar problems. I understand that there may be another six privately owned cemeteries and that there may be some problems with some of them and that at a certain point in time, if we do not take corrective action now and require more money to be put into the perpetual care fund, that 20, 30 years down the road we will be leaving a problem to the people who follow us in this Legislature. They will be questioning as to why we did not do something now to make certain that there was adequate funds in the perpetual care fund.

Mr. Radcliffe: I concur with my honourable colleague's sentiments on this. However, what I would add is that apportioning the percentage of sale price of individual plots to a perpetual care fund is only part of the problem and only, therefore, part of the answer. If one is dealing with a mature or overly mature graveyard, basically therefore a graveyard then is a real estate corporation, and its significant asset is the sale of ground, and this is putting it on a very pragmatic and crude basis. Once the majority of the plots are sold, then the income coming from that graveyard drops off.

So that also has been a significant part of the problem which has compounded the difficulties of Elmwood and the fact that the percentage was not linked to the consumer price index.

As to the number of graveyards, we, too, have heard a similar figure to what my honourable colleague mentions of six or seven. Quite honestly, I have not gone looking for problems at this point. I have been coping with the Elmwood Cemetery, and we just know that this is a potential problem, and, so, therefore, any remedy that we come up with as a province or any remedy that the municipality, that the City of Winnipeg comes up with may well cut a precedent, and there may be other graveyards that will be watching what we are doing. So, therefore, we are being extremely cautious and trying to be prudent with the public purse.

* (1500)

Mr. Maloway: I would like to ask the minister again, is he aware of some severe problems developing at one or more of the other six or so private cemeteries in this province?

Mr. Radcliffe: I am not aware, Mr. Chairman, specifically of other problems. I have only heard the generalities such as has been expressed by my honourable colleague right now on the record, that there are objectively a number of other institutions that may well become jeopardized or are vulnerable at the present time.

I do not know the nature of the problem. I do not know the extent of the problem, and I do not know for a fact how many others—and I would hesitate to say that there are others, because I do not have any other knowledge other than the broad generality.

Mr. Maloway: Would the minister then endeavour to check with the regulatory body and determine which other private cemeteries are having similar problems and get back to the committee with that answer, because I understand that there is at least one or more developing severe problems similar to this case.

Mr. Radcliffe: Mr. Chairman, yes, I would definitely accede to my honourable colleague's request. I will ask the chair of the Public Utilities Board, who is the

authority, who is vested with the supervisory control of the perpetual care fund, to inquire as to the nature and extent of his knowledge as to the jeopardy or vulnerability of other graveyards, and if he has any and if I get any specifics, I would be glad to share those facts with my honourable colleague.

Mr. Maloway: It really presents an interesting question as to whether or not private graveyards should have ever been allowed to exist, because by definition the cemetery will eventually be filled up. I mean, a couple of hundred years down the line, where are you going to be?

So I am not sure how graveyards are set up in other jurisdictions, in Europe and other places like that, but it seems to me that private graveyards are probably not the way to go because of that fact. Because of the long-term revenue stream, it is just not there once it is used up. So if you think about it, you would have to establish an enormous perpetual-care fund to take care of the problem, and that is really what we have here. We have a situation in this province and this country where if a car warranty company goes out of business and a thousand people are left with warranties where they cannot get their cars fixed, or a computer company goes out of business and a half a dozen people are left without their warranties, we have major stories and it becomes a national issue.

Here we have a situation where 50,000 are essentially left with a trust having been broken, and that is what it is. There is a trust here. People put down money expecting that in perpetuity the cemetery would be taken care of, and now they find 10, 20, 30, 40 years down the line that that trust has been broken in a very cavalier attitude. My electors in Elmwood who have returned the surveys cannot understand how this could happen, how you could have a nonresident owner essentially thumbing his nose at the city, owing \$400,000 in taxes, back taxes, and how he would be able to walk away from this problem.

So while I do applaud the interest that Charlie Birt has shown in this, and Bill Norrie, and I have talked to Charlie, it is really too early to tell whether or not a private foundation is, in fact, workable and is, in fact, the answer here. I think if you talk to Charlie he would probably agree with that sentiment, too, because you

are expecting an awful lot from people here. You have records that are not on computer, manual records. You would have to hire somebody to go through manual records to determine who is buried where and find out where the relatives are currently living, and then you would have to approach the people and the people are all over the country.

As a matter of fact, I have a letter from Dublin, Ireland. I have a lot of letters from outside the constituency. In fact, it is surprising that very few people who actually live in the immediate streets around the graveyard actually have people buried there, because it has become a transient area and there are a lot of rental properties. If people do buy there, they live there for two or three years and move on, so there are very few long-term residents living there.

What I found interesting is that the returns that I got were fairly equal all through the constituency. I got as many returns from Hazel Dell and up around Oakland and Oakview streets as I did in the immediate area around the graveyard. So in talking to these people, I know that they are not happy about the idea, that the trust has been broken, and that they somehow should be asked again to make further donations.

So with 50,000 people buried there, I am sure you can find enough monied people who may solve the problem, but that is going to be a lot of work, and the question is why should they be in this position in the first place. I mean, regardless of how many millions they have in the bank, that really is not the point. The point was they bought a contract and the contract is not being honoured.

So when they look at this, they interpret a lot of government inaction here, and I know the minister has spent countless hours on this question, but that is not readily apparent to the people out there who are concerned about this issue. For example, the seizure of the trust fund, we have given a number of them on our survey a number of options, and one of the options that has been exceedingly popular is that the government should take steps to seize the trust fund.

The question is: I know it is a call the minister has to make, but at what point does the minister stop believing Mr. Stewart and simply step in and seize the fund?

Clearly there has got to be a point at which he does that. I do not know whether that is weeks or months or years away, but surely we cannot let this go on another four or five years. So if things are not worked out in the next few months by his deadline or whatever kind of deadline he has got, then clearly the province will have to apply to the courts to seize the fund and take control.

The sense I got from people is they are wondering why has this not been done. Like why are you sitting here talking about this, and why are you surveying me about this issue? It is a sensible thing to do, and why have you not done it already? It should have been done long ago.

* (1510)

The constituents, by and large, favour the idea of combining the cemetery with the city's three other cemeteries. That was quite a popular option. They like that one and thought that option was very good. Certainly, the option of reviewing the operations of the trust fund and the management of the cemetery, I have gotten numerous calls from people, and this is kind of standard fare with any question where money is involved. There are certain people, when there is money involved, people will feel that maybe things have not been handled properly, and where is the trust fund, and who has got it and stuff like that, and has it been properly managed?

My understanding is that Mr. Stewart has to account for this money every five years through a judge passing the accounts, but I do not know how critical a view is taken on that question. You know, the minister has been around long enough to know documents get signed in a rush and stuff gets passed routinely, and it is all sort of things that we miss if we are not really looking for them and especially if there has been no cause to think that there would be money missing in the first place. So clearly there are a number of people, and I think in some cases no matter what you do or no matter what we do or no matter what we say that some people will never believe anyway, will think that money has been hidden or taken away. So clearly the management of the cemetery and I think some sort of review of that, I do not know how realistic a forensic

accounting process is. I imagine it is expensive, but if there is any evidence that is what may be required, then certainly we would want to take a look at that.

The private foundation question was put in. We have tabulated the results and put them on the computer, and then we sent out letters to the people who responded, only the people that responded with the percentage of responses. I do not have the numbers here, but we did offer them the option of a private foundation being set up. I think, by and large, people are accepting of that. Some people like it, some people actually do not like it, but most of the people feel though that why do we have to go to all this effort, and why do we have to contribute again when we thought we had paid the bill the first time? So there is a certain amount of concern about that.

The other thing too is that—and Charlie and I talked about this—who is going to take it over when he is not around anymore? You know, you set up these funds, and we have seen this happen before that you set up an organization and then the people die who are in control of it, whose idea it was, and then who is there to take it over because there is a limit. We are going to have very few people buried in the cemetery, and so 50 years from now people will not be around. People will be buried somewhere else, and the living people will be interested in those people, not the ones that do not have any more living relatives. So that is a concern.

Another issue that the minister, and I have not heard back from him. Perhaps he did send me a letter, perhaps he did not, but the minister will recall last year that we spent our very short period in Estimates last year during the flood, and I think we all had a very good time, because I know some of the other members were out carrying sandbags and that, while we were here doing our duties.

An Honourable Member: I believe our honourable Chairman was very, very vigorously employed carrying sandbags.

Mr. Maloway: That is right, and when we were not here, I was in the process of moving about 4,000 sandbags into my backyard, so we got a lot of exercise but outside of the hours spent here.

We uncovered at that period, the minister will remember—it was in the middle of the federal election—a case of a candidate for election in an Ontario riding for the Liberal Party, re-election, who was bragging about the fact that he had obtained federal infrastructure funding for cemeteries, and that letter was brought back from Thunder Bay or that campaign leaflet, pardon me, was brought back, and I presented it at the committee. The minister is aware of it, and I had brought forward the proposition at that time, that given that the incumbent government was having some problems, political problems at the time, was looking at an election, that they might be quite willing to look at some representations for monies to be put out of the infrastructure program toward Elmwood Cemetery.

At some point, we did discover that 16 other cemeteries across Canada had received federal infrastructure funding since 1994, so just in three years 16 cemeteries had gotten money. What we were suggesting to the minister at that time was that for the purposes of—well, for whatever purposes you could justify getting the money, that you should approach them, and maybe they could probably not top up your perpetual care fund, but maybe they should take care of some of the riverbank problems or other problems that you are having there. I do not believe I heard back on that one, so we certainly would want—and that one, by the way, was an extremely popular option. It was almost universally acceptable in the survey.

The final proposition that we put across to the people we sent the questionnaires to, and all 7,500 houses got this questionnaire and got this letter, the final proposition they were given was that The Cemeteries Act should be reviewed, and that contributions to the perpetual care fund should be increased, and they thought that that made sense as well. Now, I would like to hear the minister's responses to each of those items if he could.

Mr. Radcliffe: Well, Mr. Chairman, on a technical basis of the use of the words employed by my honourable colleague opposite, I am willing to grant that he is probably quite correct, that there has been a breach of contract of perpetual care and a breach of trust. However, one must be very cautious when using the term “breach of trust” because that automatically suggests to members of the public that some of the

capital that has been set aside and dedicated to perpetual care has been encroached upon, and I want to be most assertive in my statement today that I have nothing but the highest of confidence in the National Trust company, that, in fact, they have been a very prudent trustee, and they have kept intact the capital of the fund and that they have been very cautious and not wasteful or imprudent in their investments.

I do not quarrel with my honourable colleague's comments with regard to perhaps the assiduity of the scrutiny on the passing of accounts in years gone by, and I concur that the whole suggestion of a forensic accounting was discussed around the table, and I think the costs of that bear heavily upon the resources that are available today. But, nonetheless, I do concur that that was a term that was bandied about the table, because the individuals who were there also felt somewhat chagrined, I guess, that so much capital for so long had produced so limited results.

So I think we are coming from the same page of the same book on that one. With regard to what is done in other provinces, other countries, my understanding is that in some places in Europe, and specifically England, after a period of about 40 years, 50 years, depending on the soil conditions and depending upon the moisture levels, all remains, all mortal remains, had disappeared, and that in many European places these graveyards are plowed up and reused. That is somewhat of a revolutionary concept I guess for a new nation like Canada where we—[interjection] Yes, that is right, and the honourable colleague mentions Denmark. These are countries of high-density population and areas where all the available living space is dedicated to the purposes of the living.

When one were to travel to Headingley, Manitoba, and stand on Highway No. 1 and look directly west and see the broad extent of the Whitehorse Plains in the Red River Valley, it sort of boggles the mind that we would be complaining in this country to date that we are suffering from lack of space. So I offer that only as information at this point in time. [interjection] Absolutely. I want to advise my honourable colleague that on the issue of cremation, I had the opportunity to bring greetings from the Premier (Mr. Filmon) and my colleagues, all my colleagues in the Legislature, on the

opening of a new columbarium on Portage Avenue west.

* (1520)

I was, in fact, introduced to the industry of death at that point, and this was at Christmas time, and I was astounded at the mathematics involved. There was a columbarium opened in the graveyard just beyond the Perimeter on the south side of Highway No. 1 or Portage Avenue. A columbarium is an above-ground structure, and again it is real estate driven, where location, location, location is the driving force. This is an area where there is a lounge or a sitting room within the building which is outfitted with chesterfields and couches. There are drawers all in the walls, like a crypt. At eye level, one can pay up to \$24,000 for a full-body casket deposit. So it is a depository for remains, for mortal remains. If you want an eye level niche for ashes for human remains, that can cost you up to \$6,000.

I am told that there are members of our communities here in Winnipeg and in Manitoba who derive great solace and comfort from going out and sitting near to the mortal remains and reflecting on the departed member of their family and meditating, I guess, on the past events of their lives in the comfort of a heated room, tastefully appointed and in comfort, and that there are institutions that cater to this need. For a very, very small geographic consumption of real property, one can meet a significant need in the community.

The monetary returns are incredibly significant. I was told that for a \$70,000 investment, the return, if appropriately driven and managed, could be up to \$700,000 in actual return. I looked about the property, and I cannot remember—I cannot give you the name of the graveyard right now but that was the location. This was the second such structure that was constructed on that property. I had the occasion to talk to the manager of that institution or that structure because I was intrigued, given the responsibilities that I am undergoing with the Elmwood Cemetery, what all the other alternatives—like my honourable colleague has mentioned opposite, you know, what is done in other communities, what is done in other countries, what is done in other provinces. So this is also another alternative.

An Honourable Member: Is that Glen Lawn?

Mr. Radcliffe: Yes. The honourable member for Brandon East (Mr. L. Evans) mentioned Glen Lawn, and I believe he is—[interjection] Yes. I believe he is quite correct, and he drives past that all the way on his way home back and forth to Brandon East.

So I certainly want to assure my honourable colleague that both the deputy minister and I are being very observant, and, in fact, this has opened a whole new facet of existence to our practice or our jobs now I guess—we do not practise anymore—but to our jobs because of our exposure to Elmwood Cemetery.

Now, my honourable colleague said something about other provinces, I guess, and so I do not expect him to respond at this point, but I would like to extend a discussion I guess. First of all, the background is that I know in the province of Ontario, or I believe in the province of Ontario, if there is a private for-profit graveyard which goes broke or is abandoned, then the status of the law I believe is that those properties estreat and pass to the municipalities.

So I shared that fact with my colleague or our colleague Mr. Angus, who is the point person from the City of Winnipeg, and I said that failing all conciliatory mediative solutions from the community or from our discussions, that this might be the possible alternative which was something within the purview of the members of this Chamber here. So I made it very clear that that is, in fact, a back-up position, that we do not have access to that remedy at this point in time because we do not have the legislation. We would have to bring forth legislation to enforce that.

So given my honourable colleague's inquiry, I guess would be the best thing, as to the appropriateness of private graveyards, and especially mature private graveyards, and abandoned mature private graveyards, perhaps he and his colleagues would make a common cause with me were I to bring forth legislation to this nature that these graveyards would pass to the local municipality. In fact, I note for the record that this was the preponderance of opinion that he elicited from his constituents in his neighbourhood. If he could share with me the number of the survey and the number of people who were in favour of that solution, I certainly

would bring that to the attention of the municipal people with whom I am negotiating at this point in time. I do not want these remarks, of course, to be interpreted in any way as being threatening or overbearing or anything like that. This is just looking at all the alternatives that would be open to us as responsible legislators and concerned leaders in our different constituencies.

I think I have answered—oh, I guess one of the other issues that has led to the present state of affairs, which my honourable colleague was not remonstrating with me, but sort of speculating upon or reflecting upon, is the fact that with regard to the changing conditions of our finances and that labour costs have gone up significantly. In 1950, gravediggers, yard people, supervisors did not have the benefit of collective agreements, did not have a wage rate at the level which they enjoy today. So there has been inflation in our community resulting in an increase in costs, an increase in wages, and in some cases, I think the investment, the rate of return on capital, has been reasonably static on an overall year-to-year basis.

I can remember as a younger person being told that if you take the rate of inflation out of our current investment return, if one got 3 percent rate of return, real rate of return on one's capital, one was doing extremely well. I believe back in the Roman times 3 percent was looked upon as an appropriate rate of return on invested capital, and I know that British consuls in the 19th Century, which were a type of bond, paid 3 percent.

So the fact—[interjection] That is right, we have had inflation in our industry, our currency has been devalued, in effect, the dollar today, even internally, is not worth today what it was in 1955. The buying power of that fund is not what it was. The original initiators of this legislation did not tag it to the consumer price index, and it has not kept pace with inflation. So that has been one of the significant drivers of this problem, as well, the fact that the real estate has been exhausted and the fact that we have suffered inflation and that the rate of return on investment, on specifically trustee investments, by its very nature, must be conservative. Obviously, as my honourable colleague knows, the higher the rate of return usually directly parallels the rate of risk in an investment, so as

public trustees or the National Trust, of course, has conformed to trustee investments, and so these are some of the drivers on the issue.

I think I have touched on many of the issues. Oh, I know, he was talking about when am I going to seize. Well, I have done some research already, legal research, on the capital fund, the perpetual care fund, and my, I guess, policy as a first position is that I want to research to see if a mediated, agreed, voluntary conclusion and solution can be reached.

I have indicated to my honourable colleague that we are looking at transfers being effected within the next short while, meaning weeks to month, that there will be solicitation of funds. If we run into a road block and then, for example, the preliminary contacts with the National Trust have elicited the response that they would be agreeable on a voluntary basis if the city agreed to receive the funds and dedicate the funds to perpetual care, which I think is crucial. They cannot go to operations of the city or general operation of a graveyard business, but if they are prepared to accept the funds on the same basis as is found in the legislation, and if Mr. Stewart voluntarily agrees to surrender any claim and right he may have to those funds, then the National Trust was prepared to agree to transfer the funds.

* (1530)

But that is on contact with the local people here, and as my honourable colleague knows, there is often a vast difference in policy and in collegiate thinking between the branch office and the head office and the legal department, and when National Trust lawyers get at the issue and say, well, what is in the best interests of the National Trust, to protect the National Trust company, they may advise the National Trust company: aha, my good chap, do not you dare let those monies go without a court order, so that the responsibility is passed to an arm of government of the judiciary.

So that may well be a legitimate step we have to pass, and if so, I am quite prepared to commence the proceedings and seek the authority of government to do that, to move the funds from the National Trust company to the City of Winnipeg, given the parameters

that we have consensus all way round, and to do that sooner than later.

What is of concern to me, as well, and I must add to my remarks on this issue, Mr. Stewart said—and the problem is so wide, and there are so many facets to it that I think I have told it all and then I think of something else—at the end of January, publicly, in our community, that he was closing the gates and he was going out of business, and this was the end of the world. He did upset a lot of sincere, honest citizens in the community who had near and dear in the yard.

I remember reading about an elderly gentleman who, part of his daily peregrinations was that he would go into the yard and sit and reflect by his wife's grave, and that he was anticipating that he would be barred access to the yard or that if the snow fell and the paths were not shovelled that he could not get in there, and this would be a real shame. I remember reading that and reflecting on that myself.

So at that point in time we were left with the basis that Mr. Stewart was absolutely unequivocally going out of business. Well, I can advise my honourable colleagues that about a month ago the Public Utilities Board contacted Mr. Stewart and advised—I think it was by the end of February—him that they had taken notice of his public declaration that was aired in the local media, and that they were confirming their understanding that he was no longer wishing to carry on business. Mr. Stewart's response to that communication was an application for another year's licence to carry on the active business of a graveyard.

So that is what gave rise—they said, well, they had no legitimate reason to deny him the right to carry on business, but they were prepared to do it on condition. Those were the conditions that I mentioned, that he proceed forthwith to passing of accounts, that he disclose on a monthly basis the division between operation and care, and do that on a quarterly basis, as well, or on the three-month basis as well.

So I think the attitude of the Public Utilities Board was, well, there is no legitimate legislative authority which can bring them to deny him appropriately carrying on the business. Their eyebrows were raised, and they were saying we need some assurance that this

now will be a viable enterprise, and that is why those conditions were put, and that was to be before the release of any funds as well. I do not believe that \$8,000 has yet been released that I spoke of from the trust fund. [interjection] That is correct. Yes.

Because I, too, had certain qualms when the individual was saying, yes, I am out of business, I never want to darken your doorstep again, I am out of your community, and then a 180 reversal two months later. You know, was he sincere, were we being played with, was this the negotiating tool. Those are all the speculative notions that went through my mind. So I want to be very, very careful. I do not want to subject the Public Utilities Board, nor my government to a lawsuit for certiorari or some other prerogative writ commanding us to do our duty and running up a legal bill and making us look foolish in the eyes of the public. I do not want to unduly harass the individual, but I want to make sure that the consumer public is protected. So this is the balance I have been trying to strike in this issue. So there are some more reflections that I might have on the topic.

Mr. Maloway: I would like to ask the minister then regarding this \$8,800 that Mr. Stewart has been given. I was under the impression that he had control of the trust fund. Am I to believe that he has to apply to the trust fund and the trust fund then sends him a cheque for \$8,800 of which he pays these bills? Now, cannot the trust fund simply pay the bills directly? Why does it have to be routed through him? Why, I guess because he still owns the graveyard, yes.

Mr. Radcliffe: The nature of the relationship, as I understand it, is Mr. Stewart is a private entrepreneur, a private landowner. He conducts his business as best he sees fit, and it is not up to me to comment or interfere with his private enterprise however well run or ill run it may well be, and that is his business alone. There are funds that have been set aside in the hands of National Trust, as the trustee, the capital, that is where the corpus of the money sits. Mr. Stewart, through his corporation or operating company, whomever, applies to National Trust for a release of the income periodically.

The National Trust have the imposition upon them as trustee that they are to hold the capital intact and to

invest it prudently and wisely and to release the income, the revenue, periodically, and on request to satisfy issues of perpetual maintenance. This whole activity is regulated and overseen by the Public Utilities Board, so the Public Utilities Board as a regulator will give instructions to the trustee. The Public Utilities Board is governed by the legislation in this case. Their authority runs only so far as the legislation goes. They can be admonitory, they can be advisory, they can be cautious, but the legislation to date does not enable the Public Utilities Board to prohibit the trustee from releasing the funds on a legitimate request.

So my honourable colleague said: I hope, Radcliffe, that you are going to be reviewing the legislation. I had asserted earlier that, in fact, the deputy and I will be reviewing the entire ambit of this whole relationship, given the experiences we have had, and will be looking at the advisability of either being restrictive or changing the relationships or putting some other options in place. We do not know yet what the appropriate answers would be. Certainly, I think you have identified an issue, and we are aware of it, and we think it needs addressing.

* (1540)

Mr. Maloway: So this \$8,800, then, is given to him for a specific purpose, and then when the purpose has been fulfilled he will go back to the trustee and request more money for continued purpose or some other purpose, and it will be looked at on a case-by-case basis. So it is essentially a receivership proposition then. The trustee is more or less acting as a receiver in this case.

Mr. Radcliffe: Well, I think that is a bit of a misnomer, Mr. Chairman, because a receiver acts in the case of a bankruptcy, insolvency, and is sent in by people who are either clients or preferred shareholders or shareholders or creditors to actually receive the assets of a business, manage them for a purpose for a given length of time to generate income to pay off debt and then turn the asset back to the owner or to liquidate. That is traditionally the language that I understand receiver to be.

What this very properly is is a trustee relationship where funds are held by an independent third party

under specific mandate or charge, and the revenue, the income produced from the invested funds, is to be used for a directed purpose. You can have a trustee relationship in estate planning in a private family planning situation. You can have trustees of foundations—oh, that just triggers another comment that my honourable colleague had made. He asked me what was to happen when the Bill Norries and the Charlie Birts of the world passed on and shuffled off this mortal coil.

My response to that would be that the Winnipeg Foundation was the creature of the Alloway family, who were two merchant bankers in Winnipeg in the '20s. They were two brothers and they had the firm of Champion and Alloway, which was a private merchant bank here in Winnipeg and actually had a very attractive Greek revival building on Main Street right where the Trizec building is now. In any event, they allocated a million dollars each to the Winnipeg Foundation back about 1925-26, which was the seed money for what has today become the Winnipeg Foundation which is one of the largest foundations in the country of Canada today.

The Sill Foundation came from Thomas Sill and has been turned over to trustees, the large corpus of his estate. He was a very prosperous chartered accountant in town and had no real direct heirs, lineal heirs, descendants, and so, therefore, he turned over a large part of his estate to charitable purposes. Members of his firm, Bob Filuk in question, who is also a Friend of the Elmwood Cemetery, is one of the trustees of the Sill Foundation.

So, appropriately, if this whole concept of a charitable foundation were to take hold—and I agree with my honourable colleague that this is still very much in its infancy and in a speculative nature, and it may very well not fly. But if it were to fly, if it were to succeed, then the succession planning could well be that the perpetual care fund, or the responsibility for the ownership of the property, could be turned over to a foundation of perpetual succession.

So there are many possibilities of being creative with this issue if, in fact, the public support is there, if, in fact, we are able to get everybody to co-operate, and if, in fact, it proceeds in the way in which we envisage. If

not, then perhaps we bring legislation, perhaps we resort to court orders, but that is an adversarial resolution and I always believe that you catch far more flies with honey than you do with grit. So it is far smarter to proceed firstly on a conciliatory process. Then if that fails, and if there is no other alternative that we can conceive, well then maybe we have to get heavy-handed.

Mr. Maloway: Can the minister tell us then what was the quantum of salary and dividends that this owner has been taking out of this cemetery in the last number of years? And frequency, by the way.

Mr. Radcliffe: I do not have those figures today. If we do go over another day, I can certainly furnish my honourable colleague with some of those figures because I think we have—what have we got? I can give him the last filing of accounts from the Queen's Bench, which I have in hand, and I have some other financial records in hand in the file. I do not have them with me here today, but I certainly have no problem giving them to him.

The current occupant of the office, Mrs. Gerri Mason, receives a very nominal salary. She performs a clerking function and is paid on an appropriate level, but it is very modest. I believe that up till about 10 years ago this whole enterprise was generating some sort of dividend income. My recollection is that the profitability of this whole enterprise dropped off very significantly about a decade ago. But in any event, whatever financial records I have got touching on our research, and these are documents that are—I am not breaching any confidence—these are documents that are in the public domain which we have obtained, I certainly have no problem sharing with my honourable colleague.

Mr. Maloway: So is the minister saying, then, that to the best of his knowledge there has been no management fees or salaries or dividends paid in the last few years?

Mr. Radcliffe: No, I am not saying that because I do believe there has been a management fee charged in the last number of years and, as I say, I would not speculate because it would be rank speculation at this point sitting in this chair today, but I will get those figures.

I have some of those figures, in any event, and I am quite happy to share them.

* (1550)

Mr. Maloway: Can the minister then confirm that a management fee is being paid currently, this current year, to the owner?

Mr. Radcliffe: I do not believe there is a management fee being charged right now for the current year. I have not seen anything in the accounting to that effect, but very appropriately this is an issue which Mr. Stewart will have to present to the court and will suffer the scrutiny of a Queen's Bench judge, or a master of the Queen's Bench, who this matter will be referred to, I would imagine.

I think that would be my sum and substance. Yes, I think that would be the extent of my remarks, yes.

Mr. Maloway: Mr. Chairman, the minister forgot to address some of the areas that I brought up earlier and one of them was his position and his activity or lack of activity as far as the federal infrastructure funding program was concerned. I had mentioned that up to June of last year, I believe 16 other cemeteries across Canada had received federal infrastructure programming.

Has the minister checked into that program, and why has he not, if he has not?

Mr. Radcliffe: Mr. Chair, I have not checked into the infrastructure application up until this point in time, because I have been very loath, on behalf of government, to take any proprietary interest in this project, because I have felt that the business of government has been that of a regulatory issue, not a funder, not an owner or proprietor. I have been quite clear with Mr. Stewart when he asked to sit down and discuss his problems with me, that if he really pressed me I would, but I really was not happy about doing this because I do not want to be put in a position on behalf of government of financing a defunct graveyard. That is not a function that government does; and likewise, the municipal authorities feel much the same way that they want to get out of the graveyard business, so they have told me—although they have a number of functioning graveyards—rather than expanding their activity in this area.

I feel that the role of government has been to mediate, to arrange, to facilitate, which is what I have done to date. I have hosted a number of meetings in my office. I have contacted individuals whom I knew had connection with the graveyard. I have tried to put them together as a community of interest, but my role has been one of a facilitator, not one of a financier nor of hands-on operator. Nature abhors a vacuum, as I am sure my honourable colleague knows, and if I on behalf of the provincial government were to charge to the rescue and come up with all the answers and funds and all the quick, snappy solutions for this problem, rather than turning to the community and saying, let us get some community support here, let us find out what the nature and extent of the resources are out there in the community, what is the support level for this, but if I were just to throw public money or public skill at this problem at the first instance, then I think I would be subject to criticism of being imprudent with the public purse.

If this property were to estreat to the provincial Crown, then we are looking at a whole new realm of parameter of activity, but we are a long way from that. I do not even know yet who is going to own this property, and right now it is still in the hands of a private entrepreneur. So it is inappropriate for me as a minister of the Crown to approach him and start giving him business ideas. If he does not have the wit to do it himself and come in out of the cold, well, then that is his misfortune, but it is not my role to be a financial adviser to him.

Mr. Maloway: Mr. Chairman, the minister indicated that he is reviewing The Cemeteries Act and what I would like to know is, clearly one of the areas he would be looking at is increasing the contributions to the perpetual care fund, that being one of them. I believe the second area he is looking at is the possibility of having the cemeteries default to the municipal level when they get into trouble.

What other areas would the minister be looking at making changes in as far as The Cemeteries Act changes would be concerned?

Mr. Radcliffe: I would also be looking at relating the level of investment, the perpetual care fund, tagging that or relating that to the consumer price index, so that determining what is an appropriate percentage of the purchase price of every plot to maintain a reasonable amount of care for that particular graveyard or plot of land, so we have to establish in today's parlance what is an appropriate level of contribution. Then maybe the 30 percent or 35 percent that is donated now is appropriate if it were related to the CPI, consumer price index, but I certainly want to look at that and see if that is appropriate.

I want to look at the whole issue of the role of the Public Utilities Board and to see whether, in fact, they need more authority on whether to give instructions to the trustees. Are commercial trustees the appropriate party to hold these trust funds? I do not know. Should there be other options granted? Are there other public institutions or members of the community that do not charge as much that we should give people the opportunity to place these funds? Is this a role that the trust companies want to continue fulfilling?

Mr. Peter Dyck, Acting Chairperson, in the Chair

These are all issues because I know that in today's level of expenses and investment charges, et cetera, that trust companies are loath to become involved with investing small amounts of money, that they look on them as only nuisance accounts. So research and consultation has got to be done with that whole area, whether, in fact, the Public Trustee should be vested with this authority or whether the Public Utilities Board, whether there is some other area of government, the Department of Finance, that has the skill and ability to invest funds. These are all issues that would be subject to discussion, research. I would probably assign the issue to my research department. I have a very capable and honourable researcher, Mr. Ian Anderson, who has done noble work in the production of the life-lease legislation which has now come to a conclusion. He will be a fresh resource for me next year to be addressing new issues, and this may well be one of the issues that we will put on his plate.

Mr. Maloway: I would like to ask the minister whether he has reason to believe that all of the revenues over the years was actually turned over to the perpetual

care fund? I mean, does he have any way of knowing whether that was the case or not the case? I mean, how would one be able to know that if there was a deliberate diversion taking place?

Mr. Radcliffe: I would remind the honourable colleague that, first of all, in answer to that question, you have got to look at the structure. National Trust is the recipient and custodian of the capital. If he is asking was all the revenue from the capital turned over to the operator, yes, it was. The way one discerns that is looking at the passing of accounts through the years. Those are all documents that are on deposit in the Queen's Bench office, so that is where you go to look for that information.

I do not believe there was a residue of revenue that was reinvested back into capital. That is also an issue that begs scrutiny as well. Should some of the revenue be reinvested back in, should that be the source of increasing the perpetual care account? But to date, with this particular perpetual care account, I am of the belief at this time that Mr. Stewart, through his corporations, has taken all of the revenue that has been generated from this capital account and used it for the perpetual care.

Mr. Maloway: Mr. Chairman, the minister made reference to the Loewen group's interest in this. I would like to know: why would the Loewen group be interested in this cemetery? What would be their role, and where would they see any avenue for profit here?

Mr. Radcliffe: I think my honourable colleague has suggested the answer to that question in his question when he said that there must be profit in the enterprise. As you know, the Loewen group is a very vigorous and aggressive mortuary company, and I am sure that the only reason they would become involved with this enterprise in the operation of the graveyard is if they could see that it would augment their commercial enterprise. Beyond that, any further answer would have to be addressed, or any further scrutiny of that issue would have to be addressed to the Loewen group to discern what their motivation would be for becoming involved with this enterprise, because I do not have that information.

Mr. Maloway: So the minister is saying he really does not know why they would be involved in this.

Mr. Radcliffe: I do not know why they would be involved in this enterprise over and above being able to operate a commercial enterprise at a profit, which I presume would be the driving force. They have the skill; they have the motivation for being involved in this sort of enterprise; they have done it successfully; they have a proven track record of being extremely successful. I can only speculate, but I do not think they would become involved deliberately in a losing proposition. They would only do this if they thought they could be successful at it financially.

* (1600)

Mr. Maloway: Would the minister then endeavour to find out what Loewen's role is in this at this point, or is there no role?

Mr. Radcliffe: Loewen has no role at this point in time in either the operation or in the direction of the Elmwood Cemetery. The Loewen group, I believe, may be consulted, and this is highly speculative, but may be consulted by Mr. Stone, or Mr. Stone may look to his own resources. Mr. Stone is a City of Winnipeg employee who is, I believe, the manager, or a person who is directly responsible for Brookside Cemetery and there is one other Winnipeg cemetery.

I just heard by virtue of third-hand news or information that the Loewen group—somebody mentioned to me that the Loewen group had expressed some interest, not in taking it over but being an operator. I have had no direct communication with the Loewen group. None of the committee that I know of have had any direct communication with the Loewen group, and to date they have had no input nor connection to this issue.

Mr. Maloway: Mr. Chairman, within the last year, there was an individual in Winnipeg who surfaced offering to set up a fund and solicit donations for this. Mr. Halprin [phonetic], I believe. I would like to know just what has happened with his offer, and did he do anything?

Mr. Radcliffe: Not to my knowledge.

Mr. Maloway: The minister earlier indicated that Mr. Stewart now is in a position of owning a building and some equipment, on which the taxes are all paid, the building portion, and he sees that there is potentially \$100,000 worth of value here to someone. [interjection] Well, that is why he is asking for \$100,000, whether it is realistic or not, but, you know, this whole proposition is absurd, so why should this surprise us, that this man would want \$100,000 for this little house?

So what we have here is we have a guy in Ontario who owes the city \$400,000 in taxes, who is getting another \$8,800 as we speak to do certain things to the cemetery, and he expects to walk away from this at some point, leaving the taxpayers out \$400,000 in city taxes after he has been taking management fees all these years, right, and not running the cemetery because that is not what he is doing; running it into the ground maybe, but he has not been doing anything productive with it. He intends to squeeze as much as \$100,000 for this building and equipment out of Manitoba and then ride off into the sunset.

I mean, it seems to me that this is the ultimate in irresponsible corporate behaviour, and it just points to the fact that private cemeteries just should not be allowed to exist in this country. I am sorry, but that is the conclusion that I have to draw after looking at this mess.

I think you are being excessively patient in dealing with this situation. I think you should have seized that trust account years ago. Mind you, this government has gone through so many Consumer Affairs ministers—I think practically the whole caucus gets a turn at Consumer Affairs—and I am a little worried that you are the first minister, I think, who has spent really any real time on this file. I am worried that you are going to be shuffled off to your reward, and some new minister will be put in there who may not show the same dedication to solving it, and we may, as early as next year, be on that side of the House with you sitting over here asking me why it has taken so long to do something about this. That is my worst nightmare, not having to sit over there, Mr. Chairman, but having this thing go on interminably.

So I would like some ministerial comments on that whole scenario, that this man could walk away and owe

the city \$400,000 and somehow think that he should get \$100,000 for this little house and be able to walk away with it.

Mr. Radcliffe: Well, there are a number of issues that I would like to be responsive to that my honourable colleague opposite has raised.

First of all, he has abjured or urged me to seize the accounts. I guess I have to respond to that by saying until Mr. Stewart in January of 1998 said that he was going out of business, all I had to rely upon was, in fact, secondhand information from the marketplace that he was having financial difficulties. Mr. Stewart himself advised me that he was having financial difficulties. He wrote me several times. He solicited my assistance as a member of the government, and I assured him that I was not in the position where I was going to be donating public money to a failing private enterprise, and I was as pithy and short and as blunt on that as one could be within the realm of good taste and decency.

So I guess what I would say to my honourable colleague is if I were to have approached the Queen's Bench on behalf of a government any time prior to this individual saying he was going out of business, a Queen's Bench judge, from my experience of 20 years before the bar, would have turned to me and said, well, minister, on what basis do you have any cause for complaint? The man is entitled to run an enterprise as he sees fit, however properly or imprudently as you may think, but it is presumptuous of you to come and publicly speak to a court and impute that he is in jeopardy. The funds themselves were not vulnerable to misappropriation. The capital was not vulnerable to misappropriation, and then today they are still not vulnerable to misappropriation.

My comment is that National Trust is taking a commercial rate of return for handling those funds and investing them. I believe that the City of Winnipeg may be able to do as well, if not better, on the investment level for a far more modest charge. So therefore that brings me to a conclusion that the fund and the consumer and the members of the families of the Elmwood Cemetery, the occupants of the Elmwood Cemetery, would be better off by a transfer of funds now, but that opportunity, that resource was not open to me until, oh, I believe, a week ago. It may still not

yet be available to me. It is still at the negotiating stage, but up until this January, with the greatest respect I believe that a Queen's Bench judge would have been well founded in dismissing this case summarily and out of hand.

We were also left with the position that because the individual had applied for a future licence for the next year, which was I believe a clever step on his point, he then might well, if this scenario had not developed the way it has, have positioned himself very adroitly, so that a Queen's Bench judge's hands would have been tied, that the funds still could not have been transferred away from National Trust and away from the present charge. So that is why I have not acted to date having some grasp of trusteeship, The Cemeteries Act and the various relationships between the parties.

* (1610)

One comment I would have is that the municipal assessment on the graveyard has been significantly reduced in the last number of years. The object of the assessment now is directed to the areas of the graveyard that are not dedicated and occupied as graves. [interjection] Yes, and so that would mean the roadways, that would mean the unsold real estate. I believe that this was an option that was open to Mr. Stewart on his tax regime for some time, and he may or may not have availed himself of that. I have had a very cursory assurance from the City of Winnipeg that the \$400,000 tax base or tax sum is legitimate and not subject to challenge. It is not my business to challenge that. Were I operating as an entrepreneur, I believe that every entrepreneur has the duty to minimize his tax, and therefore to ensure that the only tax that he was paying would be the tax on the unsold lots and the roadways within that graveyard.

Whether he was taxed on the basis of that property or on the basis of the whole 30 hectares, I do not know. So there may be some academic speculation involved with that \$400,000, so I just caution my honourable colleague that certainly it is \$400,000, in the nature of \$400,000 that is outstanding and on the books of the city. How we got to that point may well be something that would deserve further scrutiny if someone were to go down that path, and I do not believe anybody will at this point in time.

As to whether I am going to donate or turn over \$100,00 of public money to this individual for the purchase of that house on Hespeler and that equipment, I can assure this honourable colleague that my advice to Treasury, to Finance, to my department officials and my keeper of my privy person, my department, that I would recommend most heartily against it.

What may happen is that Mr. Stone, the city official, the civic official, is I think going to inform himself as to a realistic assessment of the value of that house on Hespeler and report back to us as to what he thinks it is worth on a market value, and I think that through the city—the poor old City of Winnipeg Assessment Branch has received a significant degree of opprobrium over the last couple of years, but I do believe they have those skills. So we are going to access that resource and receive that information. Also, I believe the graveyard operators are going to go and assess the worth, the real worth, of the equipment, but my position right now is that I believe it is probably worth less and that, in fact, it would be a liability.

So my estimation of the opinion of the Friends of the Elmwood Cemetery is that they are not interested in acquiring that property and that that will be a nonstarter. But that is not my decision. All I can assure my honourable colleague is that the money that I have access to will not go that route. I believe that the Friends of the Elmwood Cemetery will not go that route, and we will not be asking the public, or they will not be asking the public, for the public's money to go that route either, because it does not make sense.

Mr. Maloway: Mr. Chairman, I thank the minister for his reassurance on that point because I think that to add sort of insult to injury, if he were to walk away with any amount of money on that property, it would certainly have a lot of people riled up in my area and for good reason. So if there is any way to leave him with a building on Hespeler and very little prospect of selling, then I think that would be just.

I wanted to, at this point, Mr. Chairman, move onto a different area, and perhaps we could find out just what the current status is regarding the tampering of odometers in this province. This has been an issue now ongoing for a number of years. A previous minister made a statement that this was not a problem, and the

RCMP at the time indicated that it was a major problem. We know that it continues to be a fairly major problem in spite of some good efforts on the part of the province, I believe, to put a stop to this problem. But I would like an update on where this issue is at this point.

Mr. Chairperson in the Chair

Mr. Radcliffe: Mr. Chair, I would like to advise my honourable colleague that we have a new director at the Consumers' Bureau, an individual by the name of Marjorie Simpson, who is a very upbeat, assertive, aggressive person who will be taking great strides to make some innovations at the Consumers' Bureau and be addressing issues of measurement of resource, and addressing results, and doing cost-benefit analysis, addressing and questioning the direction and the values of the Consumers' Bureau, and addressing what sort of returns we should be getting, and ensuring that we are getting the returns, and accomplishing the goals and mission that we ought to be concerning ourselves with on this department, this aspect of my department.

Having said that, we have contacted Ms. Simpson and she advises that nobody at the Consumers' Bureau in this past year has received a complaint, either verbal, written or otherwise, electronic, with regard to odometer tampering.

So I would invite my honourable colleague that if he has any information as to any fraudulent activity or felonious activity with regard to this business practice, to supply my office with that information, and I will be most vigorous in prosecuting it through the good offices of Ms. Simpson.

Mr. Jack Penner (Emerson): Mr. Chair, I rise in committee today because I understand there was a concern raised this afternoon about the entrance of a certain member of the Legislature who represents the constituency of Emerson, and that person, as well, serves on the board of directors of the Manitoba Public Insurance Corporation. That Public Insurance Corporation board met this morning, and I was in attendance at that board meeting when I received a phone call that there might be a vote in this House. So I was called to this House for a vote, and I just walked into the small room in 269 when the bells quit ringing

and the sign was being put up that the doors would be closed.

I asked the attendant to open the door for me, and she did reluctantly. I understand it has caused some significant difficulty among some of the members in this Legislature. Certainly, I did not want to cause any deal or anxiety or grief to the staff, and so with that I rise today to apologize to the staff of the Legislative Council and to the Clerk's office for causing a situation whereby they felt the need to accede to my wishes to open the doors.

I know that having spent better than two years chairing a committee that developed new rules for this Chamber and that part of the decision was to establish rules to set a procedure in place that would close the doors and when the doors should be closed for a vote, that I respect more than anybody does in this Chamber those rules. I certainly want to apologize to staff for having caused any inconvenience to them or any inconvenience that I might have caused.

So I hope that this does not cause the person who opened the door any problems in the future. Thank you, Mr. Chairman.

Mr. Chairperson: I thank the honourable member for that statement.

Mr. Maloway: I would like to ask the minister if he could give us an update on the house-flipping situation that occurred about three years ago now that is being currently investigated by the RCMP, and seizures have been made. I believe charges will be laid at some point, but I would like to know just what the minister knows about the current status.

* (1620)

Mr. Radcliffe: I can advise that the Manitoba Securities Commission was the operative department of government that discovered this business of house flipping, I believe over a year ago, and the Manitoba Securities Commission reported the matter to the RCMP. Our best knowledge to date, as we sit here in this Chamber today, is that this matter is still under investigation by the RCMP. There was one particular realtor involved with this practice, and as my honourable colleague knows, the Manitoba Securities Commission also administers the realtors act, the act

governing the behaviour of realtors. The individual involved apparently abandoned his registration at the operative point in time, and then a number of years later—I think a year later—applied again for registration to act as a realtor. At that point in time his accreditation was declined.

Mr. Maloway: Can the minister give us a more recent update as to what is happening with the RCMP and their investigation on this matter? Clearly, the office has some communication with the RCMP.

Mr. Radcliffe: I am advised by my staff that the practice of the RCM Police is that when a matter is referred to them by an arm of the provincial government that they receive the information and then go about conducting their independent inquiries. Their only response as a matter of course back to the department upon intermittent inquiries by the department is thank you very much for your inquiry. The matter is under investigation, and we will advise you upon the conclusion of our investigations.

The last contact that my office had, my department had, with the RCM Police on this issue, was approximately three months ago.

Mr. Maloway: Mr. Chairman, what were the results of your communication with the RCMP at that time?

Mr. Radcliffe: As I had previously outlined, the RCM Police advised the appropriate people within the department in the Securities Commission that the matter was under investigation and when they were satisfied one way or the other as to the outcome of their inquiry, they would advise the Securities Commission.

Mr. Maloway: Mr. Chairman, I did want to, at this time, ask the minister questions regarding the year 2000 problem, millennium bug, as to what he and his department are doing or I guess not doing about the problem, and if he could give me a bit of an overview as to what is happening.

Report

Mr. Gerry McAlpine (Chairperson of the section of the Committee of Supply meeting in Room 254): Mr. Chairman, in the section of the Committee of Supply meeting in Room 254 to consider the Estimates

of the Department of Justice, a point of order was raised by the member for St. Johns (Mr. Mackintosh) regarding the relevancy of the response made by the Minister of Justice (Mr. Toews). The Chair ruled that the member did not have a point of order. The ruling of the Chair was challenged and was subsequently upheld and a formal vote was requested by two members.

Formal Vote

Mr. Chairperson: A formal vote having been requested, call in the members.

All sections in Chamber for formal vote.

* (1700)

Mr. Chairperson: Order, please. In the section of the Committee of Supply meeting in Room 254 considering the Estimates of the Department of Justice, a point of order was ruled on by the Chair. This ruling was sustained on a voice vote, and subsequently two members requested that a formal vote on this matter be taken.

The question before the committee is: Shall the ruling of the Chair be sustained?

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 24, Nays 19.

Mr. Chairperson: The ruling of the Chair has been sustained.

The hour now being after five o'clock, time for private members' hour. Committee rise. Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' BUSINESS

Mr. Deputy Speaker (Marcel Laurendeau): The hour being five o'clock, time for private members' hour.

SECOND READINGS—PRIVATE BILLS

Bill 300—The Brandon University Foundation Incorporation Amendment Act

Mr. Leonard Evans (Brandon East): I move, seconded by the MLA for Burrows (Mr. Martindale),

that Bill 300, The Brandon University Foundation Incorporation Amendment Act; Loi modifiant la Loi constituant la Fondation de l'Université de Brandon, be now read a second time and be referred to a committee of this House.

* (1720)

Madam Speaker in the Chair

Motion presented.

Mr. L. Evans: Madam Speaker—

Some Honourable Members: We passed it already.

Madam Speaker: Order, please. The member's motion has indeed been passed. Is there leave for the honourable member to speak to the motion? [agreed]

Mr. L. Evans: Madam Speaker, I will be very brief on a very technical explanation of the bill. It is a private bill designed to clarify the investment powers of the Brandon University Foundation. The investment power substituted by way of this bill eliminates a reference to a repealed federal act and provides investment powers similar to those granted to Brandon University in The Brandon University Act that is currently before this House.

The bill also confers natural person powers on the foundation. This will ensure that the foundation has the full range of powers necessary to carry out the specific powers enumerated in the act in furtherance of the purposes of the foundation. I am advised that it is not unusual in legislation to refer to natural person powers to express this thought.

I am very pleased to present this bill to the Assembly, and I want to take the opportunity to congratulate everyone who is connected and involved with the Brandon University Foundation. It plays a very important role in raising funds for that university, and I am sure that all members of this House would want to support this bill unanimously. Thank you.

Hon. James McCrae (Government House Leader): This bill gives all of us an opportunity to pay tribute to foundations in general and, in particular, the Brandon University Foundation.

Some Honourable Members: Leave?

Madam Speaker: Order, please. Does the honourable government House leader have leave now to speak to the bill? [agreed]

Mr. McCrae: I forget where I was, but—no, I do not really. It is an opportunity to pay tribute to the Brandon University Foundation and all of the people over the years who have done so much to be supportive of an institution that has given Brandon and western

Manitoba the character that it enjoys today, and I do not think we should let this opportunity pass without offering our appreciation and thanks to all of those who have done so much to make our university the success that it is. With that, I will conclude.

Madam Speaker, shall we call it six o'clock? [agreed]

Madam Speaker: The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. Monday next.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 21, 1998

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