



First Session - Thirty-Seventh Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Seventh Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
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DYCK, Peter	Pembina	P.C.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FILMON, Gary	Tuxedo	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
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HICKES, George	Point Douglas	N.D.P.
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LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
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## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, July 5, 2000

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

#### Standing Committee on Public Utilities and Natural Resources

#### Second Report

**Ms. Linda Asper (Chairperson of the Standing Committee on Public Utilities and Natural Resources):** I beg to present, Mr. Speaker, the Second Report of the Committee on Public Utilities and Natural Resources.

**Madam Clerk (Patricia Chaychuk):** Your Standing Committee on Public Utilities and Natural Resources presents the following as its Second Report.

Your committee met on Tuesday, July 4, 2000—

**An Honourable Member:** Dispense.

*Your Standing Committee on Public Utilities and Natural Resources presents the following as its Second Report.*

*Your committee met on Tuesday, July 4, 2000, at 10 a.m. in Room 255 of the Legislative Building to consider the Annual Report of the Manitoba Public Insurance Corporation for the year ended February 29, 2000, the Annual Report of the Workers Compensation Board for the year ended December 31, 1999, the Annual Report of the Appeal Commission for the year ended December 31, 1999, and the 1998 and 1999 Five-Year Operating Plans for the Workers Compensation Board.*

*Mr. Jack Zacharias, Chief Executive Officer and President, provided such information as was requested with respect to the annual report and*

*business of the Manitoba Public Insurance Corporation.*

*Your committee has considered the Annual Report of the Workers Compensation Board for the year ended December 31, 1999, the Annual Report of the Appeal Commission for the year ended December 31, 1999, and the 1998 and 1999 Five-Year Operating Plans for the Workers Compensation Board and has adopted the same as presented.*

**Ms. Asper:** Mr. Speaker, I move, seconded by the Honourable Member for Rossmere (Mr. Schellenberg), that the report of the Committee be received.

*Motion agreed to.*

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the loge to my left where we have with us Mr. Brian Pallister, the former Member for Portage la Prairie.

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

\* (13:35)

### ORAL QUESTION PERIOD

#### First Nations Casinos Public Consultations

**Mrs. Bonnie Mitchelson (Interim Leader of the Official Opposition):** Mr. Speaker, my question is for the Premier. We have several quotes over the years in Hansard regarding the new Minister of Gaming's comments about gaming in the past when they were in opposition. I want to specifically refer to one quote on June 17, 1993, and he stated: "I would say given the significance of the concerns, we should have decisions made involving the people of the province. That is the position of our party, by the way, and it has been very consistent."

We welcome the very strong convictions of the new Minister of Gaming, especially when he was in opposition, and his clear position on the importance of public consultation and referendums before casinos are built.

My question to the Premier is: Is this still the consistent position of his party?

**Hon. Gary Doer (Premier):** Mr. Speaker, as I recall in the election campaign, we placed the recommendations of the Bostrom committee which we adapted, adopted prior to the campaign—

**An Honourable Member:** Adapted.

**Mr. Doer:** Well, members opposite are foreign to the idea of promising something in the election campaign and keeping their word after the campaign. I am proud of the fact that the Member for Thompson (Mr. Ashton) was able to point out that the members opposite did not promise to sell the telephone system in 1995 in the campaign and did not consult the people of Manitoba after.

We made our commitment during the election campaign. It was public. It was in both newspapers. It was before the people in a couple of television discussions on the issue of gambling, and it is part of the mandate we received from the public during the election campaign on September 21, 1999.

**Mrs. Mitchelson:** Mr. Speaker, and the Premier's slip of the tongue, certainly in our minds and in the minds of Manitobans, does indicate that they did adapt, and they also manipulated the process.

The First Minister, the Premier of this province, certainly did not answer the question that I asked. In his government's efforts to fast-track five new casinos in the province of Manitoba, we have seen that the criteria for the request for proposals has been ignored. Some of the partners that were selected as proponents for these projects were not in compliance with gaming laws. Community support does not seem to matter to this government. The former Gaming Minister resigned because of allegations of conflict of interest, something that has not

happened since Howard Pawley was the Premier of this province. And now the Premier has appointed a new Minister of Gaming who has clearly outlined his views against the expansion of gaming without public consultation.

Will the Premier now do the right thing and hold public consultations, hold referendums on First Nations casinos, given that 65 percent of Manitobans believe that this government has bungled this issue?

**Mr. Doer:** Mr. Speaker, there has already been a plebiscite in Headingley. There is one that is now proposed in Thompson. There is more consultation going on with the public today with the proposals to implement the commitments we made in the election campaign than ever happened with members opposite. It is unfortunate that members opposite who knew about a cost overrun of some \$70 million did not consult the public and let the public know during the election campaign in 1999.

#### **First Nations Casinos Community Plebiscites/Referendums**

**Mr. Jack Reimer (Southdale):** Mr. Speaker, my question is to the Minister responsible for Gaming. When the new Minister of Gaming was discussing the expansion of gaming here in Manitoba on July 8, 1999, almost a year ago exactly to the date: "I think that it is a legitimate decision that needs to be made by the communities and should be their choice." Does the new Minister of Gaming stand by those comments, and will he let communities decide if they want a casino in their community through a referendum?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, I am very pleased to respond to the question. Before I do, I would like to commend the former Minister of Gaming who I think did a terrific job in a very difficult situation, who put the word "honourable" in honourable member.

I want to answer the member's question by saying that what we said when we were in opposition is consistent with what we are doing in government. That government expanded Regent and McPhillips without any consultation

with the community, waited until the last couple of years before even considering the question of the expansion of VLTs.

What we did is we ran on the election on this issue. We received a mandate from the people of Manitoba, and no casino will go through under this process without the support of the host community. That is part of the RFP; that is part of this government's commitment to involving communities in a very important decision.

\* (13:40)

### **First Nations Casinos Public Consultations**

**Mr. Leonard Derkach (Russell):** Mr. Speaker, as each day goes by, this government continues to dig itself a deeper hole with regard to the expansion of gaming. Yesterday we saw the removal of the Minister responsible for Gaming and the file given over to another minister who has in the past indicated his opposition to the expansion of gaming in this province.

Mr. Speaker, the new Minister of Gaming said in the House in 1995: We owe the people of Manitoba to have a very clear discussion on what is happening in terms of gambling. Does the Minister still stand by his beliefs, and will he schedule public consultations for this very clear discussion in which he believes all Manitoba should be involved?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, I am amazed. I mean for 11 years the "C" in PC did not stand for consult, believe you me.

We made our plans clear in terms of First Nations gambling in the election. We made it very clear at that time. What we have indicated is something that the previous government never did, and that is that, under this process, host communities will have to approve the proposal to go ahead. That is something the previous government did not do. We are working in partnership both with the First Nations and the host communities. They will have a say.

### **First Nations Casinos Public Consultations**

**Mr. Harold Gilleshammer (Minnedosa):** Mr. Speaker, on June 17, 1993, the new Minister responsible for Gaming complained that no public hearings about an increase in gambling in Manitoba were held and that numerous groups, organizations and individuals in his own community raised concerns over the level of gambling in Thompson.

Will he now conduct those public hearings?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Well, Mr. Speaker, I think that the people in my community and in other communities or prospective host communities will have far more opportunity to have a say than occurred under the 11 years that the previous government was in office because part of the process under the RFP is that host communities, as well as the proponent communities, have to agree.

I say to the Member opposite we are not only going to practise what we preached, we are going to make sure that host communities will have a say on whether the gambling goes ahead, something that did not happen with McPhillips and Regent.

### **First Nations Casinos Social Costs**

**Mr. Harry Enns (Lakeside):** Mr. Speaker, this is truly a strange, strange situation developing in the House. I address my question to the Minister newly appointed for gaming in the province of Manitoba.

Mr. Speaker, on October 29, 1996, this minister said: Not a day goes by where I have not had the opportunity to talk to people of my own constituency and other communities across the province where people have outlined the very specific personal costs of gambling. Not a day goes by in this minister's life since 1996.

My simple question to the Minister is: Now that his government has increased the prospects of gambling at unprecedented levels, how many days have gone by that his constituents have not

expressed these same concerns that they expressed in 1996?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, I appreciate that the Member opposite is one member that has a Hansard that is probably longer than mine as well. I would note that I do not think that member or any member opposite in the entire 11 years ever even questioned the dramatic expansion that took place in gaming, not the maximum of 15 percent under this proposal—15 percent, they said not a word.

I say one of the things we have done, which the previous government did not do, we have built into the RFP, we have built into this particular proposal, making sure that, up front, we deal with the fact that there will be, with any gambling, not just First Nations gambling but including the Province's own facilities, those who will have problems with gambling addiction. We built that up front, something the previous government never did in the 11 years they were in office.

**Mr. Speaker:** The Honourable Member for Lakeside, with a supplementary question.

\* (13:45)

**Mr. Enns:** Supplementary question, Mr. Speaker, to the same minister, who I am sure will be thanking the First Minister (Mr. Doer) every day henceforth for having given him the file. But my question is: His expression about the personal costs involved in gambling, people who get addicted to gambling, what specific studies will he undertake, what specific moves, now that he has the opportunity, the responsibility, to substantiate those concerns that he had on a daily basis?

**Mr. Ashton:** Mr. Speaker, that is already in place as part of this process. It goes back to the Bostrom report, 2.5 percent designated.

I want to say because I also have the unique experience of talking to many of my constituents on a regular basis, many First Nations people who live in dire poverty and unemployment. I want to say how interesting it is that members

opposite did not have problems with government-run casinos, but, all of a sudden, when there is an opportunity to give First Nations people of this province an opportunity for economic development, now they are concerned about it. I say they are not only trying to have it both ways, they are trying to have it three or four different ways, and it does not wash with the people of Manitoba.

### **Sustainable Development Strategy Manitoba Environmental Council**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, my question is to the Minister of Conservation. I am asking about the Sustainable Development Strategy which the Minister tabled last week. A centrepiece of the Minister's strategy is to terminate the Manitoba Environmental Council, a council which has been a bright light in this province and made a major contribution over the years to the environmental well-being of our citizens.

Can the Minister explain why he will extinguish the council and show a real disregard for those who are concerned with the environment in Manitoba?

**Hon. Oscar Lathlin (Minister of Conservation):** I thank the Member for the question. I want to assure him that we are not in any way diminishing the usefulness of advice given to government by various advisory groups. What we have done in putting the Manitoba Environmental Council together with the round table is we have actually amalgamated the responsibilities from both organizations so that we can have one body advising the Minister on environmental matters.

**Mr. Gerrard:** My supplementary to the Minister: Will he not admit that terminating the Manitoba Environmental Council and putting all environmental matters under the Round Table on Sustainable Development indicates that the Government considers the environment solely from the point of view of economic development?

**Mr. Lathlin:** Again, I would like to advise the Member that, as a matter of fact, we have established a new division. As he probably

knows, the former departments of natural resources and environment were amalgamated, integrated into one department called Conservation.

We are in the process of developing the integration, making sure that environmental concerns are addressed, economic development is addressed in a balanced way. So, therefore, we have established a division—

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

**Mr. Speaker:** Order.

**Mr. Lathlin:** Therefore, Mr. Speaker, we have established a division called the Environmental Stewardship Division under which licensing will be looked after, policy, and also a new area of responsibility called aboriginal relations.

**Mr. Gerrard:** My supplementary: Le ministre n'admet-il pas que la vraie raison pour laquelle il est contre le Conseil, c'est que celui-ci est contre la politique du gouvernement?

*[Translation]*

Does the Minister not admit that the real reason he is against the Council is that it opposes the Government's policy?

*[English]*

Will the Minister not admit that the real reason he is abolishing the Council is because it has been very critical of his government?

**Mr. Lathlin:** Mr. Speaker, the answer is no. The main reason we are doing it is indeed to concentrate on the environmental aspects of the Department. The Manitoba round table is being refocused, enhanced, so that we could shift the focus to implementing the recommendations of the sustainable development, the cost to report it. We have accepted the cost to report, and we are now in the process of implementing that report which has been completed for over a year. We took it off the shelf, dusted it off, and we are going to be implementing it.

\* (13:50)

### **First Nations Casinos Social Costs**

**Mr. Glen Cummings (Ste. Rose):** My question is to the new Minister responsible for Gaming. When he was in opposition he recommended that research be conducted into the impact of gambling on children in rural and northern areas. Does he stand by that statement, and will he indicate if he will conduct research into the impact the five new casinos will have on rural and northern children?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Yes. In fact, the Honourable Member raises a very good question because such a study was done by the Addictions Foundation. One of the parts of this process we put in place up front, which was something that the previous government did not do in terms of its plans for gaming in this province is to put in a component which will specifically deal with that, the impact this will have on the social side.

We have a balanced approach that recognizes the economic development advantages for First Nations communities and host communities, recognizes the roles of communities, the host communities having a say over this and deals with the addiction side as well. A balanced approach, Mr. Speaker.

**Mr. Cummings:** Mr. Speaker, to his credit this minister says that he is interested in doing some of that research, I believe, if I just interpreted his answer. Will he defer the establishment of these casinos until he has the results of some research?

**Mr. Ashton:** I wonder if the Member opposite, when he was part of the previous government, ever raised any of these questions when it came to Regent or what happened in terms of VLTS. I want to indicate to the Member that that information is available, has been done. The research is available, and that is why part of what we have proceeded with as a government is to put in place a balanced approach which recognizes not only economic development advantages of these types of facilities but also the potential social cost. There is a specific provision in the revenues to make sure we fund

that as well, something that did not take place with the previous government.

**Mr. Cummings:** Mr. Speaker, I would be interested to know, and my question is to the Minister of Family Services: Will he be prepared to undertake to challenge his colleague on his statements?

**Hon. Tim Sale (Minister of Family Services and Housing):** You will probably know that we will hopefully be going into Estimates soon, and the question of the amount of support that we are providing through our department to help people who have addiction problems can be fully addressed and discussed at that time.

#### **First Nations Casinos Social Costs**

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, my question is to the Minister responsible for Gaming. When he was in opposition he stated: We are learning again just how serious some of the potential problems from the dramatic increase in gambling that has taken place in Manitoba can be.

I would ask this minister to tell this House what steps he will be taking to prevent some of these serious problems in light of the dramatic increase in gambling that he and his party are embarking on?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** I would point out that one of the first steps we took was making clear when we ran in the last election what our platform was on this. I think that is important to note. I would like to point out as well for the Member opposite that part of the process—

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

**Mr. Speaker:** Order. I would like to remind all honourable members of *Beauchesne's* Citation 168: "When rising to preserve order or to give a ruling the Speaker must always be heard in silence." I would ask the co-operation of all honourable members. It is getting very difficult to hear the answers, so I would ask the co-operation from all honourable members.

**Mr. Ashton:** In fact, Mr. Speaker, I find it rather strange that during the election, actually all three parties indicated support for native casinos. I have an article here from Monday, August 30. It seems that, in fact, Jim Downey, I seem to recall him saying that the previous government was committed to it.

So I say to the Member opposite what we did is we promised we would do this in the election, we promised a balanced approach. That is exactly what we are going to deliver to the people of Manitoba.

\* (13:55)

**Mr. Loewen:** What I am asking the Minister is if he has in place any plans, or if there is any information passed on to him from the previous minister of any plans to deal with the social problems that will result from this massive expansion of gambling?

**Mr. Ashton:** Mr. Speaker, first of all, it is not a massive expansion of gambling. If all five proponents are accepted, an increase of, at maximum, 15 percent, which pales in comparison to what happened with McPhillips and Regent and the introduction of VLTs into hotels throughout rural Manitoba first and then in urban areas.

And I want to say to the Member opposite, if he would read the RFP, if he would read our announcement, the announcement made by my predecessor, 2.5 percent of the revenues has been identified for a First Nations Addiction Foundation, something the previous government never put in place.

#### **First Nations Casinos Social Costs**

**Mr. Frank Pitura (Morris):** Mr. Speaker, in opposition the new Minister of Gaming noted his firm belief that there was a direct link between the increased level of gambling and crime in this province. Now that the First Minister (Mr. Doer) has made this minister the direct link to increasing the level of gambling in Manitoba, does the Minister still stand by his belief that there is a direct link between increased gambling and crime?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):**

I want to say to the Member, there is also I believe a link between the chronic rate of unemployment, poverty and injustice facing First Nations people and many of the social problems. I say to the Member opposite, if there is one thing that was clear from the previous government's approach on gambling, gambling was okay for them. They were not prepared to share in terms of the opportunities for First Nations. This government is taking a balanced approach. The balance is the economic development opportunities for First Nations deals with the social concerns, deals with the concerns of host communities, something the previous government never did.

**Mr. Pitura:** Mr. Speaker, I then ask this minister if he will be taking steps to ensure that establishing five new casinos in Manitoba will not lead to increased crime?

**Mr. Ashton:** I want to say to the members opposite, because it is interesting. I know oppositions like to think they can have it both ways, but when they were in government, they at one time supported this. It was part of the Bostrom report. In the election they supported this. Now, after the election, what they have done, Mr. Speaker, I think, and I say this on the record, I want to ask the question why the members opposite have all of a sudden switched in their view of this, in terms of this. Because I can tell you, I argued in opposition and I will argue on behalf of our government now that the real issue here is economic development opportunities for First Nations people, balancing the social cost in terms of the First Nations Addiction Foundation initiative.

I say to members opposite, if they are now against what they said they were in favour of in the election, they are the ones that I think have to do some explaining to the people of the province.

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

**Mr. Speaker:** Order. I would ask the cooperation of all honourable members. It is very, very difficult to hear the questions and the answers.

**First Nations Casinos  
Intervention Programs**

**Mr. Jim Penner (Steinbach):** We continue to read quotes from the new Minister responsible for Gaming when he said on October 29, '96: "There is a server intervention program in place in every bar in Manitoba where you can say to somebody who perhaps has one too many to drink that you should not consider purchasing more alcohol, but," the Minister said, "you cannot do that with gambling under the current situation. I think that is something we should look at."

Mr. Speaker, will the Minister responsible for Gaming now be introducing such an intervention program, and if so, when?

\* (14:00)

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):**

In fact, that is already in place. That is the one area where some of the kinds of issues that we raised were acted upon. I want to say to members opposite and particularly this member, because he raises a very good point in terms of this, what we are dealing with in terms of gambling, I think, in this province is the same balance we had to find in terms of alcohol. I mean, prohibition did not work. We need a balance in terms of the social end of it; we need a balance in terms of the economic development opportunities.

I say to members opposite what we brought in as part of this process are opportunities for First Nations, a role for host communities, attention to some of the social concerns, a balanced approach. Prohibition does not work; a balanced approach does work.

**First Nations Casinos  
Community Plebiscites/Referendums**

**Mr. Jack Penner (Emerson):** On October 29, 1996, the new Minister responsible for Gaming stated that the Government must allow not only for the public hearings but for votes by municipalities on issues of VLTs and gambling. We believe that the people best able to decide in terms of gambling are often local communities.

The question is: Does this minister still stand by his words?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):**

Mr. Speaker, I think I am going to have to put out a little orange book of quotations afterwards. I have the orange binder, so I could probably do it.

I can say that one of the things I am very pleased about is, unlike the previous government, what we have done with the proposals we put in place is we have specifically put in role the fact that host communities will be able to have a key say over the location of First Nations communities, something once again it took, I think, until the last couple of years of their mandates before they would even allow it on VLTs. By the way, they never did ask the host community of Winnipeg about Regent and McPhillips.

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

**Mr. Speaker:** Order. Once again I would ask the co-operation of all honourable members, please. It is really hard to hear questions and hear the answers.

**Mr. Jack Penner:** Thank you very much, Mr. Speaker. I think we have just heard the tale of the two Steves.

**Mr. Speaker:** Order. I would just like to remind all honourable members, when addressing another member, to address them by the constituencies or by their titles.

**Mr. Jack Penner:** Thank you very much, and I apologize to the Honourable Minister and to you, Mr. Speaker. Maybe we should have called him the honourable Mr. Jekyll and Mr. Hyde.

I want to ask the Minister: Will the Minister commit today to allowing municipalities and the local communities, who are having casinos forced upon them by this government, to hold votes in the form of referendums—[interjection]

**Mr. Speaker:** Order. I would ask the members, please, for your co-operation.

**Mr. Jack Penner:** Thank you very much, Mr. Speaker. I suppose I could ask the Minister of Family Services (Mr. Sale) what his church's position is on gambling, but I am not going to do that.

I would like to ask: Will the Minister commit today to allowing the municipalities and local communities, who are having casinos forced upon them by this government, to hold votes in the form of referendums on whether or not a proposed casino should be proceeded with in their community and abiding by those results?

**Mr. Ashton:** Mr. Speaker. I think the Member is stuck in a time warp. We are not talking about McPhillips or Regent. We are talking about a process here whereby all host communities will have to approve the casino.

In fact, I do not know if the Member has read the document. If he will read the document, he will find that we have two on-reserve casinos that are proposed, three sites that are proposed to become reserve and, if the Member would care to read the report, he will find out that no community will have a casino in this province without approval from the committee. It is part of the process that is in place. I say to members opposite to suggest it is being shoved down anybody's throat I think underestimates the intelligence of the people in the five potential host communities. They will have the right to make that decision.

**Mr. Jack Penner:** Mr. Speaker, I would like to ask the Minister how short a memory he has. When we took over government in 1988, he should remember the mess that they had created at the Convention Centre, which we cleaned up.

I want to ask the Minister today whether he will commit to all the communities that have been identified to receive casinos, will you commit to having a vote in those communities and abiding by that vote?

**Mr. Ashton:** Not being the Minister responsible for Lotteries, I will not get into leaving messes, because I think if you look at what happened in terms of Lotteries overruns, that is the definition of a mess.

I want to say to the Member opposite I think he should have greater respect for the councils of the First Nations host communities and in the municipal areas where there are proposals involved, because what we have said is that those communities, through their elected councils, will have the opportunity to have that decision. In fact, at least one community has had a plebiscite; one other community has indicated it is having a plebiscite. But we respect the role of local government and locally elected councils, and they will have a say. Those councils and those communities will have a say.

### **First Nations Casinos Revenue-Sharing Formula**

**Mr. Peter Dyck (Pembina):** In opposition, the new Minister of Gaming called on the former government to return money generated by gaming to communities in the form of infrastructure programming. Mr. Speaker, will the Minister be returning revenue generated by the five new First Nations casinos to Manitoba communities in the form of infrastructure programming or in any other form whatsoever?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Well, Mr. Speaker, for part of Question Period they were against it. Now they are concerned about where the proceeds will go.

I want to tell the Member opposite that one of the key aspects of this proposal is the fact that the benefits from these casinos will go to the proponents and to a fund that will ensure that those benefits are shared by all First Nations communities. I want to say, given the terrible deficit that exists in First Nations communities in terms of infrastructure, one of the positive benefits of these initiatives will be that First Nations communities in this province will not only have an economic development but have funds to deal with the crisis in housing and infrastructure in First Nations communities in this province.

### **First Nations Casinos Social Costs**

**Mr. David Faurshou (Portage la Prairie):** Well, Mr. Speaker, I sure hope the people of

Manitoba are observing the smirk of arrogance on the members on the Government side of the House, when clearly in regard to gaming in this province over 60 percent of Manitobans are against it.

In opposition, the new Minister of Gaming claimed that his own community of Thompson was losing \$2.4 million annually. Has the Minister called for any studies, or will he call for any studies on the impact that these five proposed casinos will have on the communities in this province?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, once again I think the Member does not understand the processes in place here, because one of the things that will happen as a result of this is 70 percent of the proceeds will go to the proponents in that community. I can say that there will be far more benefit in the regions of whatever casinos do go ahead, out of the five proposals that are currently being considered. Far more of those benefits will remain in the region than anything that has happened previously. So we, in fact, did learn from the mistakes of the previous government and are making sure that the benefits remain with local communities.

\* (14:10)

### **Revenue-Sharing Formula**

**Mr. David Faurshou (Portage la Prairie):** Well, obviously, Mr. Speaker, the new Minister of Gaming has already shown his biases in regard to his particular constituency.

I would like to ask the Minister then: What of the communities that are not beneficiaries of the casinos?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Mr. Speaker, I want to indicate to the Member, in terms of his suggestion of bias in favour of this, I had no role in the selection of any of the sites that are involved and neither did the previous minister. I intend on treating all proponents in a fair way, and I would say in a more consistent way than members opposite,

who at the start of Question Period were against it and then start switching around arguing the other way afterwards.

We are going to try and work with this process. I say to members opposite they would do far better to look back on some of their previous comments on this type of process, because I think we should all be working with First Nations to try and develop economic development opportunities in a balanced way, something we are committed to doing.

### Gaming Agreement Compliance

**Mr. David Faurshou (Portage la Prairie):** Well, Mr. Speaker, will the Minister then make a commitment here today to actually adhere to his request-for-proposal parameters that all persons be in compliance prior to their consideration?

**Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act):** Once again, I think members opposite have not read the RFP. In fact, we have a selection of five proposals, and the previous minister I think indicated quite clearly on the record that a compliance will be a key aspect of any of these proposals. We have five potential sites.

I want to say to members opposite that we are going to work through this process, and I would suggest to members opposite that, rather than I think sabotaging what could be a very important partnership between First Nations and the provincial government, currently I would suggest that they work with us to make sure we give more opportunities in this province for First Nations people in a balanced way, something we are committed to doing.

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

### Speaker's Ruling

**Mr. Speaker:** I have a ruling for the House.

During Oral Questions on June 21, 2000, I took under advisement a point of order raised by the Honourable Government House Leader (Mr. Mackintosh) regarding a question addressed by the Honourable Member for River Heights (Mr.

Gerrard) to the Honourable First Minister (Mr. Doer).

The Honourable Government House Leader asserted that the question was out of order because it was hypothetical and because it was based on a hypothesis and sought an opinion. The Honourable Official Opposition House Leader (Mr. Laurendeau) and the Honourable Member for River Heights also spoke to the point of order. I took the matter under advisement in order to review the context of the question.

I thank the honourable members for their advice on this issue.

Page 2938 of Hansard indicates that the question of the Honourable Member for River Heights was stated as being: "In the upcoming provincial election, some say three and a half years from now, it would appear that the Premier's legislation would allow an advertisement by an organization, other than a political party, which said: To improve health care, vote Liberal, but restrict the spending on that ad to \$5,000. But if the advertisement just said: Health care has been terrible under the NDP; vote to improve health care without naming a political party, then that would be acceptable, because in fact it was not directed necessarily at one political party or another."

A number of the procedural authorities advise that hypothetical questions are out of order. *Beauchesne's* Citation 410(12) states that "questions should not be hypothetical." Marleau and Montpetit on page 427 in *House of Commons Procedure and Practice* advise that a question should not be hypothetical. Erskine May, on page 303 of the 22nd edition, states that "questions are also inadmissible which seek the solution of hypothetical propositions."

Regarding Manitoba practice, Speaker Rocan ruled on November 14, 1988; October 12, 1989; July 22, 1991; and June 22, 1992, that specific questions addressed in Question Period were hypothetical and directed that the questions be rephrased.

In the case of the question asked by the Honourable Member for River Heights, I am of

the opinion that the question was hypothetical and was therefore out of order. I do note that the Honourable First Minister had offered a reply to the question. In the future, if a member poses a question that is found to be hypothetical, the Speaker will ask the Honourable Member to rephrase the question.

## MEMBERS' STATEMENTS

### Canada Day Activities

**Mr. Ron Schuler (Springfield):** Throughout the constituency of Springfield, members of our community celebrated Canada Day over the weekend. I was honoured to participate in festivities in both rural municipalities that make up Springfield, the R.M.s of East St. Paul and Springfield. On Saturday, hundreds of people from Oakbank, Anola, Hazelridge, Dugald and the surrounding area gathered to celebrate the 133rd birthday of our great nation in Dugald. The fireworks were enjoyed by all, even by the mighty swarms of mosquitoes. The day before yesterday I was able to help celebrate the Canada Day weekend in Birds Hill and East St. Paul.

For the seventh year, the United Nations has ranked Canada the best place on the planet to live. An example of why Canada is such a great nation was part of the celebrations the day before in East St. Paul. Relay 2000 passed through, marking the anticipated opening of the Trans Canada Trail. The community of East St. Paul was honoured to be part of such a remarkable national achievement spanning over 16 000 kilometres from sea to sea to sea.

To everyone who participated in making the Canada Day celebrations possible, our sincerest thanks. To all the residents of Springfield and all Manitobans, happy Canada Day, and may we continue to be blessed as the greatest nation on the planet. Thank you.

**Mr. Stan Struthers (Dauphin-Roblin):** On Saturday, July 1, my wife, Michelle, and I had the pleasure of attending Canada Day 2000 celebrations in the town of Roblin. I want to say that it is important that we celebrate our birth as a nation. The folks in Roblin took that challenge very seriously and organized a very fun and family-oriented Canada Day celebration.

It is also important on days like this that we recognize the contributions over the years of the pioneers of our districts, towns and communities throughout Canada and to pay respect to the pioneers who settled in those areas, along with the citizens of these communities, including Roblin, who work so hard to make rural Manitoba towns a great place to live.

I want to say that it was a great day on Saturday. It began with a pancake breakfast in the arena, a tug-of-war later in the afternoon. A magician was there to entertain the people in the audience, mostly the children. There was a pie auction where some local politicians, mostly, ended up with facefuls of pie as a fundraiser, and a lot of local talent, a showcase of musical ability from people in the Roblin community and Roblin district. They capped the evening off with fireworks.

I want to pay special attention to all the volunteers who worked so hard to make this day in Roblin very much a success. In particular, I want to pay respect to Jana Watt who was the main organizer and brought everything together. I want to say thank you very much to the people in the Roblin area for inviting me out to take part in this, and I want to wish all the folks in Roblin a very happy Canada Day. Thank you, Mr. Speaker.

### National Historic Site

**Mr. Jack Penner (Emerson):** On Saturday, I was honoured to attend the ceremony naming Neubergthal, a village, a national historic site. There are only a handful of other national historic sites and monuments in the province. Some of them are: Churchill National Historic Site, the Lower Fort Garry site, the Riel House National Historic Site, the St. Andrews Rectory Historic Site and The Forks National Historic Site. So it was of some distinction to have such an honour bestowed on the village of Neubergthal. The area is certainly deserving of such a recognition, and the old Mennonite village is a remarkable heritage site. It is very pleasing to see this portion of Manitoba's history being preserved.

The west reserve was settled in 1875, and the village of Neubergthal was founded that

year. Holes were dug in the ground, sods were put up, a roof was put over the sods, and people moved into that, and later, the next year, developed a street and built houses and barns connected. Some of those houses and barns still exist today.

\* (14:20)

The ceremony itself was held Saturday morning in Neuberghal. Platform members included municipal officials, representatives from Parks Canada, the Mennonite Historical Society and others. Mr. William Neville conducted the ceremony on behalf of the Historic Sites and Monuments Board of Canada. A commemorative plaque was unveiled by area residents and was placed on the site. This is truly an event. We thank Parks Canada and the national Historic Sites and Monuments Board of Canada for this recognition.

#### **North Winnipeg Credit Union**

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I rise today to congratulate Boris Hwozdulych, Normen Konowalchuk, Walter Muzyczka, and Ms. Marta Sabara on their election to the Board of Directors for the year 2000 in the North Winnipeg Credit Union.

The North Winnipeg branch continues to successfully operate with a significant increase in membership and a 3.8% increase in assets over the previous year. For the sixth consecutive year, the Credit Union has been able to repay the membership for its patronage. Members of credit unions benefit from lower service charges, attractive interest rates and personalized service.

The North Winnipeg Credit Union has the distinction of being the best capitalized credit union in the province. The North Winnipeg branch is an active member of the Canadian Council of Ukrainian Credit Unions. Last spring the branch hosted two management interns from the Ukraine in an attempt to help the country develop sustainable business ventures. The branch also contributes to the local community, distributing \$8,500 to worthy projects.

I would like to congratulate students Kristya Matwichyna, Taras Babiak, Renata Choptianyj,

and Tami Kowal on receiving post-secondary scholarships from the credit union. The North Winnipeg Credit Union underwent a move to a beautiful, new, and larger facility on Leila and Salter in December of last year.

It is promising to see my credit union expanding and attracting new members. May the year 2000 be their most successful year ever.

#### **Manitoba Health Research Council**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I rise today to say a few words about the importance of research in Manitoba. I would like to begin by congratulating the Government on the announcement yesterday of an investment of \$5 million over five years in health research through the Manitoba Health Research Council.

I think it is a significant step forward. I think it is important that the investment is made through the Manitoba Health Research Council and the fact that five years represents a longer-term commitment which will ensure a level of stability in the investment and alleviate some of the year-to-year problems which have existed recently.

That being said, I think it is important to point out that Manitoba's provincial government's investment in research remains much less per capita than most other provinces. A comparison of the Manitoba Health Research Council with, for example, the FRSQ in Québec shows that on a per capita basis we are far below what Québec is investing. The result is that our health research efforts are not what they could be, given indeed where we were many years ago.

I think it is also important to point out that the \$1 million each year is in fact still not sufficient to match all the very high-quality applications which are approved this year by the Manitoba Health Research Council, now the Canadian Institutes for Health Research, for which federal matching dollars are available to the provinces if Manitoba had chosen to invest more.

So there is considerable room yet for improvement. I suggest that the Government do an analysis on the overall impacts, because I

think they are understated. The Government really needs to look at areas beyond health care which can have an impact as well.

### ORDERS OF THE DAY

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, would you please call debate on second readings for Bill 46 and the Interim Supply process.

### DEBATE ON SECOND READINGS

#### Bill 46—The Interim Appropriation Act, 2000

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Finance (Mr. Selinger), Bill 46, The Interim Appropriation Act, 2000 (Loi de 2000 portant affectation anticipée de crédits), standing in the name of the Honourable Member for Springfield (Mr. Schuler), who has 26 minutes left, and also standing in the name of the Honourable Member for Morris (Mr. Pitura), who has 15 minutes left.

**Mr. Ron Schuler (Springfield):** Yesterday I left off reading an incredibly far-sighted and well-written article out of the *Winnipeg Sun* by Tom Brodbeck, very wise, actually foretelling many of the things that we saw occur in the last 24 hours. In fact I pointed out to the other side, the opposite side, really Tom Brodbeck is to be blamed for this. He should have written the article sooner and given the Government a heads up of what was going to happen.

The article goes on to say: "The flip side is perhaps Swan Lake First Nation—the band in question—could have convinced Headingley residents otherwise had they not been subject to a gag order."

The question has to be: Why would the Government have put a gag order on? There is more, says the article, a lot more. "The process was further confused when Doer issued a new edict," something that this government is starting to become well known for. The new edict said an add-on, the edict is sort of like "an add-on if you will to the RFP—that no band would get a licence if they didn't have support of the surrounding community. Nowhere in the RFP

does it say a band needs community support to get a licence.

"The RFP is also clear that no organization except the Manitoba Lotteries Corporation can 'conduct and manage' a casino. Some bands interpreted that to mean you couldn't enlist an outside management company to 'conduct and manage' a proposed native casino."

So they, in turn, listed the MLC as their managers.

"Others chose outside management companies, which appears to violate the terms of the RFP.

"The RFP also said proponents and their participants had to be in compliance with existing gaming activities to even be considered for a licence.

"But two successful projects had participants who were not in compliance."

This writer goes on to say—and for the Members opposite who tend not to read it, I will read it for them. "The NDP is flying by the seat of its pants on this one.

"And for Doer, this political migraine isn't going to go away anytime soon."

Mr. Speaker, what a visionary. This individual, on July 2, already foresaw what was going to happen in the last 24 hours, and that is most unfortunate.

In fact, on July 3—for the Government, which I know does not like to hear any bad news—a poll comes out: "NDP loses in poll on native casinos. Survey finds 65 per cent of Manitobans disapprove."

\* (14:30)

I am reading from the article: "Two-thirds of Manitobans oppose the NDP's aboriginal casino plan, a Probe/Free Press poll has found, but the province's lotteries minister is betting the public will come around once those establishments are up and running." How wrong could he have been? "The poll found 65 per cent of

respondents across the province," not just centred in certain areas, imperative word here, across the province, "strongly or moderately disapproved of the NDP government's plan to establish five native-run casinos." Mr. Speaker, the article goes on, and if members opposite want to read more, we can make a copy for them and they can see it.

I want to just address a few points on the bill before us. Again, on July 1 there was an article put forward by Tom Brodbeck. It says, "Tax gripes lead poll. Manitobans cite high taxes as the No. 1 reason why they may be in for a gloomy future." That, Mr. Speaker, is already the epitaph of this government, not even in office for a year, that people cite taxes as the No. 1 one reason why they have some despair about the future, and what does this government do about it? Nothing. They keep throwing their hands in the air. They keep throwing money in the air, and, in turn, people look at them and they say: We are lacking confidence in the future of this province.

I continue: "High taxes was the top pick of respondents in a government-commissioned poll when asked what reasons Manitobans had for being worse off in the future." If you did not catch that word, Mr. Speaker, this is not a poll done by some vested-interest group. This is a poll that was conducted by the Government, by the very individuals who have denied Manitobans the tax cuts that they so rightly deserve.

All across the country, I have pointed out on numerous times in this House, we have various jurisdictions who have put forward tax cuts even in provinces, Mr. Speaker, that are of like political mind of the Government opposite, and they just do not see it. It is basically this isolationist kind of view, and that is a very dangerous viewpoint when you go into politics. In fact, surfing on the Web, we came across one of Albania's news releases, and these are their own words: "After nearly 50 years of isolationist, utterly hard-line communism, it has combined to reduce many Albanians to desperation and subsistence living."

That is what happens when you get into isolationist kind of politics, and the fear certainly

on this side of the House, and the fear of Manitobans, citing the Government's own poll, is that if you believe that you can live in isolation in the modern world that we are in today, what you will do is exactly what has been found in Albania, is that you will drive people to desperation and subsistence living.

Mr. Speaker, unlike other countries, people can leave. If we do not start giving some relief, I have said to this House before, you will see the professionals in the medical community—and not just is a wage increase enough, but they also want to see more money when they take their paycheque home. To deny people their income because, for some reason, you felt by decoupling from the federal government a year earlier and actually raising taxes was a solution, that is narrow-sighted. I think issue after issue has clearly pointed out that people do not support the Government in its approach to high taxes and spending.

Mr. Speaker, 82 percent of respondents said lower taxes would help Manitoba keep more of its residents and attract more new businesses, and almost 60 percent said there was no reason why Manitoba could not cut taxes the way Ontario and Alberta have and, for that matter, Saskatchewan. Saskatchewan, the socialist cousin to this present government, they have seen the light. I have pointed it out. They have seen the light and have realized that it is time to give people the relief. We have gone through those difficult times. Now it is time for the payback.

I think the Government should be looking at these issues. We have before us a money bill. They should be reconsidering what they are doing with the finances of this province. They should get on-board. We want to see a modern and competitive province that not just keeps its own but also attracts more people. We would like to see people, certainly the head offices of corporations, coming to this province. We would like to see the professional people coming to this province.

With our tax regime and the approach of this Minister of Finance (Mr. Selinger) and this government, I do not believe that will be the case. Alas, one must say to the Government,

once again, shame. We certainly hope that they will come to their senses and reverse the kinds of policies that they have put in place. Thank you, Mr. Speaker.

**Mr. Speaker:** Is there a willingness of the House to leave the matter stand in the name of Honourable Member for Morris (Mr. Pitura), who has 15 minutes remaining? There is leave?

**An Honourable Member:** Yes.

**Mr. Speaker:** Leave has been granted.

**Mrs. Bonnie Mitchelson (Interim Leader of the Official Opposition):** Mr. Speaker, I am pleased to be able to put a few remarks on the record today on this discussion on Interim Supply.

We are extremely disappointed in this government and this government's agenda, and we honestly on this side of the House believe that this government, in its first session, with its first budget, has failed to provide for Manitobans a vision for the future. In today's rapidly changing economy, maintaining the status quo simply is not good enough. Maintaining the status quo really means that we are moving backwards as a province. When we see every other province right across the country with a visionary approach to looking at tax reductions and ensuring that their provinces remain competitive, I am ashamed and appalled that we are part of a province that really is moving backwards as a result of this government's budget and the policies that they have put in place right here in Manitoba.

There is no comprehensive plan that we can see on this side of the House that gives Manitobans any assurance that the challenges that we will face into the future will be met. This government has failed miserably in its very first budget introduced in this Legislature. They give no assurance to Manitobans that the future of any economic success in our province will be achieved. Instead the 2000 Budget, Mr. Speaker, has set a course for Manitoba to slide backwards. Instead of courageously setting out on a new path for the 21st century, the NDP have decided

to return to their ill-fated ways of the 1980s. We saw time and time again throughout the 1980s a New Democratic Government, that was the old NDP, that felt that they could tax and spend their way to prosperity. We found and we knew that that did not work, but it seems that the same, old people are running the show for the new New Democrats that have been elected to lead us into the 21st century. We know that the old ways, the ways that the Pawley-Doer government managed this province certainly tripled Manitoba's debt. It looks like we are on that same path to self-destruction here in Manitoba as a result of the direction that has been set by this government.

I guess expecting that this government would be leaders was just too much to ask. They failed to follow the examples set in every other jurisdiction in Canada by failing to offer meaningful tax relief to Manitobans and actually clawing back federal tax relief that Manitobans should have enjoyed this year. It was a sad day on July 1, the day that we celebrated Canada Day right across this country, to see that we were taking steps backwards right here in Manitoba. Manitobans lost. They were losers in the tax relief process. That is something that I think we should all be ashamed of as Manitobans.

We spent many years in government trying to change the attitudes within the province of Manitoba, trying to look forward to the future, trying to say that we were not a have-not province. We were not a province that needed to hold a tin cup out and expect the federal government to bail us out. We were a province that took pride in our ability to achieve, our ability to move forward, our ability to expand the economy, to draw business here, and to set the tone with balanced budgets that would lead to better economic prosperity. I have to think, Mr. Speaker, in regret that we have taken a significant step backwards with the policies that have been implemented by this new government.

\* (14:40)

The NDP and this Minister of Finance (Mr. Selinger) often argue that they were not elected to cut taxes, but there was a clear expectation by Manitobans that this government should do whatever it takes to keep our economy strong

and competitive. Middle-class taxpayers today are now the highest taxed in the country as a result of this government's budget. It is unfortunate that this province has a premier and a Finance minister that live in a vacuum and that do not realize, as every other province did, that we need to provide real tax relief here to the citizens of Manitoba in order to remain competitive.

I have to remind the First Minister (Mr. Doer) and the Minister of Finance that Manitoba was the last province to bring down a budget. Manitoba had the opportunity to watch every other province across the country. One by one they reduced personal income taxes in a real and a meaningful way. Not only did they pass through the federal tax cuts to their citizens, but many provinces, regardless of political stripe, Mr. Speaker, right across the country brought in their own tax reductions, because they know that the way to remain competitive is to ensure that there is a positive tax regime, a competitive tax regime in their provinces.

When the Finance Minister finally came down with this province's budget, Manitobans found themselves stranded on an island of high taxes and a sea of tax cuts. That is unacceptable to us as an opposition and to us as a government, who tried very hard over the past decade to ensure that we were competitive. I have already said it is not really an ideological issue, because we know that governments, regardless of political stripe, in every other province, New Democratic British Columbia, New Democratic Saskatchewan and right across the country provided their citizens with meaningful tax relief. In Ontario, for example, someone living in Kenora just two hours east of Winnipeg will pay 66% less in personal income taxes. A taxpayer earning \$50,000 a year in NDP Saskatchewan will pay \$1,250 less per year in personal income taxes when the full reductions take effect in 2003.

Reducing the tax burden for Manitobans, Mr. Speaker, is not unrealistic or unreasonable. The 2000 NDP budget estimates in its medium-term plan that Manitoba will generate about \$1 billion in revenue over the next five years. There is a significant opportunity if the NDP manages the Province's finances wisely to provide a fair

balance between spending on priority programs and meaningful tax reductions. Why does this NDP government fail to understand that stimulating economic growth is in everyone's best interest? By generating more economic growth in Manitoba, we increase the revenues available to fund our social programs like health care for the benefit of all Manitobans.

Mr. Speaker, you would think that this government would at least consider that kind of an argument, but they do not seem to. They do not, as well, seem to understand or even recognize or realize the dismal health care record that they have shown to date. They based their election campaign primarily on health care promises, promises which they have not fulfilled. We know that their promises that have not been fulfilled on the health care side are numerous, and in spite of their absolute commitment and promise during the election campaign that they would end hallway medicine within six months, they have not fulfilled that promise.

We only have to look back to not even before the election campaign but back to the end of November when the now Minister of Health (Mr. Chomiak) promised—this was on November 23—that come April of the year 2000, there will be no patients in the hallways. That was a quote from the Minister of Health, and yet today he seems to have had some miraculous change in the definition of what hallway medicine is.

There are still patients in the hallways today. Mr. Speaker, in all of our hospitals. Even our doctors are quoted. Dr. Wong I believe in the *Globe and Mail* just this past weekend says that anyone that says that hallway medicine has ended in Manitoba is not telling the truth. We see time and time again that not only is this new government not telling the truth about the promises that it has broken, but they are trying to find a way of redefining what they actually said during the election campaign.

Mr. Speaker, they have not added the hundred permanent new beds that they promised despite the fact that, when they reannounced it after the election campaign, there would be a hundred permanent new beds and they were questioned on it, I think there were some 30 new

beds that might have been opened, and that was only after hospitals were directed to open them and find nooks and crannies wherever throughout their hospital, even if they did not have the staff to ensure that the patients who were in those hospital beds were receiving the service that they deserved. They were desperate, and this Minister of Health (Mr. Chomiak) was desperate to try to ensure that he lived up to that promise. Well, we know that that promise, too, has been broken, and those beds are not open today.

Mr. Speaker, they have not hired the full-time nurses that they promised they would hire. In fact, we hear the Nurses' Union today indicating that the number of nurses that we are short of in the province has gone up some 400 or more since this government took office. That is not an election promise that has been fulfilled; it is another election promise on the health care side that has been broken.

Mr. Speaker, they have not converted the part-time nursing positions that they promised to convert to full-time positions. They have not stopped the flow of patients to Grafton for tests. As a matter of fact, we saw the Member for Concordia, the Leader of the Opposition, during the election campaign standing on the highway with his picture on the front page of the papers saying that Grafton would be closed for business. Well, we have seen that they have broken that promise, and there are still patients travelling to Grafton for the services that are not provided here.

Mr. Speaker, they have not cut the wait list for surgeries and diagnostic tests as they promised. Indeed, they are in the middle of negotiations for contracts right as we speak. We do not know what the outcomes of those negotiations will be, but they could lead to even longer wait lists for cancer treatment and for X-rays. This is something that they promised. They have made announcements since the election campaign, and that promise has not been fulfilled.

We have yet, Mr. Speaker, to receive a physician resource plan that they promised. They do not have a plan to recruit and retain rural doctors and nurses as they promised, another

promise that has been broken and has not been fulfilled. They have not established a rural residency program for medical students that they promised; nor have they put in place the MRI in Brandon as they promised, so we have a very sorry track record by this new government. They made grandiose promises during the election campaign, promises that led Manitobans to believe that, if the NDP Government was elected, all of a sudden there would be this miraculous turnaround. There would be a quick fix within the health care system. They would say health care for Manitobans. We are seeing that none of that has come to fruition.

\* (14:50)

Mr. Speaker, there were several plans that had been put in place before this government took over. I would hope that they would continue to act upon the plans that were started. I would hope that they would quit trying to fool Manitobans into believing that there are some quick-fix answers in our health care system, because we are seeing the same issues right across the country. We always maintained that there was no easy quick-fix solution, that there needed to be some long-term planning in the health care system, something that we have not seen this government take action on to date.

It does not appear that the situation is getting any better in the province. As a matter of fact, we are seeing for the first time ever in the history of Manitoba medical beds closing in facilities that have never closed before during the summer, because of a shortage of nursing staff. We see the Grace Hospital as closing medical beds, which has never happened before. We see Riverview Centre closing medical beds; that has never happened before in the history of the province.

The promises that they have made and the unfulfilled promises that they have not delivered on will be promises that will come back to haunt them as we move through this government's mandate. I believe that we will be able to still, after their term in office, as we move into the next election, hold them accountable for promises that they did not keep, that they made in such a cavalier way during the election campaign.

Mr. Speaker, there are a few other areas that I would like to touch on briefly today. The First Minister (Mr. Doer), I have to say, has a number of tenuous situations on his plate right now. Clearly, from what we have seen in his handling of those issues, he has not managed very well. We, of course, have the casino fiasco. Two-thirds of Manitobans just very recently sent a very strong message that they are not happy with this government's plan to establish five new casinos in the province of Manitoba.

The First Minister, who is supposed to show leadership for a government that he manages and controls, has created an untenable process that is cloaked in secrecy, and there are accusations of political interference from failed proponents in this whole process. I think it is a situation that this Premier (Mr. Doer) could have avoided if he and his Cabinet had not rushed into this process very early on in their mandate without thinking through what the implications would be or what the process should be.

Mr. Speaker, it was not one of their five major election platforms that they committed to. Those five major platform or agenda items during the election campaign should have been their first priority, but, no, what was their first priority? It was rushing headlong without thinking through the plan or the process around five native casinos that they have indicated that they committed to during the election campaign and were elected on.

We have seen a minister of the Crown under this Premier's leadership fail in a very significant way and have to resign, and we are not really sure, Mr. Speaker, whether he resigned or he was forced to hand in his resignation or whether he was fired by this Premier. It is an issue that has not been handled very well by this Premier and this new government.

Mr. Speaker, there tends to be some sense on the side of the Government that the Opposition side of the House is somehow responsible for the issues that faced the former minister of gaming, the Member for La Verendrye (Mr. Lemieux). Well, it was not Opposition that appointed the Member for La Verendrye as the Minister responsible for Gaming in the Province of Manitoba. It was the

Premier (Mr. Doer) of Manitoba, under his leadership and his direction and his decision alone, who appointed the Member for La Verendrye as the Minister responsible for Gaming. So if there is any issue or any blame to be laid at anyone's feet, it would be at the Premier's feet, the person who appointed the Minister.

Now, Mr. Speaker, if there were accusations of conflict of interest or accusations of breaking the law, the Premier should have played a leadership role. He should have got the legal advice that he could have obtained very easily to try to ensure that what was happening was absolutely and completely above board, but what did this Premier do? He did not take a leadership role; he did absolutely nothing. He let his minister stand up day after day after day and be hung out to dry. He did not show any leadership, or he did not show any support for his minister.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

There could have been a very simple resolution to this whole issue. The Premier (Mr. Doer) could have ended this issue very quickly by referring this matter to legal counsel that was available to this government at no cost. He could have cleared the air once and for all. He could have stood up in this House and tabled the legal opinion that said that this minister was not breaching or breaking the law, but, Mr. Deputy Speaker, did he do that? No, he did not take on that leadership responsibility, and, again, he hung his minister out to dry. I find that absolutely unconscionable.

Mr. Deputy Speaker, we on this side of the House gave the Government a solution, a very easy way out. They could have sought that legal opinion, assured themselves that they were not breaking the law or there was not any perception of conflict, and it would have been very easily resolved, but instead we see today, just some nine to ten short months after this government was elected, that they are embroiled now in a controversy and a scandal where one of their ministers has had to resign. That did not have to happen, and today we are still asking ourselves—because the Premier said in Question Period yesterday, that he finally, at long last got a legal

opinion—if he did get that legal opinion and there was no conflict or the Minister was not breaking the law, I am sure he would have stood up in this House and tabled that opinion. The Minister would still be the Minister responsible for Gaming today, but he has left a shadow and a cloud over the process, and it only leads me to believe that this government is hiding, and this Premier has not taken a leadership role that he should be taking to protect the ministers within his government.

\* (15:00)

So we have to again look back to what has happened over the last number of weeks to the former minister of Gaming, and we have to ask ourselves where was his leader, where was the Leader in this province of Manitoba when he let his minister be humiliated in the way that he has been humiliated over the last few weeks? And, Mr. Deputy Speaker, I want you to know that we do not have any problem with the former minister responsible for Gaming or his wife or his family and the work that they do on behalf of Manitobans. What we take issue with is the lack of leadership and the lack of accountability shown by this Premier. He certainly was around long enough in the House and was the Premier-in-waiting for many, many years. This is rather an abysmal record in these few short months that this party has been in government, and I think the controversy could have been avoided very, very simply with just a few small suggestions or a bit of action taken by this Premier. I am somewhat dismayed at the lack of loyalty that would be shown as someone who is supposed to be in charge of managing the affairs of this province.

We also have to look at another issue that has surfaced in the last few months, and that is the issue of the staff that admitted that they broke the law in terms of their treatment of the Freedom of Information legislation. We are astonished that the Premier would not be demanding some action or taking some disciplinary measures for some of his staff that clearly broke the law. We see the most senior bureaucrat within the Government of Manitoba directing departments not to comply with the Freedom of Information legislation, and they delayed providing the information on two

different occasions until they broke the law, and it was over 60 days before that information was provided. Why did that happen? That was because the Government was busy trying to gather information on the previous ministers under the former administration to make comparisons.

*Mr. Speaker in the Chair*

Well, that is not the spirit of the law, that is not the intent of the law, and I have some concern because I think, again, the Premier has hung the senior bureaucrat within the Government of Manitoba out to dry. I do not think that that senior bureaucrat would have given direction to the Government and said this is the course of action we should take. I would believe that it would have had to be the Premier or the Premier's staff that directed the senior bureaucrat within this Province of Manitoba to take that action, and I have extreme concern again about the flippant attitude of this Premier and his regard for the laws of the Province of Manitoba. We have seen on two occasions that he has not lived up to the law of the land here in Manitoba, and that is only in 10 short months in this administration.

Mr. Speaker, I think we have some very serious concerns about the accountability and the credibility of this new government. Let us just move on to the whole artwork fiasco that we saw when this government first came into office and how arrogant and how bungling this government was in the case of the missing artwork, and the Minister of Culture (Ms. McGifford) decided that she would leak information to the media blaming the previous government for ransacking and stealing the much-valued art, the treasured art collection of the Province of Manitoba. However, like many of the other issues that this government has raised and the bluster and the spin that was put out by this government to try to cover up their shortcomings, it was not true. It actually turns out that almost all of the artwork except for some small pieces of pottery that even the Minister admitted through the Estimates process were probably broken years ago in the Legislature—as a matter of fact she indicated through that process that there was a piece of art that had been accidentally broken in her office by a visitor.

I mean, Mr. Speaker, did the Minister of Culture apologize to the House? Did she apologize for her errors? Did she state publicly or on the record that her arrogance got in the way of doing the right thing? No, she did not. We asked her many times through the Estimates process. All she had to do was stand up and do the honourable thing and say, I apologize, we found all of the artwork, and no one is to blame, but, no, she did not do that. Even the Minister of Government Services (Mr. Ashton) was a little more humble and recognized that the accusations that were made were wrong and that the artwork had been recovered and was quite humble in his statements, but not the Minister of Culture, and that arrogance seems to be an attitude that prevails right across the board on the side of this government. Manitobans will remember those kinds of things, and they will ultimately be the judges of the performance of this government.

Mr. Speaker, I am always sort of reminded of one of my former colleagues in this House. We know that the Government is riding high, and that very often happens when a new government is elected in a province. I know that they are working very hard and attempting in some instances to make the right decisions, but I have been reminded by a colleague of mine, and that is the former Member for Arthur-Virden Jim Downey who has many notable quotes but the one that I would like to quote today is that your first day of government is one day closer to your defeat. Sage advice for the members, I think, in this House, since none of us, no matter who we are, have the divine right to govern in perpetuity. So I think that the ability for a government to last several terms is a government that takes the issues and the responsibility very seriously, does not portray that attitude of arrogance, and we got elected to do what we said we were going to do and, you know, sort of forget about any second sober thought or consultation with those that elected us. That kind of arrogance in just such a short period of time will be remembered by Manitobans.

We have seen already a very dismal budget for the citizens of Manitoba, Manitobans that are now the highest taxed across the country as a result of this government's decisions and this government's direction. We see a government

that has not been able to deliver on the health care promises that it was elected on. Moreover we have seen a government and a premier and his Cabinet that have already been affected by scandal, a scandal that could have been resolved had the Premier provided the guidance expected of him as the First Minister and the leader of the Province of Manitoba.

Finally, Mr. Speaker, they have set in motion an unworkable process for establishing native casinos. They may even be facing lawsuits from some of those failed proponents that do not feel that the process was fair. That is mainly because this government rushed into it without giving full consideration to the Aboriginal communities that would be applying for casinos and to the rest of Manitobans who might be the recipients of those casinos in their communities.

I am, quite frankly, Mr. Speaker, quite surprised that such a long-time politician such as the Premier (Mr. Doer) finds himself in the situation that he is in today. I think we all expected a little better of him. I expected him to ensure that his staff upholds the law. I also expected him to remain loyal to the members of his Cabinet. I am surprised that he has rushed into a process and created such a mess for his government in just a few short months of being in office.

Finally, I would expect or I can say that I did expect that he would attempt to fulfill his health care promises. It is clear from what we have seen to date that they promised much more than they could deliver. There are no easy, quick fixes, and these issues will remain. We know that when the end of their mandate comes they will still be in a situation where they have not been able to deliver.

Only 10 months into their mandate, I only wonder what the future offers for government and, more importantly, for Manitobans who have already been exposed to a record in the last 10 months of being plagued by scandal and by controversy. I want to assure all Manitobans and you, Mr. Speaker, that we will continue to hold this government accountable for the commitments that it made to Manitobans and for accountability, something that we have not seen

much of in the first 10 months. We will hold them accountable for the promises that they made. We will hold them accountable for decisions that they make that are not in the best interests of Manitobans and do not move Manitobans forward into the 21st century with some sense of hope and optimism. Thank you.

\* (15:10)

**Mr. Marcel Laurendeau (Opposition House Leader):** Mr. Speaker, I believe if you check the record, it is still standing in the name of the Honourable Member for Morris (Mr. Pitura). I believe we ask you to call that back.

**Mr. Speaker:** Bill 46 is standing in the name of the Honourable Member for Morris. Is it the will of the House to deny leave to leave it standing? *[Agreed]*

Is the House ready for the question? The question before the House is second reading of Bill 46, The Interim Appropriation Act, 2000. Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

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

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Intergovernmental Affairs (Ms. Friesen), that Mr. Speaker do now leave the Chair and the House resolve itself into the Committee of the Whole, to consider and report of Bill 46, The Interim Appropriation Act, 2000; Loi de 2000 portant affectation anticipée de crédits, for the third reading.

*Motion agreed to.*

#### COMMITTEE OF THE WHOLE

##### Bill 46—The Interim Appropriation Act, 2000

**Mr. Chairperson (Conrad Santos):** The Committee of the Whole will come to order, please, to consider Bill 46, The Interim Appropriation Act, 2000. Does the Honourable Minister of Finance have an opening statement?

**Hon. Greg Selinger (Minister of Finance):** Mr. Chairperson, I am prepared to move forward on the process.

**Mr. Chairperson:** Does Honourable Member the critic have an opening statement? We shall then proceed to consider the bill clause by clause. The title and preamble are postponed until all other clauses have been considered.

Clause 1—pass; Clause 2—pass; Clause 3—pass; Clause 4—pass; Clause 5—pass; Clause 6—pass; Clause 7—pass; Clause 8—pass; Clause 9—pass; preamble—pass; title—pass. Bill be reported.

Committee rise.

Call in the Speaker.

#### IN SESSION

##### Committee Report

**Mr. Conrad Santos (Chairperson):** Mr. Speaker, the Committee of the Whole has considered Bill 46, The Interim Appropriation Act, 2000, and has directed me to report the same without amendment.

I move, seconded by the Honourable Member for The Maples (Mr. Aglugub), that the report of the Committee of the Whole be received.

*Motion agreed to.*

#### REPORT STAGE

##### Bill 46—The Interim Appropriation Act, 2000

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Health (Mr. Chomiak), that Bill 46, The Interim Appropriation Act, 2000; Loi de 2000 portant affectation anticipée de crédits, reported from the Committee of the Whole, be concurred in.

**Mr. Speaker:** It has been moved by the Honourable Minister of Finance, seconded by the Honourable Minister of Health, that Bill 46, The Interim Appropriation Act, 2000 (Loi de 2000 portant affectation anticipée de crédits),

reported from the Committee of the Whole, be concurred in.

Is there leave?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Leave has been granted.

*Motion agreed to.*

\* (15:20)

### THIRD READINGS

#### **Bill 46—The Interim Appropriation Act, 2000**

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Selinger), that Bill 46, The Interim Appropriation Act, 2000; Loi de 2000 portant affectation anticipée de crédits, be now read a third time and passed.

**Mr. Speaker:** It has been moved by the Honourable Minister of Health, seconded by the Honourable Minister of Finance, that Bill 46, The Interim Appropriation Act, 2000 (Loi de 2000 portant affectation anticipée de crédits), be now read a third time and passed.

Is there leave?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Leave has been granted.

*Motion agreed to.*

**Mr. Chomiak:** Mr. Speaker, I believe we would like to call on the Lieutenant-Governor.

**Mr. Speaker:** The Lieutenant-Governor has been called.

### ROYAL ASSENT

#### **Bill 46—The Interim Appropriation Act, 2000**

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

*His Honour Peter Liba, Lieutenant-Governor of the Province of Manitoba, having entered the House and being seated on the throne. Mr. Speaker addressed His Honour in the following words:*

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

**Madam Clerk (Patricia Chaychuk):** Bill 46, The Interim Appropriation Act, 2000; Loi de 2000 portant affectation anticipée de crédits.

His Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence and assents to this bill in Her Majesty's name.

*His Honour was then pleased to retire.*

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Selinger), that Mr. Speaker does now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Mr. Speaker:** It has been moved by the Honourable Government House Leader, seconded by the Honourable Minister of Finance, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her—

**Mr. Mackintosh:** Before putting the question, Mr. Speaker, I wish to obtain the unanimous consent of the House to vary the sequence for Estimates consideration set out in sessional paper 138 to consider in Room 255 Family Services and Housing for today only.

**Mr. Speaker:** Is there leave to move Family Services to Room 255 for today only? [*Agreed*]

It has been moved by the Honourable Government House Leader, seconded by the Honourable Minister of Finance (Mr. Selinger),

that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Some Honourable Members:** Agreed.

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

Mr. Deputy Speaker, please take the Chair.

**COMMITTEE OF SUPPLY  
(Concurrent Sections)**

**CONSUMER AND CORPORATE AFFAIRS**

\* (15:30)

**Mr. Chairperson (Harry Schellenberg):** Order, please. Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 254 will resume consideration of the Estimates of the Department of Consumer and Corporate Affairs.

When the Committee last sat, there had been agreement to have a global discussion on the entire department. Is that still the will of the committee? *[Agreed]*

We are on line 5.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$323,700. Shall the line pass?

**Mr. Jim Penner (Steinbach):** My question is: On page 19, one of the Activity Identification items states that the division "Liaisons with consumer oriented groups, representatives of the business sector and government officials."

Can the Minister advise what types of groups these are, and have there been any additional groups added since his taking office?

\* (15:40)

**Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs):** Mr. Chair, I thank the critic for Consumer and Corporate Affairs for the question.

With regard to the question, it really depends on the issue of the day. If there is an issue like, for example, life leases, I have been informed by my staff that if an issue like life leases is in front of us as a department, we may want to consult with different organizations that have an interest in life lease.

Life lease, I must say that in my opinion, my humble opinion as a new minister, this was truly a very good piece of legislation put forward by the now opposition because it is consumer protection in its truest sense, and certainly was one that we as a new government looked upon favourably and, of course, were more than pleased to move ahead on it.

But it really depends on the issue of the day. Life lease is an example, but there may be other issues, whether they be gas prices, for example. If it is the price of gasoline, we as a department or certainly Research and Planning may want to certainly speak to consumer groups with regard to that issue, whether it be CAA or the business sector, the gasoline companies, specifically.

But, certainly, that line, at least that is my interpretation of it, and I have been advised that that is exactly what that is referring to. Whatever the issue of the day is, they certainly try to get some good input, and they try to consult and have consultation with those different groups.

**Mr. Jim Penner:** Also in that same section, I note that it states that the division investigates marketplace problems. Can the Minister indicate what type of marketplace problems this refers to and perhaps the most common types of problems that are tackled in this division?

**Mr. Lemieux:** Thank you for the question. When it talks about investigating marketplace problems and assesses alternative responses to them, I know one of the things that we talked about was life lease, for example, and problems that may be related to those. Even in the province of Ontario, when they talked about residential tenancy legislation and dealing with tenants and landlords and looking at home warranty programs or telemarketing legislation or issues like that, that is really what that line is referring to, that certainly on occasion there are marketplace problems.

The marketplace problems that I have been advised of are problems like home warranty programs and issues like that or telemarketing, for example, that has become more popular now. On the other hand, there are some unscrupulous companies that are really trying to take advantage of seniors or other people when they are doing their marketing. Those are the issues that are being identified, but also the marketplace problems that are being referred to in that line.

**Mr. Jim Penner:** Thank you for that answer. Mr. Chair, the Minister mentioned in his opening remarks when we last met that he had met last winter with oil companies to express several concerns. Can the Minister tell us what those concerns are that he raised with the companies?

**Mr. Lemieux:** Yes. Some of the concerns that I had certainly at the time were I think the concerns that the general public have, that when you see gasoline prices go up, they seem to be lock step with the price of crude. All of a sudden when the price of crude drops, you do not see the prices at the pump dropping as rapidly as they should. I think it is a perception out there that somehow the gasoline companies are doing this certainly to try to take advantage of the market and try to get as much money as they can.

Those are the kinds of questions I raised with those particular companies. They were certainly consumer-oriented questions from my part, but I had wanted to get a better feeling of the industry, not knowing the industry, trying to meet with a number of companies. For example, there was Domo, there was Petro-Canada, there was Shell, there was Esso, Imperial Oil. Having met them and having listened to their explanation as to why they feel they need a certain margin and so on with regard to gasoline and/or cost of crude, I tried to pose some questions to them that I had been hearing certainly not only in my own constituency and home community, but questions that you often see: Every time there is a hike in gasoline prices, why is it the case that the drop does not appear to be as rapid?

It was really a pleasure to meet those people and the executives that they sent, because I thought they were being very forthright. I had

explained at the time to these not only gentlemen but all staff, men and women that had been there to present, give presentations to myself and staff, that they certainly realized the quandary they were in, because every time you drive down whether it is Portage Avenue or whether it is Main Street in Steinbach or Main Street and Dawson Trail in Lorette, you see the signs at these service stations. Every time the price goes up people see them going to work or going home, and it creates a lot of anxiety for people. People do not have an understanding of why all of a sudden gasoline prices might jump by 5 cents a litre or drop, for that matter, by 5 cents a litre. There seems to be no explanation.

I informed the companies that I was a little bit tired of being their public relations person. Why should the Minister of Consumer and Corporate Affairs, whether it be Minister Rempel or Minister Radcliffe before me and many other ministers, why should we, as government, have to justify price increases and not have a good handle on it? They were not coming across successfully to me in justifying why those prices with regard to crude, for example, had to go up.

I know that I mentioned to the critic for Consumer and Corporate Affairs, the Member for Steinbach (Mr. Jim Penner), that I believe in giving their government credit when credit is due with regard to life leases and other issues. But also I like to make sure we take credit as well when it comes to issues that I feel we should be taking credit for, and that is with regard to gas prices. I can further expand on that with regard to what we have tried to do, but I certainly just want to leave it there for now.

\* (15:50)

But I would say that that is the kind of question that I raised with the industry, questions that I have certainly been hearing on the street and questions that consumers have been raising with regard to gas price increases and just the industry as a whole. Thank you.

**Mr. Jim Penner:** I think all MLAs, Mr. Chairman, are concerned, because we have all got residents on fixed income and we have all got people who have to drive. The price is rather unfortunate. I would like to briefly comment on

some of the findings from the gas task force in Ontario.

I remember being in the grocery business when the price of beef, for example, would rise suddenly. It would rise everywhere on the same day. Everything in the pipeline, even though you do not sell it for two weeks after butchering, everything in the pipeline, the price went up. Then when the price went down, it took weeks or months. Finally sometimes it never came down, because the customers had gotten used to \$2 a pound instead of \$1.70 a pound, so the price stayed. I think this is probably what I am trying to show concern for, and that is maybe the lack of a competition bureau. The Province of Manitoba itself does not have a competition bureau, does it?

**Mr. Lemieux:** I am sorry, may I ask the critic to repeat the question?

**Mr. Jim Penner:** Mr. Chairman, does the Province of Manitoba, within your department or another department, have a competition bureau?

**Mr. Lemieux:** With regard to a consumer bureau, there is a Consumers branch, but not what I would call a watchdog on the industry, for example, on the gasoline industry, certainly that industry, to make sure that gas pricing is appropriate or even the margin that is being taken is appropriate.

That is why, I know that what we did was, when meeting with the gas companies, you know, this point should be made. I know the Member for Steinbach, from my perspective when I was in sales and visiting his stores, I do not mind if I reminisce a little bit, and hopefully you do not. One thing I learned quickly is that companies are not in the social assistance business. Companies are there, they hire people, are well respected for doing so, have the right to make a profit, and work extremely hard to do that. Often the margins that they get are very small. I do not think people understand that.

I know that when I started looking in this industry, the gasoline industry, and asking questions related to it because of prices going up at the pump, I soon found out that their margins are very small as well. Now, this is something

that, when I referred back to sales, I realized that the product I was selling at the time to Penner Food Stores, there was such a small margin involved, it was quantity as well as quality that you were trying to sell. That is really where people made their money.

That is the rationale that the gasoline companies, the petroleum industry, used with me, that the more litres that they can pass through, that is where they make their money. It is not on the amount they are making per litre. I know that this particular pricing or this particular industry, I certainly do not want to come across, and I hope I am not, Mr. Chair, of slamming this industry or going after them. It is just that when I questioned them, I wanted to get some rationale, trying to understand how can I pass it on to the average person on the street in my home community as to an increase? How do you do that, and that is really difficult.

So what we did is I asked them to try to produce some documents for the consumer to show and justify why the prices are what they are. They talked about a document that was going to come out called the Gas Facts. The petroleum companies were going to be sending out gas documents, for example, on gas, and they were going to fax it out to all the industry, letting people know the rationale behind the price increases.

Now, having spoken to the industry, I cannot say that I am really satisfied with a lot of their answers, because, quite plainly put, I think a lot of it was gobbledygook, and they were just rehashing often the same message over and over and over. It did not matter which company you saw.

Now, I know that Ontario certainly was looking at the gas pricing, and I know that we certainly were concerned with it enough, as well, to contact Minister Manley in Ottawa and to mention it to him. We certainly tried to lay out what we thought should be done. I know that Ontario, as the Member for Steinbach (Mr. Jim Penner) mentioned, they had just released the report and have a number of recommendations in there. They talk about the Competition Bureau investigations, how they should be shifted and changed, talking about the price burden, for

example, the burden of proof for the Competition Bureau.

Now, that particular industry is very difficult, and what are the options for the province of Manitoba? Well, they vary. I guess the province of Manitoba—it is not my preference, but you could open up or attempt to open up 10 service stations, I guess, if you wanted to try to affect the market and see what you could do.

You could regulate it in the strictest sense of the word, as was done by the National Energy Program. Alberta, I think, spoke out on that, and I think even Petro-Canada. The reason why Petro-Canada exists was because of that initially, but they realized that having a seat at the table did not necessarily give the consumer the window on the industry that they thought.

So, I mean, those options are not my options, but I was trying to certainly get some justification of why the prices vary like that.

So I certainly want to thank the Member for Steinbach (Mr. Jim Penner) for the questions, because the questions related to the petroleum industry are very important, because, as he mentioned, there are people in all walks of life, whether they are on a fixed income or people in the agribusiness, whether they be farmers or otherwise, who depend on fuels whether they be diesel or otherwise. So I believe it is really important that questions like this be raised and questions like this be raised to the petroleum industry.

I want to just conclude my answer there, because certainly there is more to say, and I am sure the Member for Steinbach has more questions related possibly to this issue or others. So I certainly want to give him as much time to do that. Thank you.

**Mr. Jim Penner:** Still on the gasoline issue, as was mentioned, the Ontario Gas Prices Review Task Force, which was struck in November '99 by Minister Runciman and his committee, filed a report in which most of the public consultations were done during February and March of the year 2000. The communities were surveyed, businesspeople, professional associations. Many

representatives made formal submissions. There were 80 formal submissions.

So the Ontario Gas Prices Review Task Force report, Fairness at the Pump, submitted by Runciman on June 30 this year contains 14 recommendations to help ensure that the consumer gets a fair break at the pump.

Are you familiar with these 14 recommendations, Mr. Chairman? Is the Minister familiar with those recommendations?

\* (16:00)

**Mr. Lemieux:** I thank the Member for Steinbach for the question. I have not had a chance to study them. I have looked over a few of them, but I certainly have not had the opportunity in the last couple of days to study them. I have looked over a few of them, but I certainly have not had the opportunity in the last couple of days to study them. They were released, as was mentioned, the end of last week, and I never had an opportunity to study them thus far. I know that making reference to give the competition bureau sufficient resources and other things like that, I know that this issue has been studied for years and years.

Initially back in December and certainly into the fall, I contacted Minister Manley in Ottawa on the phone and by letter asking that some national body should look at this. It is a national issue; it is from coast to coast. It should be something that should be looked at in sincerity, and there should be some body that should be funded because it is a national issue, should be funded out of Ottawa that should look at all provinces and all of the issues, because each province has different types of issues related to the industry, whether they be the northern part of the country, whether they be northern Manitoba, for example, compared to the south and the price differentiation or the differentiation between the prices. Those types of issues were very important.

So what we did was, in having conversation with Minister Manley, I expressed to him that I really felt that it was imperative that we have a national body do this. Now Minister Manley

stated that they were not sure how they were going to do this, but they thought that the recommendation was important and that we should be in touch. Fine.

No sooner than we had had our meeting and discussions that Minister Manley, not shortly after I sent the letter recommending the body that we thought should be involved and having input from all the provinces on this body, that we should keep in dialogue, there should be dialogue, but he said that the federal government was sincerely looking at the issue. Now I was not satisfied with that, obviously, because I felt somehow we may be left out of the picture and not have a say or the consumers in Manitoba may not have a say, and then we discovered that there was an announcement that the, I believe, Conference Board of Canada would be looking at this issue. Then they stated that there would be a number of sites where there would be public meetings and there would be a number of locations that they would be looking at, whether it was the Yukon and so on, gasoline pricing, the price of crude and then the price at the pump.

So my concern was, well, that is nice to look at gasoline, but we have a lot of truckers in Manitoba. We are the hub and the centre, geographically speaking certainly, of North America and of Canada. We have a lot of truckers that are certainly interested in fuel, in diesel fuel, and we have a lot of farmers in agriculture that somehow would be left out. I think there was going to be a meeting in Vancouver, Calgary, Toronto, Québec City and some place in the Maritimes. They were leaving out, they considered Calgary or Edmonton, I can be corrected on that, as being somehow representative of the prairie provinces. So once again I returned and sent a letter to Minister Manley saying we really feel that Manitoba should be represented as a community, and so I am certainly waiting to hear something positive on that.

We certainly have been informed that diesel would be looked at, would be part of the criteria that the Conference Board would be considering, but I know that this issue is certainly dear to the hearts of many Manitobans and many people in the prairies for that matter, so I felt that, as I mentioned to the Member opposite, credit should

be given where credit is due. With regard to life leases, the previous administration, was very good consumer-oriented legislation that they put forward, and I believe it will survive the test of time, but on the other hand, I think that credit should be given where it is due with regard to gasoline pricing. We have had a lot of initiatives.

Minister Manley certainly did not start up a new committee with representation from all the provinces on it, but I think the federal government realized—and I do not mind taking credit for this, but we really pushed them to have a national body look at a national issue. I can really feel proud of my department for being really vigilant on this and wanting to really pressure the federal government to make sure they address this on a national level.

So the long and the short of it is I have not had a lot of opportunity to look through the 14 recommendations of the task force. What the Ontario government will find is that some of them are going to be repetitive. As I said, I have not taken the opportunity to really look closely at all the recommendations, but I am sure the recommendations, the gas prices the task force in Ontario received, I think the Conference Board will find that a lot of the statements that are going to be coming forth with regard to gas pricing or diesel pricing will be a lot of what the input that the task force in Ontario received, because this issue just does not go away. It is an issue that is very important in Saskatchewan and extremely important in Manitoba as well.

I know that certainly one of the task force recommendations noted that the federal government should increase expenditure on Ontario highways. In Manitoba we are looking at the tax taken for Manitoba. I believe it was approximately \$140 million. Out of \$140 million, the federal government never put one cent back into highways. I would say the majority, almost the true majority, of all funds we raise in taxes, that 10.5 cents that we raise in Manitoba, I would say certainly 99.9% or thereabouts of the dollars go back into highways. A point we try to make with the federal government is that you are taking a great deal of an amount of money out of the province. Not only are you taking your percent at the pump, but you also have GST on top of it, and you are

not putting one cent back into highways in Manitoba.

In my discussions with a consumer group like CAA, one of the first things they had to say is how dissatisfied they were with the federal government. They were pleased. They felt Manitoba could do more with regard to highways, but they were really not happy at all with what the federal government was doing. They wanted us to put pressure on the federal government to put that tax money that they take out of the province every year back into highways. With that particular recommendation that the federal government should increase expenditures on Ontario highways, well, I am not sure what the fund is. If it is around \$140 million in Manitoba, I am not sure how many millions they will be taking out of Ontario. Certainly I am sure it would be at least double. I guess on a per capita basis, taking a look at Ontario's population as opposed to Manitoba's, it would be proportionate.

So, Mr. Speaker, I just want to conclude my comments with regard to the question from the Member for Steinbach. I think the Conference Board is going to find a lot of the recommendations that are going to be coming across the table when they start getting input from the population is that many of the concerns, I am sure, are going to be similar to what were raised with the task force in Ontario. Also, the recommendations, having just briefly looked at some of them, certainly make a lot of sense. Thank you.

**Mr. Jim Penner:** Mr. Chairman, I would like to know if the Minister has put forward in his communications with the federal government some form of encouragement to have companies segment their earnings, what is called in the Competition Act divorcement legislation. Divorcement legislation would mean that one company could not be both a refiner and a retailer of gasoline so that the Competition Act could be more easily applied, although it does not have any teeth. But the Competition Bureau could be involved in exposing gauging.

I guess the reason for my question is that I know one oil company that I have been watching in the stock market has in about eight months or

ten months now gone from a price of \$18 a share to \$29 a share. Now, if that oil company, the share values go up so quickly, and I am very happy that I have a few shares there, I have to think that the increased price at the pumps is not simply a cost of doing business. It is not simply a wellhead cost. The wellhead cost is a very small percentage of the price of a litre of fuel at the pumps. There is the drilling component, there is shipping to processing, there is the actual processing of crude, then there is the shipping to the place of marketing, and then there is the cost of selling.

\* (16:10)

But it seems to me that the people at the pump, as far as I can find out, and like you I have talked to people with many different brands of fuel, they are pretty well locked in to so many cents a litre. When the price changes, they do not seem to be the ones that are guilty. But if the shares, stock value, of an oil company almost doubles in less than a year in proportion with the increase of prices, people buy shares based on the profitability of that company. I still think that a conglomerate, a Canadian task force of provinces, needs to go back to the drawing board and address this thing.

As I said before, most people are on fixed income; most people feel threatened by the increase in cost of transportation. I happen to live in Steinbach, but every morning when you come into Winnipeg there are literally thousands of vehicles on the road from eastern Manitoba, from southern Manitoba, and from the southwest, northeast. Many of these, of course, are tradesmen, and they eke out their living by being plasterers or something. They are pretty much locked into their ability to earn money. So what I am hearing from my friends in this business is that they feel that it has not been well addressed. Now I am not accusing this government of not addressing or trying to address it. Rather, I think I am trying more to explore how we can as the legislators in Manitoba, the MLAs in Manitoba, put forward a position that would expose the area where this profit taking is happening.

As I say, if in fact we would divorce, what is called divorcement legislation nationally, under

the Competition Act, the refiner and the retailer, then, of course, we would have a situation where the retailer would have to earn a little more money because he is now not part of the profit base from the refiner. But the refiner would become transparent. We would know who is making the money, and collusion would be more difficult.

We know that the co-op system allows for some reduced costs in their taxation system, so the Co-op fuel people often can offer fuel for a lower price, but they are again both refiners and retailers. In your correspondence of the Province—and if you want to, you can table that—with the federal government, have you addressed the separation of refiners and retailers?

**Mr. Lemieux:** Well, I thank the Member from Steinbach (Mr. Jim Penner) for not only the question, but certainly the suggestion. I know that that has been a bit of a problem. I know there is legislation in some of the states in the United States, divorcing a refiner from the retailer and making sure that that exists for consumer protection. I can say that that certainly is not a specific item that I posed to Minister Manley in my correspondence, but it is one that I think bears investigation or looking at.

As was mentioned by the Member from Steinbach, when you start talking to the smaller retailer, you soon realize that, when the gas price shoots up by six cents and yet the small retailer is not making the profit margin, it seems as if the supplier, whoever is supplying that retailer—no pun intended—really has that small retailer over a barrel because they are dependent on that supplier. They have a contract with that supplier, and it might be a two-year, three-year, five-year one. There are all kinds of conditions attached to that, and this is something that I learned about the industry, speaking to people for example, like Co-op. You soon find out, and just as a point that I should mention to the Member from Steinbach, having a conversation with Co-op, for example, it is interesting that Co-op really, because they have a refinery in Saskatchewan, thinks that is a big advantage for them to give the consumer a break. Not only in the rebate at the end of the year, but they think that that is truly an advantage somehow by being able to refine as well as being able to get the product to

market, and get it to their retailers that they own. Not only are they the refining end but the retailing end, and they put forward the point that that is an advantage. I know that it may be. It might be an advantage to them, but, as the Member from Steinbach rightly put it, is it an advantage to the consumer?

It might be an advantage to the Co-op because even though most of them are certainly public companies—they have the books that are available at the end of the year, and you can certainly see what they have made with regard to profit and so on; they are public—one even from that does not get a clear picture of the true profit they are making.

I think this says a lot also about the critic of this department from Steinbach making note of the amount of people not only who travel into Winnipeg but the people who have a limited ability to increase their income. When you talked about drywallers, when you talk about people in different trades, they have a limited amount of ability to increase the amount of money that they take into their own pocket and how much they are able to spend.

I think that does say a lot about the Member opposite, and I certainly appreciate his questions, because I know he is not only concerned about his own constituents, but he also made mention about those people who have a limited ability to increase their spending. Yet gasoline is not a luxury; it is a necessity. Certainly this item is very, very important.

I know that it is anticipated certainly that the Conference Board study will look at divorce-ment legislation, as it is in some states. I think that is an absolute. It is a very good point from the Member, that that is an issue that has to be looked at because when you are taking a look at gasoline, it was just mind-boggling. I am sure the Member, had he been in my shoes, would have found it the same.

It is unbelievable. The companies come to you with very glossy presentations and all kinds of documents and all kinds of bells and whistles, and it is very difficult to read through all of that when you are trying to get down to justification of why the price is as it is at the pump.

I just want to maybe leave my points there. I know that certainly the federal government's use of its current consultation process on the amendments to the Competition Act to consider the inclusion of divorcement legislation nationally, as was mentioned, which would prohibit companies from being both a refiner and a retailer of gasoline is something that I understand is part of that criteria or something that they would be definitely looking at when their Conference Board is conducting their study.

Just prior to concluding my comment with regard to the Member's question, I want to introduce Ian Anderson. Ian who is sitting beside me now is someone that is in Research and Planning and certainly does keep a close eye with regard to the Department's responsibility with regard to gas pricing and so on. Ian certainly has been working with a number of previous governments before me and has been working in this department, so certainly he is what I call the gasoline guru—*[interjection]* The gasman. On occasion, I am sure many Manitobans have received gas when they drive up and down the street and see the gas jumping up by 6 cents a litre.

Mr. Anderson is the gas guru and so I am pleased to see him. If there are any more specific questions that I am not familiar with or I do not have the answer for, I am more than pleased to present the Member for Steinbach with those answers at a later time, or, certainly, we can attempt to do it here. Thank you, Mr. Chair.

\* (16:20)

**Mr. Jim Penner:** Then I would like to ask a few more questions, if that is okay, on the fuel issue.

**Mr. Lemieux:** Absolutely.

**Mr. Jim Penner:** The Co-op has a different taxation system with governments. Is that an advantage to them over other commercial producers?

**Mr. Lemieux:** I just want to—maybe it is a point of clarification or a question. I am not sure about the question about the taxation system. I am certainly not familiar with the co-op gas industry

or co-op taxation, their taxation system, and whether or not they get a better break from their governments or from the federal government or the provincial government with regard to gasoline or this industry.

**Mr. Jim Penner:** I have been made aware by some commercial operators and representatives of larger companies that supposedly the reason the co-op operations can hand out a dividend is that they have a different system of being taxed. The co-op system has a different taxation system. They are able to pay less income tax and pay a dividend. It seems to me that that would still cost the consumers the same amount of money. I know this is probably a Finance issue, but when it comes to fuel and the Competition Act, we would want to see all of the companies that manufacture the product and retail the product should be probably on the same taxation system. Did that ever come up in your correspondence with the federal government?

**Mr. Lemieux:** I tried to approach a number of broad issues, but I did not approach, maybe regrettably now, but I certainly did not approach the taxation issue as such, taking a look at the difference, for example, as Co-op compared to Domo or compared to another company, what the difference in taxation would be because they give out dividends to their consumers being a co-operative and putting money back into the membership as opposed to being a privately owned, non co-operative company.

So again I thank the Member for the question, but that particular one I certainly did not pose to Mr. Manley, nor did I suggest that the taxation issue be looked at by the Conference Board when they are going around the country receiving input. That certainly to me, as I am thinking about it, as I am speaking, that could have some impact, because if we are talking about everyone playing on a level playing field, that is something that in my conversations certainly with all the companies was not an issue from all the competitors.

For example, Imperial Oil did not say, well, I do not like Co-op because of the idea that Co-op is getting an extra break tax-wise compared to me. That was not something that they raised to me when I met with them. That is something

that, I guess through my own thought processes, I never thought through and thought, well, the other companies do not find that as a big problem in any way, so I never thought of that as being an issue, somehow the Co-op having a competitive advantage because of the taxation system. So because that was not raised by their Co-op's competitors, it is not something that registered in any way to pass on in my correspondence to Minister Manley.

**Mr. Jim Penner:** I wonder if the Minister could explain whether or not we are monitoring the retail gasoline prices in Manitoba and how that is done.

**Mr. Lemieux:** I just want to say that the Department does, the Branch does in the Department, and they do so by staff phoning up a gas station, for example, in Dauphin or Flin Flon or Steinbach and finding out what the gas pricing is. More phone calls may be made, depending, all of a sudden, if the branch sees that gas prices all of a sudden are fluctuating all over the place, not only upwards but down. There was a time a few months ago when gas prices went up four or five cents a litre, and then all of a sudden they dropped by eight cents or nine cents a litre, and then they were back up again.

So that would certainly raise a concern with regard to the Branch, and they would start doing price comparisons, and so on, throughout the province, but primarily it is throughout Winnipeg, and there are other locations throughout Manitoba that are spot-checked just to ensure what the difference is; for example, inside Winnipeg, outside Winnipeg, whether it is one or two cents a litre, and so on.

**Mr. Jim Penner:** Mr. Chairman, I wonder if the Minister or his department can help me understand what happens with that information and how they can use it.

**Mr. Lemieux:** With regard to the price checks, Mr. Chair, a lot of that information is used primarily just to address concerns that have been raised by consumers, by the public. Someone may raise the fact that the price at a Domo station on Marion Street is 65 cents a litre, 65.9, and yet the Petro-Canada in Lorette, Manitoba,

is at 63.9. Consumers in Winnipeg who have just finished gassing up, and then they go back to Lorette and find that the price there is two cents a litre less, they may wonder why. They phone the office and then the Branch at least has that comparison. They are just aware of the differing prices throughout the province.

\* (16:30)

Yet, you know, when you get that information, this also leads to the point we have said repeatedly, that when you are trying to make heads or tails out of how these prices fluctuate and why do they bounce around all over the place, consumers have a hard time with this. They are saying, you know, they just do not understand it. If gas stations are so hard pressed to make a profit, how can there be a three-cents-a-litre difference by travelling a matter of 20 kilometres outside of Winnipeg. Yet you would think Winnipeg should be more competitive and the prices should be a little bit lower—well, depending on the market, of course.

But primarily it is used to address concerns, when people phone in and have concerns related to the issue. It is used to address concerns from the public. That is how the information is used.

**Mr. Jim Penner:** Mr. Chairman, there is such a thing, I guess, at least in federal law, as a Competition Act. I think the provinces respond to that and depend on it. I am just wondering if the Competition Act, in fact, is effective.

**Mr. Lemieux:** Well, being one very supportive of the free-market system, there are many, many companies that would say they think what is happening right now is the way it should be. In other words, competition is great for people. Competition is great for the consumer. If there is a price decrease two blocks down with another gas station or another business, that is great for the consumer and that somehow we as government should not be so regulatory that we are stifling competition.

I understand—I can be corrected, obviously; I am not a lawyer, as I repeated last week on numerous occasions. The burden of proof in the Competition Bureau investigations is generally on the person who feels wrongly done by as

opposed to being shifted to the accused, being the gas companies. So it is almost like the burden is on me to prove somehow that there is collusion, that there are secret meetings in phone booths someplace near Vita, and that is where they plan all their prices for the next month. And yet I know that one of the recommendations from the Ontario task force is that burden of proof should be in the Competition Bureau investigations shifted to the accused, not having the consumer having to come up and have a battery of lawyers and investigators to come up and show why competition is not happening.

Now, I do not profess to be an expert with regard to competition and the Competition Bureau and so on, but I know that people are not happy, people are not satisfied that their governments are doing enough to make sure that the profits are what they should be. When people hear reports coming across on the radio and the news conference that Saudi Arabia is going to pump millions more gallons into the market to drop the price from \$31 to \$25, either in Texas or New York, that really causes a lot of concern to the public. Because how can people all of a sudden just, it seems like a whim, just decide to lower the price just like that or raise it. Once again that leads to the idea that, great, people like competition, but what kind of protection is there for the consumer in all of this.

I am not sure how the Member for Steinbach feels with regard to interventionists. I really feel government does have a role in the economy. I really personally am hesitant when I hear consumers come to me and want me to regulate the gasoline industry or the gasoline stations in Manitoba. It is something that I certainly do not profess and I certainly do not support in many ways, because I really think that is just a slippery slope. I do not think that consumers generally are well served by that.

Yet you have regulation taking place in Québec. Québec, of course, is taking care of the lower price and trying to make sure that the small businesses and the small gas stations and the small retailers are looked after so that the large companies basically do not put them out of business because they just drop the prices so low that the small companies just cannot make their margin.

I do not know whether or not regulation, as such, has been really successful. I believe, I can be corrected if I am wrong, Nova Scotia, they did. I do not believe they are now any longer. They did regulate the industry. That is one of those suggestions that is put forward to us: Start your own station, start 10 or regulate the industry, be really tough on the industry.

I have to say in all of this that Manitoba has been really, I think in part, certainly I think we can take some credit for this, we have been really taking a lot of the companies to task with regard to their pricing. We have fared fairly well over the last I would say eight months or nine months. We have been kind of in the middle of the pack or certainly we have been third best. At one time, I could not believe that for a period of time, I think it was about a week or so, we had the best gas prices in all of the country. As I said, I could be corrected if I am wrong, but I was just taking a look, reading newspaper articles and so on.

So we have fared fairly well in the past, certainly in the year 2000, in this new year. I am not sure why that is necessarily, but that is a little bit disconcerting to people, because when you fare well, you would like to be able to have some concrete proof of why you are doing well and how you can keep it like that.

I just want to say that competition is certainly important, no matter what the industry, whether it is groceries or gasoline, but I think this is an industry that we truly do not necessarily have a handle on, how they are able to come up with their margins and so on. So it is extremely difficult. I apologize for being so long-winded on this, but there are a lot of important issues related to this. I thank the Member for Steinbach for this question.

**Mr. Jim Penner:** I still struggle with the Competition Act, government regulations, and price fixing is not something that I find very attractive. I have been visiting the former Soviet Union regularly for the last 10 years, and when I go to Moscow and Ryazan, Lithuania, Estonia, Latvia and St. Petersburg, I see nothing but confusion from government overregulation. So I think we have a very good system in North America, but as we have learned from our

neighbours to the south, preserving the competition atmosphere is necessary to protect consumers. As you have seen in the computer industry lately, the competition needs to be encouraged by government. Sometimes the Government has to influence the large companies to split up so that competition is in fact a reality for the protection of consumers.

I know there have been letters between the Minister federally and the Minister from Manitoba. I was just wondering if in those letters there was also concern for the enforcement of the Competition Act. Does the Competition Act in fact have any teeth? Are there any penalties? It seems to me in my last years in business that I heard changes in the federal law even reduced the ability for these laws to be enforced. Can the Minister enlighten us on the ability for enforcement of the Competition Act?

**Mr. Lemieux:** The Competition Act being a federal legislation, federal law, I guess I am not probably in a position to be making a lot of comments on the legislation. But I know that it is expected that the Conference Board will be looking at this particular issue because of competition. They are really concerned with it because they just feel that this is one issue that is really lacking with regard to just this industry alone. As mentioned, and I tend to agree with the Member for Steinbach, that competition is very important. That is something that I think we certainly both agree on and that is in both our perspectives with regard to many industries.

*Mr. Stan Struthers, Acting Chairperson, in the Chair*

\* (16:40)

I know that I am really looking forward to the opportunity certainly, not only receiving the recommendations, what comes out of the Conference Board, but I am certainly hoping that they will look at the Competition Act because we have had a number of people mention, not only the Member for Steinbach but in his capacity as critic for Consumer and Corporate Affairs and looking at this one issue, but many people feel that the competition is not there and that the Competition Act itself, as Ontario stated,

should be allowed to enable injunctions and damages up to three times the actual losses.

Now I do not know, I am not sure where they came from, what presentations they received to get that, but I know that really what we have to do is—and I think everyone would agree that there has to be a balance between companies being allowed to have the free market system, as was mentioned with regard to Bill Gates and his company.

Government had to actually intervene in many ways to ensure that the consumer was protected and that you could not have this multibillion-dollar company controlling all aspects of the computer industry. I know that about five years ago, certainly in Winnipeg, one oil company was fined for forcing a retailer to raise its prices. I know that these victories are few and far between, but this is just one example. Yet the competition bureau would tell you that they have their successes.

The Member for Steinbach mentioned that you would like to have more teeth in the Competition Act. I would probably tend to agree with that, but they will often throw back the examples of, well, you know, you had this company in Winnipeg five years ago, that because you are forcing a retailer to raise its prices, that they were fined. I agree that the victories are few and far between, but it is federal legislation.

In my letters and in my correspondence this was not my focus with Minister Manley. My focus was primarily to make sure that there was representation with regard to diesel and gasoline prices and that Manitoba would have a say, not only southern Manitoba but that the North and the agricultural sector would have a say in gas pricing and so on.

Also, there actually would be a body to look into the pricing of gasoline, and not just when gasoline was high but when gasoline prices went down. As I mentioned in my earlier remarks, we see gas prices high and that is when the public gets upset. It is interesting to monitor gas prices when they are low, when they go down, because then you can start measuring their margin and

what kind of profit that they are trying to make and whether or not you use the price of crude.

Well, Alberta often uses the price of crude, I believe, from Texas or New York. They use U.S. prices, you know, the fair market system. Many consumers in Lorette, in my own home community, mentioned, well, look at Alberta. We pump the stuff right out of the ground in Canada and a lot of it, so why are we not getting a better break at the pump? But Alberta—I mean, we live in a free market system—Alberta's pricing per gallon for crude is based on New York or Texas, but certainly New York. So you have that type of pricing, and that is why you see the prices in Alberta—I am not sure what they are today—but they are not very much less than what Manitoba has at the pump. The reason for that is because they are going on the total market of Manitoba or Canada or North America.

So I thank the Member for the question. I know that this is one that is continually raised. If I have the opportunity, certainly, I am hoping to be able to speak to Minister Manley in the next while. With regard to the Competition Bureau, I will certainly pass on the concerns raised by the Member for Steinbach which are absolutely justified. At this time, I am certainly prepared to make that commitment. In my letters and correspondence to Minister Manley on gas pricing before the conference board was expected to do their work, I was more concerned with the pricing of gasoline and the input from the province, input from the different sectors in the province.

\* (16:50)

**Mr. Jim Penner:** Mr. Chairman, thanks for the answer.

My next question of the Minister would be: What actions are available to him to be taken against oil companies if they are, in fact, found to be involved in actions deemed unacceptable by the Government?

**Mr. Lemieux:** I thank the Member for Steinbach for the question. In talking with my staff—and maybe I should have asked that question earlier—but I was trying to clarify what inappropriate behaviour or wrongful behaviour

on the part of a company, what specific example the Member for Steinbach had. But maybe I will just leave that. Maybe I will just ask what the Member had in mind?

**Mr. Jim Penner:** One of the things that we find very objectionable in a free enterprise dog-eat-dog red-neck economy is you have to have—you cannot get together with your competitors and fix the price, and whether you do that informally or formally or by subtle agreement, price-fixing kills competition. I think that really hurts the consumers and it is an unfair situation. I would refer to that as one of the things.

**Mr. Lemieux:** I would say, in an example like that, what the province generally would do was we would refer to the Competition Bureau if you had that proof. Another example, as I mentioned earlier, is that five years ago there was an oil company fined because it was forcing a retailer to raise its prices. If they feel that someone, for example, is low-balling someone, if you have an independent who has a good location but that the person supplying that independent is just down the street and they feel that that independent—I am talking from an oil refiner's perspective or an oil supplier's perspective—is low-balling the price and dropping the price and I do not like it and I force that independent to put the price up, something like that would go to the Competition Bureau and those kinds of things are submitted by the Province. We initially would do that once we became aware of it and so on.

So the Province, with regard to this, one thing I did find is that I guess it is limited with regard to what a Province can do. What you can do, though, is you can become very regulatory; you can become involved, as Nova Scotia did, and then Nova Scotia got out. You can start regulating to the point where I think you are stifling competition in itself, and I do not like that personally. I am very hesitant and some consumers ask that. They say why do you not regulate these people, really come down hard on them? My own personal bias is that I really sway away from that. I do not like that idea. But, nevertheless, just to answer the Member's question quite straightforwardly—is that for the example that I used, it is often referred to right to the Competition Bureau. We give them the evidence. We show them what is happening and

then the Competition Bureau comes down and levies fines or other alternatives against that particular company.

**Mr. Jim Penner:** My opening two questions were investigating marketplace problems and liaising with consumer-oriented groups, representatives of the business sector and government officials. I would hope that then this funding would allow us to investigate the possibility of non-compliance on free enterprise or rather non-compliance of The Competition Act. That is probably what it is there for.

**Mr. Lemieux:** Mr. Chair, I just want to state that the comment under Activity under Research and Planning investigates marketplace problems. I mentioned about telemarketing and so on, so it is not just specifically for gasoline or that area. It is just that there are many, many marketplace problems, well, not many, but there are a number of marketplace problems in Manitoba and there are alternative responses to them.

I mentioned about telemarketing and reverse mortgages and there are items like that, that Research and Planning look into, so the whole issue, as was pointed out to me by one of the oil companies, is that you would almost need a branch unto itself just to look after them, and that was an example they gave if we started going down the regulatory path. So the Research and Planning Branch of the Department is relatively small and many would argue that it is understaffed but that is the way it is right now, but they are concerning themselves with many, many different marketplace problems. Gasoline pricing is one area, but it is truly a large, certainly a bigger problem than what the staffing at the Branch would hope to be able to address. I think they still do a very, very good job as it is, but there are many other concerns, as I mentioned. The telemarketing, which has raised its head over the last while, has become a real problem. Those are the kinds of things that we are talking about when we talk about "investigates marketplace problems."

With regard to gasoline, I did make mention that when the Branch, Research and Planning, liaises with consumer-oriented groups and the business sector, that is when I gave the example of gasoline, and I would not want to leave the

impression on the critic for Consumer and Corporate Affairs that somehow the Research and Planning, all they did was gasoline or look at that industry. So I just wanted to clarify that because in many, many cases, it is the Competition Bureau that spends a great deal of time dealing with issues in the gasoline industry. Thank you, Mr. Chair.

**Mr. Jim Penner:** Mr. Chairman, I would like to ask a question. As part of the federal government announcement, it was noted that a study of the industry would be done, and then five symposiums would be held on the issue across Canada. Do we know if one of the sites will be Winnipeg and, if so, when?

**Mr. Lemieux:** Mr. Chair, I mentioned earlier that I thought that it was Vancouver; I believe it was Calgary, Toronto, Montreal and, I believe, Halifax. They were the five sites. I do not have it in front of me, but I can be corrected. I was really pushing Minister Manley for something. I just felt that Calgary was not representative necessarily of the Prairie Provinces, as Saskatchewan and Manitoba were, and I pushed Mr. Manley to agree.

Well, first of all, I agreed that he came up with that the Conference Board would do a national study. It was a national issue. We pushed that really hard, and I am really pleased to see that he agreed with it and that the federal government agreed with it. Mind you, to some degree, kicking and screaming all the way, but they did finally decide that, okay, this is not a bad suggestion from Manitoba. We received, not I, but my department has received many compliments from other provinces saying that we are really pleased you raised this.

*Mr. Chairperson in the Chair*

Also, with regard to the issue of diesel fuel. Because of the farm population and the agri-business that we have and the importance that it has for trucking, they said that we would not okay Winnipeg as a site, but they would do a case study on diesel. They felt that was really important to us, so they gave us—I do not know whether it was tokenism or not, but they felt that a case study on diesel pricing for trucking and for agriculture would be considered by the

Conference Board. Regrettably, they did not say that Winnipeg would be a centre for us to give input into the Conference Board.

**Mr. Jim Penner:** Mr. Chairman, I wonder if the Minister would consider having his government sponsor a symposium in Winnipeg, if our city is not selected, and simply submitting the results to the federal government.

**Mr. Lemieux:** The suggestion itself, I am very hesitant. I would certainly note the suggestion; the suggestion is worthwhile looking into. I am hesitant because I am called a penny-pincher in my department, and, regrettably, I cannot say yes right now because I am not sure of the cost implications.

I can say this openly to the Member from Steinbach that, when I raised this to Minister Manley and others, one of the things they throw back at you immediately is that they want you to fund most of it or all of it, and they kind of use that as a lever. Manitoba certainly has limited resources, and I am just hesitant to agree. But I certainly can see the value that may be there with regard to this issue. I am hesitant to commit to something like this and then providing it to the federal government. But I know definitely, I can tell you when the federal government said: Well, whom should we talk to? We came up with a list of stakeholders that we felt was really important that they look at.

Initially, I am not even sure if they were going to speak to farmers or truckers, and we said, you know, you cannot just go around and speak to the industry with regard to gasoline, you have to speak to farmers, you have to speak to people in the agribusiness. You have to speak to the truckers and the trucking industry. Those are really important to Manitoba. Do not leave those off. So we made a very good case for it, and they have included those, which I am really pleased.

They said they would have a special-case study on diesel, but I felt we won a victory there by having them—the reason why I say that is because the letters I have received from other provinces said, you know, we are really pleased that you raised that, the issue of farmers or agriculture, and so on. So we gained some

victories with regard to Minister Manley and the Conference Board and what they were going to look at and who they were going to speak to, but with regard to location, we have not.

With regard to your suggestion—this is to the Member for Steinbach—I will certainly note it. I am really hesitant at this time to say okay because of costs. I saw the Minister of Finance (Mr. Selinger) just down the table a while ago, and any time I mention money or someone else does, he jumps right out of his seat because he is afraid we are going to spend more money. I think it is an absolutely valid suggestion, and if the Member for Steinbach has more particulars as to how it can work or who should sit on it, whether he would like to sit on this body or others that would hear recommendations, I would be more than willing to hear that.

It certainly has not been budgeted for this year or no moneys have been allocated, but it is something that may be important to look at down the road. So I thank the Member for that suggestion.

\* (17:00)

**Mr. Jim Penner:** I might just add that I also am a penny-pincher. I believe that a dollar in my pocket is just as important as in anybody else's pocket, and I want to be respectful of money. At the same time, I think there are a couple of points to be made here, and one is that I think the citizens of Manitoba would respect their elected officials if they would go to bat for them. This would be seen, I think, as not only a political thing but a genuine effort. Another point that I would like to make is I do not think it would cost very much. I do not see a very high cost of soliciting representation from the various segments of the industry. We have people in road building; we have people, like you say, in trucking; we have ordinary citizens who are electricians and drywallers and—

**An Honourable Member:** Commuters.

**Mr. Jim Penner:** Commuters. I just think there is hardly a person in the province that does not need gasoline or diesel fuel. So we would be representing everybody, and I think everybody, all 57 MLAs, would be willing to contribute of

their time if we could get together and make a submission and become part of this symposium because, as we have seen in agriculture, the federal government does not seem to have an understanding about where Manitoba is. So I am going to just do that by way of comment and go on to another question, if I may.

As the Minister probably knows, his colleague the Member for Elmwood (Mr. Maloway) and the former critic for his department spent a good deal of time in past Estimates extolling the virtue of shipping gas through the Port of Churchill and down from the North. If the Minister would look at past Hansards, he would find the Member felt, and I would assume probably still feels, that this supply route would reduce prices because of the ability to access a new distributor. Could the Minister advise the committee how he feels about this proposal?

**Mr. Lemieux:** I thank the Member for Steinbach for the question because what I have learned, I guess, in the very short period of time in the Legislature is that one has to be very, very conscious and considerate of all communities and people from different not only walks of life but certainly different communities, no matter their geographical location. Churchill has always been, I believe, very, very important to the citizens of Manitoba. There was a time when people felt that Churchill would die, that rail connection and air would certainly be the end of Churchill, that Churchill, as we know it, whether it be for hauling grain or being a port, would lose its importance and would not be of any value. We as a government have made important inroads with not only Nunavut but to the Northwest Territories and other locations. Just looking at a map, that kind of puts Churchill in the middle, it seems, of many locations, into the far north.

There may be a lot of good reasons why Churchill could be used for this. I do not know, I certainly cannot speak for the Member for Elmwood (Mr. Maloway), but I know that a lot of consideration with regard to environmental issues would certainly have to be taken into consideration, because, was it the Juan Valdez that spilled its oil off the coast of Alaska? They are still recovering now from that disastrous

spill. So you know you have the polar bear population and you have the wildlife in Hudson's Bay. I think those kinds of considerations would really have to be looked at because I think all of us in this room would certainly not want anything like that to happen, not only for our children but for our grandchildren.

It is something that I think would have to be given serious consideration, not only for the environmental concerns but for cost. We keep hearing why are gasoline prices and crude so high? It is the cost of almost transporting it from Saudi Arabia or certainly other countries to actually getting the crude over and then having it refined, even the cost of sending the gasoline through pipelines. It is the transportation that is a lot of cost.

So the point that the Member for Steinbach makes is well taken, because if you could bring it in through Churchill, lo and behold. I am not sure if there is anyone in this room at this time who is from northern Manitoba. If anyone goes into northern Manitoba, I am not sure what the price of regular unleaded would be in Thompson or The Pas right now—now that I am not a betting man any longer, I would not want to bet—but I would be willing to state that it is probably a few cents higher anyway than in Winnipeg, Manitoba, or in Dauphin.

So the suggestion, which is a good one I believe from the Member for Elmwood, that fuel should be brought in from the North through the Port of Churchill probably deserves some merit. But I personally—I do not know if one can speak personally—am really hesitant in many ways because of the environmental concerns related to Hudson Bay and icebergs and transporting fuel through that northern port. I think it might be short-sighted to jump at that and say, well, we are going to save some money doing that, but I think the longer-term ramifications of a spill, the savings we would have would disappear in an awful hurry if a catastrophe like that should ever happen in Hudson Bay.

**Mr. Jim Penner:** That same critic of this department, the Member for Elmwood (Mr. Maloway), was so frustrated, he said, "We can do all the monitoring we want and all the chasing around on this issue that we want and,

quite frankly, I am getting tired of it after 11 years, because it is just endless, and it is like chasing your tail." I guess some of these discussions are like chasing your tail.

He also said, the Member for Elmwood, as a critic: "That is, that in the port of Churchill there are huge storage tanks, gasoline storage tanks," I have gone to see them personally, "and I am not the only person that thinks this way. There are quite a few other people who have looked at it. It is certainly technically feasible to bring in a tanker of gas through however you get through to Churchill in a tanker, and you can bring in gas and basically flood the North with gasoline and bring it down south," et cetera.

Is that a project that would be explored and researched by people concerned in your department about the cost of fuel in Manitoba?

**Mr. Lemieux:** I thank you for the question. While we are not in the business of selling gasoline or promoting it from that aspect, we are certainly concerned from the consumer's perspective with regard to costs. But I know the Member for Elmwood is more knowledgeable than I in many areas with regard to Consumer and Corporate Affairs and has the best interests of all Manitobans at heart. He is thinking of the interest of consumers in northern Manitoba, thinking is there a way that people of the North, who have continually paid, on average, over decades, high, not only heating costs but transportation costs. There must be a way. Indirectly, this affects the cost of their groceries. It affects the cost of living overall for people of the North.

Having Nunavut located just north of us and having Churchill located where it is, it is certainly a prime location for tankers and for many opportunities to bring things in through the Port of Churchill. That maybe was not there before. Since roadways and communication is being opened up between Nunavut and Manitoba, there may be an opportunity there to do something in Churchill.

I know the Member for Elmwood does a very thorough job of doing research, no matter what area he looks at. He is someone that I certainly would want to speak to about this to

discuss suggestions with regard to using the Port of Churchill as a destination point, whether it be for fuel or other product.

At this moment my department is certainly not one that is responsible for initiating tankers to come to the Port of Churchill, for example, to sell fuel. We are a regulatory body in many ways. We have an agency that looks at consumer-related issues to protect consumers or attempt to protect consumers. Maybe Industry, Trade and Mines or other departments may wish to be aware of this. Maybe these questions have been addressed in Estimates to those ministers. From my perspective, from my department, we are more consumer oriented in the sense that we attempt to protect the consumer as opposed to initiating industry and trade initiatives as such.

**Mr. Jim Penner:** Mr. Chair, I would still like to pursue that a little bit further, because there are many pages in the Estimates from 1998 where the government of the day was thoroughly chastised for not going up north and at least investigating the tank farms in the Port of Churchill. He said that when the NDP returned to government, they would be taking trips to Churchill to examine the possibility of shipping gas through that port. Can the Minister advise the Committee how that trip and exploration went or when it is scheduled for?

**Mr. Lemieux:** I thank the Member for Steinbach for the question. I do not mean to be too partisan on this. I will try to respect his views on this. I will try to be, if possible, not too partisan. But I believe it has to be said. I believe northern Manitoba, for the longest time, and I am not sure why, certainly from their perspective they felt they were left out of the equation. They felt anything north of The Pas, it seemed that people up north just felt that nothing was happening.

I think what was happening, I cannot speak for the Member, but it was my interpretation that he felt that there is a frustration level there for northern Manitobans, that northern Manitoba was left out of the economic picture overall, whether it be industry, whether it be gasoline or crude coming in or heating fuel or whatever it may be coming in through the Port of Churchill, would be very important for the North.

Not just to say that we are using the Port because it is good business, but I think the Member for Elmwood was saying this as a symbolic gesture, to say northern Manitoba deserves our consideration, northern Manitoba has been left out of the equation. If the Port of Churchill is that barometer or that beacon or that symbol, for lack of a better word, so be it.

\*(17:10)

I think the Member for Elmwood looked at that as, let us do something for Churchill, because what we are doing then is sending a message to the North that we care about you, we are concerned about Churchill, we are concerned about all parts of the province. I think the Member for Elmwood, in his frustration, probably felt very strongly about this. That does not mean to take away from his suggestion at all. I am sure he feels very sincere about that to this day, I am sure. In fact in probably a very short period of time he will bend my ear about this and let me know about this suggestion.

But I just want to say that I have not made a trip to Churchill, regrettably. I certainly would like to. So I would certainly like to be able to someday with the critic for Consumer and Corporate Affairs we could actually take a look at the Port of Churchill and take a look at the viability of all kinds of things for consumers. I do not know if one can speak personally, but instead of just wearing this government hat, I have to speak personally about the Port of Churchill because, as the Member for Elmwood (Mr. Maloway) did, he did likewise.

Now, I would like to see the Port of Churchill be a thriving community and a thriving centre for industry and so on, but I have a reluctance because of the environmental aspect. That is my bias, and I am hesitant somewhat. That does not preclude the suggestion or anything. But I just would put kind of caveats with regard to any kind of attempt to use Churchill as a large port for bringing in fuel or crude because of, as I mentioned, my bias with regard to the environment, looking at the Juan Valdez and so on that happened in Alaska. So from that perspective I am really cautious with regard to that aspect.

With regard to the Member for Elmwood's suggestion as to using Churchill as an important port, as a symbol, as a beacon for industry, you know, why can Churchill not be used to do something? I cannot see why Churchill should not be used more than we use it. I think there was a stage and a time in our history that I think there were plans of people of closing the doors and shutting the doors on Churchill. I am one that is totally against that.

I think there are a lot of advantages of using Churchill, but as I mentioned in my previous remarks, I am really hesitant with regard to certain issues because of environmental concerns. But if those were addressed, maybe there is room for using Churchill to benefit all Manitobans. I mean, rather than using Thunder Bay or Vancouver as the closest port, you know, Churchill, even though I do believe in kilometres it is probably further than Thunder Bay, I still think that being part of Manitoba, we could put Churchill to better use. So I thank the Member for Steinbach (Mr. Jim Penner) for his question and his concern for that city.

**Mr. Jim Penner:** Thank you for the answer. I have perused the notes from 1998, where this Churchill issue came up. There is no reference to benefits to the North. All references are made in benefits to the south, the price of gas in Winnipeg.

I share his concern about the environment. I have visited Churchill, taken my family up there. I have watched the polar bears. The whales are up there right now in record numbers. I would be scared to really without study push this point, but since it was pushed to us so strongly, I thought maybe that it was part of the new government's program to investigate and pursue the Churchill thing. It took up pages, so I thought it was important.

On a funnier note, Juan Valdez is coffee. It is the Exxon Valdez.

**Mr. Lemieux:** Oh, yes, Juan Valdez. He has his little burro. Thank you for the correction.

**Mr. Jim Penner:** That is the kind of mistake I normally make. We watch too many commercials these days. We have information

overload. I will leave the gasoline. It is about to blow up, I think Special operating agencies, my first question would be: Might the Minister inform this committee if he has any intentions of creating any more SOAs in his department or if he has any plans to dismantle any existing SOAs currently in the department?

**Mr. Lemieux:** Well, all the knowledge I have on coffee, I probably should open—I thank the Member for Steinbach (Mr. Jim Penner) for that correction. One seems like they are very competent, you know, and they think so highly of themselves as they are continuing the dialogue, and then all of a sudden they get slammed. So I thank the Member for Steinbach for the correction, and my apologies to the coffee industry. I have to say that with regard to special operating agencies, there is no intention certainly at this time of increasing the amount of special operating agencies that there are.

**Mr. Jim Penner:** Can the Minister tell the committee what his opinion is on the establishment of special operating agencies for government divisions?

**Mr. Lemieux:** I thank the Member again for the question. Special operating agencies, I think, and having spoken to staff with regard to special operating agencies, I believe, to a degree, have been quite successful. The morale within staff has been very, very positive. The service that they provide, I would say for the better part, certainly appears to be a very successful move. I am not sure how many years ago that they were first—at least with regard to the ones that are within the purview of the Consumer and Corporate Affairs, I think, it was in the mid '90s, 1994, Vital Statistics became one.

That is something that, once again, I am not sure if the Member for Steinbach (Mr. Jim Penner) has any suggestions with regard to whether we should do away with them or how he feels about them, but my perspective, being a new person on the block, is that it has done a lot for staff morale, and not only that, I think, the service that is being provided to Manitobans has certainly been of high quality.

The ones within Consumer and Corporate Affairs are generally revenue-generating in a

sense that they bring revenue to the Province. On the whole, I think and I hope the Member for Steinbach is not going to quote the Member for Elmwood (Mr. Maloway) again and say how opposed he was to special operating agencies. Nevertheless, my experience has been that the special operating agencies that I have worked with have been good for the Province, good for the people who work within those special operating agencies and good for the Department of Consumer and Corporate Affairs.

\* (17:20)

**Mr. Jim Penner:** I could quote—I happen to have it right here. We are pretty good on quotes today, are we not? We have to recognize that these SOAs are just simply part of the overall plan of theirs to essentially privatize the government. We actually thought they were quite efficient. I do not think they can run without good supervision, and I think you need to have a good head office, but I think there is incentive in motivation and even to depoliticize some of the process because building permits should not be politicized.

That is as far as I think I should delve into that particular thing. So I will not go on and quote the Member. There is a concern that was brought up again in times past in the last few years and in Estimates, and again we probably share this concern for the security of information. Can the Minister indicate what percentage of information at Vital Statistics is stored via computer and what percentage is stored on paper?

**Mr. Lemieux:** I thank the Member for Steinbach for the question. I do apologize. I do not necessarily like to take a lot of questions on notice, but I would certainly do that with regard to this question. The staff from Vital Statistics are not here. I am not even sure if they have the number with regard to what information is on computer and what is on paper, like, an actual percentage. I am not even sure if they would know. But I certainly can take that question as notice. I do not have staff with me here today, but I certainly would be willing to provide the Member with written reply or verbal reply. I do not have the staff here today, but I certainly would be willing to provide the Member with a

written reply or a verbal reply. I do not have the staff here today, and I do not have the answer. So I would be pleased either to entertain another question—this is the logic behind this. I realize it is not Question Period, but if the Member for Steinbach has supplementary questions and if I could package those and then I could give the full package in writing or everything related to Vital Statistics, I think it would be really helpful to the staff at the Branch. Then we could provide all those answers. I might be able to answer the questions, depending on what they are.

**Mr. Jim Penner:** I will accept taking that on notice.

Can the Minister indicate how many people have access to the information that is stored in Vital Statistics?

**Mr. Lemieux:** Thank you for the question. There are just authorized staff within Vital Statistics that have access to that. Obviously, there is some information there that staff should only have access to, but there are just authorized staff that have access to that information. Not just anyone off the street can come in and access all the information. Thank you.

**Mr. Jim Penner:** Mr. Chairman, do we know how many people are authorized to do that?

**Mr. Lemieux:** Well, again, that is one of those questions I will have to take as notice. I apologize to the Member for Steinbach. There is no staff here, and I am certainly not aware. I do not have the numbers at my fingertips.

Vital Statistics is an important area. I think that people not only in Manitoba or in Winnipeg are concerned with access to confidential information. In that regard, I think the Member for Steinbach raises a very good point because there is information within governments, as was pointed out in Ottawa. You know, they do not have information yet they do have information, and they were stockpiling all kinds of information. The access to that information is really important because governments, as it is, have enough information on all the population and a lot of people within our country, and that information should only be able to be accessed

by certain individuals and authorized individuals.

So I appreciate the question from the Member, but the actual people who have access to that information, the exact number I do not have here today. That can be part of the answer that I supply later.

**Mr. Jim Penner:** Can the Minister or his staff advise the Committee if there have been any security reviews in relation to this information, which, I think, most Manitobans would deem private?

\* (17:30)

**Mr. Lemieux:** I thank the Member again for the question. When a new security system was put in place, there was at that time an analysis, I guess, of the process or the processes and how things worked. But I certainly am not aware of any new analysis or study that has been done with regard to security and so on. I will look into that, but certainly since September 21 I do not believe that there **have** been any new studies or any re-evaluation of security measures and so on at Vital Stats.

I would just like to say that it should be noted, which was mentioned to me by staff, that they certainly do monitor their systems and the security systems within Vital Statistics on an ongoing basis. It is not as if a study is only done every five years, and then they take a look at it if anything is going wrong. It is on an ongoing basis that people monitor their systems. I am sure it would be a concern to all Manitobans because of individuals, whether they be in jail or elsewhere, stating that they can get people's IDs or their birth certificates and so on so that they can get forged credit cards and those kinds of items which have been pointed out to me by Vital Statistics. Those are the kinds of things throughout the country that when people want to access Vital Stats and get information on people, whether they be looking at the obituaries in the paper or whatever, usually—or not usually, I should be careful about what I say—but they have, on occasion, been used not for lawful purposes. Often they try to access other people's birth certificates and things like that. It has been

used, on occasion, certainly for unlawful purposes.

So the Member's question is a very good one, and I think it is imperative that especially Vital Statistics has security measures in place to address those kinds of things, because, on occasion, we all know that there are people who will try to take advantage of government agencies and attempt to use them for unlawful purposes. So I thank the Member for the question.

**Mr. Jim Penner:** Just one more shot at this security. I know we have all read news articles about the concerns that Canadians have for the security of their private information, and the huge amount of information that is held on us. We also know that, as the Minister said, when there are violations to the security, when the security is broken into, it is usually not for friendly purposes.

So I would like to ask if the Minister could advise if he would be willing to perform some type of security audit, whereby outside sources would come and make a public assessment about the security of the information stored, and perhaps the process by which it is stored. I think the background to this question is that it would be an embarrassment to any government and all MLAs if, in fact, it were discovered that our information was not secure. I do know that people talk about these information scandals, so my question would be, if we would be willing to perform some type of security audit. I think that the security systems degenerate and deteriorate by nature. They erode and then they have to be—

**An Honourable Member:** Reconfigured.

**Mr. Jim Penner:** Yes.

**Mr. Lemieux:** I thank the Member from Steinbach for the question. With regard to Vital Statistics and vital stats and the security issue on whether or not they should have a security audit, I tend to agree with the Member from Steinbach about how security systems need to be updated and so on. Now I know that over the last while, the actual physical well-being of the building has been looked at, whether it is locks and those kinds of security things. All information is

basically behind locked doors, so the general public does not have access to it. There is a great deal of security, but I certainly will note the suggestion about having to look at it. But it would be very difficult for me to commit to doing an external or even an internal security audit, having not spoken to Vital Statistics and asking them specifically: When was the last time this was done? What type of security audit have they? What kinds of security measures, specifically, are all in place, and those kinds of things? So, once again, I would thank the Member for the suggestion, but today I am not prepared to commit to that, but, having received the questions from the Member, I certainly am going to pose that to Ms. Kaus at the Vital Stats, and I will look into this, certainly.

**Mr. Jim Penner:** Can the Minister advise if there has been any increase in fees charged for information or services by Vital Statistics over the past eight months, or if they are being planned to be increased?

**Mr. Lemieux:** To the best of my recollection, and I am just asking staff, we are putting forward commemorative birth certificates, which have been highly requested from people, because they use them as souvenirs for grandparents and so on, where they will actually frame the birth certificates. They are very popular. They are more of the revenue generating; it is not an increase in fees. If people want them.

They are not the real birth certificate, but they are a commemorative item that people can purchase. It certainly will raise a little bit of new revenue for government but not a great deal. It is mainly for people who want them. It could be grandparents or relatives and so on who would like to be able to frame these and put them up in their homes.

But to the best of my knowledge and I have been advised that there are no increases as such that are being looked at for Vital Stats, certainly since September 21.

**Mr. Jim Penner:** Going to the Consumers' Bureau, with the increase of home-based travel agencies, there have been requests by some in the industry for greater regulation of agents. Can the Minister advise if he has been asked to

review this and what his position is in this regard?

**Mr. Lemieux:** Thank you for the question. I have met with members from the industry and certainly stakeholders. With regard to regulation and so on, we are certainly looking at all the suggestions and recommendations that people are making. There is nothing in stone with regard to suggestions or recommendations that are being made at this time but certainly having spoken to people who are stakeholders within that area, we are certainly taking into consideration their suggestions at this time.

**Mr. Jim Penner:** I have been noticing from my relationship with two or three travel agencies that commissions have been cut, so travel agencies are going to switch some of their need for income to fees for acquiring travel certificates and travel arrangements. Does this come under the purview of the Minister, and if so, is there any thought about building a file of information in this regard?

\* (17:40)

**Mr. Lemieux:** I know that this is a concern for people who travel mainly because I understand that the commission that the airlines used to give to a lot of travel agents has somehow been cut. So what the travel agencies have had to do was charge an extra fee, whether it be \$20 for arranging hotel rooms or fees like that.

I know it is a real concern. I am not necessarily sure whether it falls under my purview or under my department, but it certainly is a consumer-related issue because people who do travel and fly—you know, when you have booked a flight for vacation or business or otherwise and you had to do it through a travel agency, you did not have all these add-ons. The reason why the add-ons are there now, I am told, is that the airlines really have cut back with regard to the travel agencies and the monies that they used to provide through the booking of flights and so on.

So it is a consumer issue in a sense. Of course, if a travel agency has those costs, they pass them on. They are not going to be taking them on themselves. They have a certain profit

margin they have to make, and then they pass them on to the consumer. So from that perspective it is a little bit disconcerting certainly for people who travel or do business and fly all the time. What I have been advised is that these are things that travel agents are having to face or have faced in the last short while.

With regard to what I can do about it as the Minister for Consumer and Corporate Affairs, I am certainly not aware if there is anything that I can do specifically. It is noted that it is a concern for consumers wondering how many add-ons are they going to have to take, but, once again, I know it is a free-market system, yet I know a lot of consumers may feel they are unfairly done by because the airlines have cut back, so you have the consumer having to pick up the tab.

I guess I would just like to comment that within the Securities Commission and so on, we have staff that could answer more specifically, I guess, to questions related to insurance and travel. But just with regard to travel and those kinds of add-ons, I would thank the Member for the question, and hopefully I have answered it sufficiently.

**Mr. Jim Penner:** Yes, I do not know how travel agencies are regulated and how they are licensed. I do know there is concern out there, and I hope that the Minister's department can give that some heed.

I will go on to the next question, and that is that over the past several years we have seen the very unfortunate rise of individuals who prey on the trust and vulnerability of seniors. Can the Minister indicate if there are any new initiatives in his department to ensure that this type of activity is reduced and that our seniors are protected?

**Mr. Lemieux:** I feel that the Member from Steinbach raises a good point because, really, what the basis is is that you have—and it is a terrible thing because people take advantage often of the most vulnerable, and I would often classify seniors who throughout their life have been very trusting. Whether it be someone who is coming to renovate their home, do shingles on their roofs or sell them something, scams are terrible. Usually, who do we hear that often are

affected—people in our older population, partially because they are so trusting.

Now, being a former educator, being someone from the education system, being a teacher, I have always felt that education plays a big role in consumer protection. Consumers, and this is something I know that the Member for Steinbach and I will agree on, governments cannot do it all for people. People have to protect themselves, and people have to be educated and knowledgeable as to what they are dealing with. And I think this is where education plays an extremely important role, whether it be for seniors or whether it be for other consumers. I know that, for example, nine seniors groups have participated in presentations called Senior Power: Protect Yourself which helps senior consumers recognize and prevent consumer fraud as well as assert themselves as consumers.

I think that is really important because I believe that ties in with education as a whole, and not just to seniors, but also to the younger population or people who are dealing with telemarketing, dealing with sales over the Internet, E-commerce, deals that are made.

I think, really, this is a larger question, and I thank the Member for that question because I know that this is really an important issue. This gets down to the crux of really a lot of issues. I think maybe I can address it by saying that education plays a really important role in all of these. I know that the Consumers' Bureau itself is really pleased with the success of information and education programs. It has been a real factor in the decrease of the numbers of telemarketing scams or victims that are within Manitoba. I know that this project, Phonebuster, that was on just a while ago—the report that the numbers of victims in Manitoba had decreased by 85 percent since '95 and attributed these reductions in victims to information and educational efforts. The reason that was done, and I know that—once again, I think that education plays an important role.

We have a lot of volunteers, people who volunteer and do presentations in seniors complexes or where there are seniors. They also go to schools and present to seniors and young people throughout Manitoba, trying to inform

them and to have them become knowledgeable on recognizing scams. I know there is a criteria that we often use. You just do not give someone your credit card. If you are suspicious of someone, you may have them come back. If they are that willing to sell you something, and if it is legitimate, they will not mind coming back the next day or giving you a reference, someone you can call, or asking for proper ID. All those kinds of things, I think, really fall into that educational purview. I believe if there is one area where the Consumers' branch has really done a fantastic job, and this is not just over the last nine months since September 21, obviously they have done a very good job under the previous administration, and they deserve credit for that. Also, I just recently met with some seniors to discuss various issues on rent and landlord issues, and I think that is important too when you can meet with seniors on a face-to-face basis and you hear from them exactly about the experiences that they have faced.

I think what that does is I think to be open, an open government. We talk about it often. I think it is more than just giving lip-service. I think you actually have to prove to people that you are willing to listen and that you are willing to move on some of the recommendations and suggestions. So it was truly a really informative meeting that I met with seniors to discuss rent and landlord issues.

But I think that education is a key here, and I think it is really important because, as the Member for Steinbach, and I know he sincerely believes this, that we have to be vigilant, not being big brother in the negative sense, but being vigilant to help young people as well as seniors to become aware of scams and educate people on how they can protect themselves because the older population of Manitoba grew up in an era that they were extremely trusting. They grew up in the era where you could leave your front door open when you were gardening in the back. Those days, regrettably, are over with.

\* (17:50)

I often hear my own grandparents talking about that, and they look upon those days fondly because they think, you know, what ever happened to those days where you could work

outside and leave all your doors open, you could leave your car open when you went and parked downtown. Now it seems like you would not want to leave anything open at all. Whether there was anything there or not, people would open it up and trash it.

So I really appreciate the question from the Member for Steinbach. Just in concluding, I would like to say, on this issue, that the Branch's volunteer speakers, like a tenant education program that was launched in '97 really reaches a lot of people, tenants, talks about their rights and so on. Certainly the volunteers in the year 1999-2000 did 41 speaking engagements with approximately 450 people in attendance. So I think the more people we can reach like that through education is really important where people do not have to pay at the door to get in, but it is just a service that we provide I think is really important.

Anyway, I am sorry for being so long-winded, but this is an issue that really—it does bother me somewhat when I hear of all the scams out there. It seems like things are so—my mother-in-law, the other day, if I might digress just a little bit, received this pamphlet in the mail talking about a free trip. All you have to do is—I forget what it was—you had to fill this out and buy, I forget what it was, for a hundred dollars, and they would send you back all kinds of brochures or coupons that would save you on a cruise or something. I mean it was a scam. It is legal, but it is a legal scam, if I can phrase it like that.

What it is, it is that people are so trusting, and my mother-in-law, who is in her mid-seventies, thought, oh, well, this is legitimate, I will just buy that umbrella or that patio set that I need, but I will get these free coupons, not for herself, give the coupons to her grandchildren or children to use as a discount. It is regrettable that those kinds of, what I call, legalized scams are out there.

But, anyway, I do appreciate the question from the Member for Steinbach, and I can assure the Member that we are trying to improve our educational component and trying to address things because there is no better way to protect

one from scams than to be educated about them and be aware that they are there.

**Mr. Jim Penner:** I would like to, just on that subject—I met with an 85-year-old yesterday who bought a program that a person suffering from slight dementia absolutely did not need and would never use. It seems to me like there should be some kind of recourse. The number of seniors in the province, of course, is growing rapidly, so it is becoming an increasing problem, even from a few years ago, and also the length of time people are living, and they are living longer under dementia, so to me it is an issue that needs to be addressed somewhere down the line. Having unlimited resources, I thought maybe that would be something you would want to do.

Anyway, I would like to ask one more question on Consumers' Bureau. Can the Minister indicate what his position is regarding the licensing of home renovators? I understand there was a representation made to the Minister by the industry, and I would be interested in hearing what his position would be on licensing home renovators.

**Mr. Lemieux:** Yes, I certainly would confirm that, that I did meet with home renovators. They expressed to me about the personal pride that they have in the job that they do and the work that they do. They feel that there are a lot of fly-by-night operators that are going around and not doing very good jobs. They might be giving somebody breaks because they are asking for cash, or they are doing cash jobs without paying tax and so on. A lot of the concerns that they raised were very legitimate concerns, obviously.

But I mentioned to them that at this time we are taking a look at our election commitments and that this at the time did not fit. I tried to be as forthright as possible on this. Not that I wanted to downplay their concerns with regard to the industry, but I just told them at this time I am not prepared to be regulating home renovators. But it is something that I said I would take into consideration. I tried not to leave any kind of false hope with them, that it is something that a kind of big government would be more regulatory and so on. It would be regulating this. On the one hand, they mentioned to me about how they thought that was

important. But, on the other hand, you know, people do not want too much regulation. So there is a fine line there.

But I certainly mentioned to them, and I tried to not leave any false hope with them that this would be something happening in the near future. I just told them that I appreciated their concerns and many of them, obviously, are absolutely legitimate. I told them, quite frankly, that in the near future it is not something that I would be moving ahead with, any regulations, in the near future.

**Mr. Jim Penner:** Thank you for the answer. I would like to just speak briefly to the home renovation regulations situation, and that is that home builders have a regulation body that has inspectors, has standards, has guidelines, and has approval for home builders. The home renovators that met with the Minister also met with me, and they feel that there is even more need for protection of the consumer among renovation projects than there is among home building because our buildings are getting older. We do not have much history in Canada. Canada is a very young country, but as we build better homes and start renovating them instead of discarding them this is going to become a real issue.

I cannot stress enough that I really trust that some consideration would be given to some kind of regulation or licensing and probably—this is just a shot in the dark—the home builders and home renovators, there is some relationships to the skills required and to the quality of workmanship. As we know, going back to the previous question, seniors get ripped off it seems quite often by home renovators. So maybe just an expansion of the home construction field instead of making a new body, a legislative body or a new regulatory body and adding to the costs of governing and regulating, maybe we can innovate this thing somehow.

But it seems to me that the good home renovators are being tainted, and they are being painted with the same brush as the scandalous ones. This is very offensive, because someone you may know very well wins your trust because they know how to shingle a roof. So you trust the home renovator. The next guy comes along

and wants to do a new siding. He comes out there, and he takes the money up front. He does a shoddy job with inadequate staff, and the building looks worse than it did before.

So my concern is that if Consumer and Corporate Affairs is able to ensure the goal of helping people to be safeguarded from the scandalous people, I know the people in the home renovations industry felt that they had not got any hope from the Minister. I think that it still is a very important issue. I am wondering if we should not research it further and see whether there are not ways and means that we can give some support, hopefully at no great cost to the regulation industry—

**An Honourable Member:** You want deposit legislation. That is what you want.

**Mr. Jim Penner:** Deposit regulation, the Member says. That would be good. When I want to tear down a building, I buy a lot and I want to tear down a building, I have to put up a deposit, and until that yard is clean, the vendor keeps the deposit.

Here is an industry that, as I understand it, is almost totally unregulated. Outside of criminal law, it is totally unregulated. It is not the consumers really that are coming to you, Mr. Minister, for regulation and for laws and for a system. It is the regulators themselves who feel they are being scandalized by fly-by-night operators who are not serious in their profession. They are the people who will take up a job of roofing for one year, one summer. I just need some income for that summer. Maybe he is a very good salesman. Maybe he sells a lot of jobs. Maybe he really does a good job. Maybe he does not care, but there are absolutely no standards. It seems to me that the same standards for putting a roof on a new house would apply to putting a roof on an old house. It still would be the same standard.

I would like to have the Minister and his department revisit the home renovation regulation issue so that maybe in the next year or two we could do something to encourage these people, these serious, sincere operators, trustworthy operators, to avoid being painted by the same brush as those fly-by-night operators

who do not have a concern about an ongoing reputation.

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

### FAMILY SERVICES AND HOUSING

**The Acting Chairperson (Jim Rondeau):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Family Services and Housing. Does the Honourable Minister have an opening statement?

**Hon. Tim Sale (Minister of Family Services and Housing):** Yes, I do, Mr. Chairperson. First of all, I am really glad that we are at this stage. Even though it is hot, there is a nice fan here, and it feels good from this direction. We will try and keep it aimed at both of us. I want to acknowledge that I am a new minister and our critic is new, but his experience in government considerably exceeds mine, and I look forward to debate and questions and discussion around issues that I am sure he will want to raise.

I also want to start by saying something that was said at an opening of Marymount's new school, that had been substantially renovated under the previous government, by a former director of Marymount. The person said that he was always impressed that over many years of experience, and this particular person was in Family Services for, I would think, about 35 or close to 40 years, every government had its contributions to make, and every government had its weaknesses. He wanted to recognize that all the governments he had served under, as a voluntary sector agency, had been supportive of Marymount and that particular situation. But he also wanted to recognize that it is a difficult job that we do, both in opposition and in government, and the governments always, whatever their ideological framework, their intention is to do good things.

We will always assess whether they did or not, but I think my understanding of the role that we have here is that we have a role of serving and that, when we go forth to serve, we go forth with good intentions. I believe that our government has good intentions, and I believe

that the previous government had good intentions and that we will argue about strategies and we will argue about particular approaches, but I think we ought not to argue about intent.

In terms of the opening statement I have, it is relatively lengthy, but I will move through it as quickly as I can.

Our total Estimates are \$780.4 million. We have increased focus on a number of areas, child protection and support, family violence prevention, our child care system, our supported living and vocational rehab programs, support services for families with children who have disabilities, initiatives to help persons who are receiving income assistance to overcome barriers to employment, projects to make declining neighbourhoods safer and healthier places to live. Obviously, as we move through the Estimates, there is lots of chance for questions about the detail of each of those initiatives.

It has been a very interesting process of amalgamating two departments. Obviously, we have saved some money, and we will be prepared to talk about that in response to questions, if there are any. I think what is probably much more important is that we have achieved a tremendous amount of synergy because so many of the people whom we serve through the Family Services side of the Department, we also serve through the Housing side. So many of the neighbourhoods who have needs in regard to social development, economic development, employment, whatever, are also neighbourhoods that have very high concentrations of public housing, non-profit housing, co-op housing and so forth.

This was an initiative of our Premier (Mr. Doer). I had absolutely no hand in it, I can say, but I think it has been an extremely beneficial linkage. I can tell the Committee that only one other province, to my knowledge, has a similar structure, and they are reporting the same kind of experience. That, by the way, is New Brunswick, a Conservative province, where they are finding that there has been a great deal of synergy in bringing the two departments together. I think virtually every time we have a meeting of our executive staff, our management staff, we find other ways in which this has been a useful

amalgamation and other ways in which we can use the two sides of the Department to strengthen what we do on both sides.

As the critic knows, we provide a broad range of social services to people. The purpose is to enable people to live and participate in the community to the fullest of their potential. So we have a number of goals. We provide financial support to Manitoba citizens in need, and at the same time assist them to achieve greater self-sufficiency and independence, whether it be full or partial. We support people with disability to achieve full participation in society. We endeavour to keep our children safe and protected and to assist people facing family violence, whether they are spouses or children, or seniors for that matter; promote the healthy development and well-being of children and families in positive ways with services like day care and child development services; assisting Manitobans to have access to adequate and affordable housing.

So in order to do that, those goals, we have to develop services and programs that will meet those goals. To get more concrete, we need to provide financial support that enables people to live with dignity and security, to support adults living with a mental disability to feel safe and to feel that they can participate, to assist people with disability to develop skills necessary to find and keep work, to provide quality early-childhood interventions that foster the development of healthy youth and adults.

I might say in that regard that is one of the most important initiatives I think we have, because we know that early-intervention, early-diagnosis preventive programs have cost-benefit payoffs anywhere from 7 to 1 to 2.8 to 1, depending on which analysis you read. I know the previous government brought people from Flint, Michigan, from the Perry High/Scope program—which I believe the critic may well have attended those briefings—which showed the tremendous cost benefit of early intervention. So when we get around to talking about the Healthy Child Initiative, I know there will be a chance to talk further about that.

We need to support quality child care which is accessible and affordable. Quality means

quality in the sense of the opportunities for child development in the centres, the quality of the staff, the quality of the settings and the quality of the programs. Accessibility and affordability I think are real challenges for us. We do not have nearly enough day care, and we still have quite high costs for day care in that our subsidies cut out quite low; in fact, in some cases below the poverty line, so that is a real concern for us.

We must protect children from abuse and neglect, and that means both preventive as well as interventive services, and I am going to be extremely pleased to talk about our commitment to First Nations and Métis communities to enable them to begin to do that in a more effective way. We need to provide housing assistance that results in individuals and families having a safe and secure place to live and recognize the contribution that our staff and the wider community make in assisting the department reach its goals.

\* (15:50)

We have an ambitious agenda that we are well started on in the past fiscal year and in the current year that we are now in, but debating the Estimates of. We are the first jurisdiction in North America, so far as we know, to extend Child and Family Service mandates to Métis and First Nations communities to provide services that reflect their unique status and culture and needs wherever their members are in our province.

We have launched an initiative called Building Independence, the goal of which is to increase, strengthen our means of helping employment and income assistance participants to find work and to keep work, and that may mean addressing personal deficits; it may mean addressing skill deficits; it may mean things as simple as having work boots so that they can meet the requirements of safety on the job.

We have been extremely effective in the first nine months of numbers that I have looked at in helping increasing numbers of people to find secure employment and to leave social assistance, we hope permanently, but certainly to leave at increasingly higher rates. We are very pleased with that.

We believe that poverty has such a high cost that we must increase our support to families on income assistance, particularly single parents with children, but two-parent families with children as well, because the costs of poverty and the depth of poverty suffered by people who are in receipt of social assistance is staggering. We do not believe that it is reasonable that we should stand by and see children essentially enmeshed in a poverty cycle and at very profound risk of repeating that cycle when they grow older.

We have a job of working with the federal, provincial and territorial governments to improve the National Child Benefit system, which we are doing. I tell you, I have been both terrified, honoured and challenged to be chair of the Social Union Framework Agreement ministers and co-chair with our federal counterparts. I think all three words apply, because there is so much at risk in our country right now and the challenge facing those ministers is so great. So it has been an honour, but my goodness, it is also somewhat terrifying to think what it is we are facing in terms of the poverty burden in this country right now and the need to be more competitive in the international economy, what we need to do to improve that competitiveness.

We also have a deep commitment to working with community groups. I think the thing that distinguishes our approach from others is that we believe that solutions coming from the community are almost always stronger solutions than solutions coming from bureaucratic or political levels of government. We have a great deal of trust in and respect for the communities with which we work, whether they are urban or rural, First Nations, Métis or non-Métis First Nations, rest of Manitoba, ROM.

We think that that means a certain degree of messiness, because the solutions will not be the same in Neepawa as they might be in Richer or Lac du Bonnet versus Roblin. They may be quite different and they may need to be different. That means government has got to be prepared to be flexible and to tolerate a range of uniqueness in programs that communities help to put together. I am absolutely convinced that both our First Nations and Métis communities and our inner

city community know very well what will work in their communities. Our challenge is to find ways of responding to that knowledge and supporting it.

We are also working hard to support citizens with disabilities through initiatives to help address staff recruitment and retention difficulties among agencies serving adults with mental disabilities. I was astounded on looking first at our wage scales to find that we have people being paid under \$7 an hour to look after people with profound physical, mental, behavioural needs and that that challenges many, many volunteer agencies in terms of their ability to retain, attract, recruit and train staff. We believe we needed to move in that area.

We believe we have been very successful in engaging the community and parents and residents of the Pelican Lake Centre and area into moving into independent living. We are very pleased with the plans developed by a large number of the current staff of Pelican Lake to open day services in that area. We will be prepared to talk in greater detail about that. I think we are extremely happy that many of those same staff will be working in some very good services in that immediate community serving residents who live within a reasonably small radius of the town of Ninette.

We are delighted at the partnership we developed with the child care community beginning with the stabilization of the current system and moving forward into further enhancements and growth.

We have worked out, we think, a pretty good relationship with the City of Winnipeg and the federal government on the delivery of housing programs in targeted areas of our city through the Winnipeg Housing Initiative, the single window office. I have been just delighted with the response from community groups and the sense of partnership and the sense of collaboration that has emerged in the first six weeks, I guess seven weeks it is now since we opened that office on May 15. So I think that is working very well.

We have been implementing and delivering now the new neighbourhood housing assistance

program as part of the Neighbourhoods Alive! initiative as well, which was announced last week.

I am sure the critic knows the Department has five main operating divisions: Administration and Finance; Employment and Income Assistance; Community Living; Child and Family Services and Housing; and internally two service providers: our Policy and Planning branch; and our Human Resource branch.

I am kind of unique in the sense that I have only one external agency or external board reporting to me directly, the Social Services Advisory Committee. Many other departments have many such boards and commissions. This department has only the one.

I am going to skip briefly through this next part. I am sure the critic already knows this, that the Employment and Income Assistance Division has a budget of \$353.7 million, of which \$263.4 million is being directed to Employment and Income Assistance; \$4.9 million for Municipal Assistance; \$31.5 million for Health Services, which is an 8.1% increase; and \$12.2 million for Income Assistance for Persons with a Disability program, 4% increase over last year.

Building independence is the centrepiece of our new strategy around giving people the opportunity to find and keep work. It is designed to ensure that income assistance participants who are looking for work get quick support. The job centre that was begun under the previous government has been expanded and strengthened under this government. We are very pleased with what is happening in that job centre.

One of the ways in which we have lowered barriers to employment and independence is the strategy of providing up to eight weeks of subsidized child care as often as twice a year for parents who are looking for work. Previously subsidized child care was limited to two weeks twice a year. That often meant that people were at the point of not having child care and then needing to figure out how they could get out and look for work. They found work and then they needed to find child care. So it was a kind of crazy-making process. We have had a lot of

support from the community for this move back to the previous levels of support for people in this situation.

We fully implemented last week the voice mail system, which was a community idea and has tremendous partnership from the Royal Bank, Manitoba Telecom, and IBM, as well as 13 community agencies to provide up to 1500 voice mail accounts to help people get appointments, either personal or employment related, or to be able to receive messages at any time of the day or night on any telephone that they have access to.

\* (16:00)

Telephones are available now in all employment and income assistance district offices so participants can use them to seek work, to find information that their employment and income assistance case co-ordinator needs and other functions that are difficult if you do not have access to a phone.

This year the budget for building independence is \$3.175 million. We are going to continue to build around that initiative supports so that the barriers to independence are progressively lowered in every possible way.

We have reduced the barriers to full independence in the last week by increasing the basic exemption for families with children by 15 percent, or \$15. So their ability to keep earnings above the \$115 remains at 25 percent, but for the first time single general assistance recipients will now have much greater incentive to find and retain and increase their work, because for the first time a general assistance recipient will always be better off with every dollar earned.

Under the previous government, the exemption for the first \$100 was there for general assistance recipients. It moved around a bit over different years, but above \$100 earnings were deducted dollar for dollar. I am sure that the members would understand that there are often costs of employment that are very real. If you deduct 100 cents of every dollar earned, then essentially the earner is almost always worse off for working, because they have the costs of employment, which of course were not being deducted.

So we are very pleased with the increased exemption for single persons, childless couples and two-parent families with children that will give them more support to find their way into independence.

Additional funding has also been allocated for participant supports at our job centre, \$145,000. We are providing an additional six months of funding for addictions treatment for approximately 100 single parents who currently have an addiction issue. That has a cost this year of \$205,000.

We are attempting to reverse the approximately 14% loss in real purchasing power of assistance to families with children over the last decade. We are doing that in a variety of ways but basically under the umbrella of removing the clawback over the course of our mandate.

The first step in removing the clawback for steps was, first of all, to say that we will not remove the next two increases that are already announced for July 2000 and July 2001 which will enable families to receive and retain the national child benefit supplement, approximately \$15.75 a month for the first child this year and a similar amount next year, slightly greater. So, that is an important addition.

We are also increasing social assistance for children six and under by \$20 per month to begin to address the very real erosion of social assistance for single-parent and two-parent families with children that occurred over the last decade. It would be bad enough if there had been no increases at all during the last decade, but the actual real loss in purchasing power of the dollars provided to poor children has declined approximately 14 percent. We think that that is not a reasonable burden to impose on the poorest children in our province. Additionally, we are providing funds to increase school supplies allowance for all children by \$20 per child, so that there will be \$60 per child up to grade six; \$80 per child for grade seven and eight; and \$100 per child from there to grade twelve. The full-year cost of that is \$253,000.

We will also be partnering with community organizations and the federal government to

pilot the creation of individual development accounts. This is an idea that came out of the United States originally. There are some 26 states that have IDA projects of one kind or another, and Canada has developed an initiative through ten different sites across the country and will be partnering in the development of a Winnipeg site. The particular goal here is to help lower income families and very poor families to begin to have a sense of future, and not just a sense of surviving day to day, by helping them to put away very modest amounts, from whatever income they have, towards education, or towards a goal such as saving for the down payment of a small house, so that they can begin to plan with a longer time horizon instead of simply the time horizon of tomorrow. There will be more information on that as we go.

In our Community Living Division we have services to support adults living with a disability. This is a priority area. Over \$143 million goes into this division now. We increased funding particularly for supportive living and voc rehab programs by 13.6 percent, or \$11.3 million, a very major increase. Most of it is simply related to the volume, the number of people who are moving into adulthood who require these supports. This substantial increase will expand our residential day and support services for adults with a mental disability. The per diems paid to supportive living agencies are being increased by 2 percent as well. In other words, most of the large increase is simply volume, and the 2% increase is in terms of the cost of a unit of service.

There is also an additional \$400,000 for vocation training assistance to Manitobans with a physical, mental, psychiatric or learning disability. This is the first such increase in almost a decade. In addition, \$2.3 million is being reallocated from our government's Internal Reform, Workforce Adjustment and General Salary Increases appropriation for a staffing stabilization initiative to assist supportive living agencies in addressing staff recruitment with retention and training difficulties. The targeting of this money is the process that is just beginning at this point so that when the increases go into effect on October 1, 2000, they will be targeted to the agencies who have been constrained in their ability to pay even relatively

low wages, so that we will enable them to pay at least, I suppose you would say, a not-too-low wage. They are still certainly not going to be very high wages, but at least they will not be \$6 an hour.

As well, \$300,000 is being earmarked to expand staff development and training for new workers, agency supervisors and managers, to examine the issue of quality-of-life indicators of the residents, recipients of service, looking at developing stronger outcome measures to help agencies develop more effective staff recruitment and retention strategies.

There are five branches in this division: Regional Operations Branch, Adult Services Branch, Manitoba Developmental Centre, Residential Care Licensing Branch, the Office of the Vulnerable Persons' Commissioner. He is responsible for administering the substitute decision making provisions of The Vulnerable Persons Living with a Mental Disability Act.

Recently I was honoured by our Premier appointing me as the Minister responsible for persons with disability. If I did not already have enough to do, I had a little more after this. But it is an honour because it is first of all our first such appointment and, secondly, I have worked personally with members of this community since at least 1972. I know many of them personally, have been honoured by being taught by many of them. I think it is one of those things that our critic may know from his work in other areas. Manitoba in some ways is less appreciative internally of the things it does in this area than it is appreciated around the world.

\* (16:10)

Henry Enns is known worldwide in disability areas, John Lane, Euclid Herie. You can go on and name more and more people. Allan Simpson died, unfortunately, not that long ago. These are internationally known people, people on staff of the Department like Jim Doerksen, who helped form Disabled Peoples' International. Manitoba is a world leader through not just the Centre for Disability Studies and the work but through the individuals who are working with groups in Russia, in Ukraine, in Malaysia, in Australia, an amazing number of

places where there is work going on that started right here. We are very modest people, I guess, but I think sometimes we ought to tell that story a little more often.

My responsibilities under that new appointment include improving communication to enable us to identify issues affecting people with disabilities more effectively; co-ordinating policies across government departments to reduce barriers and create more accessible programs and services; promoting positive attitudes and raising awareness of disability issues in the broader public; and representing the needs of Manitobans with disabilities to the federal government and to other provincial and municipal jurisdictions.

The Child and Family Services division is probably I guess one of the most difficult areas of our department because we are working with children at risk, children who have been profoundly abused and neglected, families who are suffering tremendous disruption from a variety of causes. Budgeted for these services is \$226.3 million. There are six main program areas: Strategic Initiatives, Children's Special Services, Child Day Care, Protection and Support Services, Family Conciliation, and Family Violence Prevention.

This division was reorganized recently to focus on these six areas. I will just briefly outline for the Member the roles of each.

The Strategic Initiatives, Coordination and Support Branch was created in March as that division's responsibility centre for the strategic initiatives of the whole division to make sure that we are working in an integrated way with all the new initiatives in that area. The \$1.3 million has been allocated to that branch, which does the strategic initiatives and implementation planning support to our service delivery systems and financial and legislative functions of the division.

Major activities of this branch supporting the development of a comprehensive restructuring plan for Child and Family Services necessitated by our creating a mandated Métis agency and extending the mandates of First Nation agencies; supporting the development of

the Healthy Child Initiative; establishing a continuum of early intervention and family supports; developing the annual strategic plan of our division; development of a long-term plan for skills development and staff training; monitoring and evaluating projects, including Child Protection and Support Services, case management standards, the Winnipeg Development Agreement Program 8, the Healthy Child Initiative and the Family Support Innovations Fund project. That is also the area of the division that co-ordinates estimates, develops and implements service purchase agreements and monitors financial activities of all the agencies.

Children's Special Services area has budgeted \$11.8 million for this section of the division. We provide a wide variety of supports to eligible families who have children with many different needs. We are trying to foster a family-centred approach as opposed to an approach that is more clinical so that we focus on the whole family, providing counselling, information and referral, respite, child development therapies of various kinds, supplies and equipment, home modification and, where needed, transportation.

We will be serving about 3400 children this year, including, unfortunately, 400 new children. This is an area which is rapidly expanding in terms of its costs. One of the areas of great concern for all of us, we are increasing the numbers of children served in this division by 400, or approximately 13 percent. That ought to give us all concern about the numbers of children that we are seeing in our society who have very significant disabilities.

The area of child day care, recognizing child day care as a fundamental support to families as well as a developmental support for children, an additional \$9.2 million was injected in that area this year. It is about an 18% increase, and it allows for us finally to be able to provide wages which will, we think, recruit new people into the training programs of the Department and allow us to pay wages which at least, basically, reflect two to four years post-secondary education and a deep desire to have a career that people can make a living in, meeting the needs of children.

We will be also providing up to, now, 1000 children with special needs the opportunity to be integrated into our day care system, some

additional licensed spaces as well. These enhancements were based on the recommendations of the Child Day Care Regulatory Review Committee made to the previous government and to this government. We were pleased to be able to act on those recommendations.

I am going to skip over the questions of the actual increases in child day care because I am sure we will get into that in more detail. I want to talk briefly now about Child Protection and Support Services. The largest allocation in this Child and Family Services division is Child Protection and Support, of which resources of \$140.8 million have been budgeted. The Province's Child Protection and Support Services are provided through a network of external agencies which are mandated to provide services under The Child and Family Services Act and The Adoptions Act.

We have, currently, I think it is 13 such agencies. It is a little fluid because we have a couple of band-based agencies in the process of development at the present time. Of course, with the new mandated agencies, this picture is going to change again. But I think all governments ought to take some pride and pleasure in the fact that Manitoba has always been a leader in the development of mandated First Nations agencies, of the first agreements in 1981-82, which obviously were being negotiated under a number of previous governments, Schreyer and Lyon, and were implemented under Pawley, were expanded under Filmon and are being further expanded under this government's mandate. So this has been a long history of building capacity and building confidence in our ability to deliver Child and Family Services across our province by those who are most affected by the needs that drive Child and Family Services.

Additional funding has been provided for mandated Child and Family Services agencies to help them in their work; \$365,000 allocated for a 2% increase in the foster care basic maintenance rate, effective July 1. In addition, and I think this is very important, in the North, we allocated \$150,000 to increase the northern food component of basic maintenance and foster care rates, effective the 1st of July. This is critical

because the ability to recruit and retain foster parents in the North has been really hampered by the fact that the food allowances were so low. People were essentially eating into family resources in order to pay for the food for foster children because we were not meeting anywhere near those costs under the previous rate structure.

In addition, \$421,000 has been provided for a 2% increase in the child care treatment centres, the big four as they are known, as well as the private organizations that we contract with. Marymount, Macdonald Youth Services, New Directions, and Knowles are the primary big agencies providing high level needs services.

This year, as I have said before, our department will be proceeding with the implementation process leading to the recognition of a province-wide Child and Family Services mandate for Métis and First Nations people. I am sure the members would know what a deep source of pride these announcements were for Métis and First Nations people.

*Madam Chairperson in the Chair*

I just share with the committee that when we met with the Métis community in February, and sort of did the final discussions about this and indicated this was what we were to do, one of their wonderful long-term members from Dauphin said you know, I just want to say yippee. I said well, why do you not? She just got up and hollered yippee, and then there were a lot of hugs. There were a lot of tears because this was not simply a service issue and a question of getting service to children and families in a more appropriate way. This was recognition of the dignity and the capacity of a community that has often not been recognized as having either dignity or capacity. It was a kind of honouring that they felt profoundly. It was very, very moving, and a deep honour for me to be part of that.

\* (16:20)

I just share with the members when we actually had the signing at the new Métis headquarters, which I think ironically and historically appropriately was the old CPR

building. If one thinks about the history of that, it is kind of full circle, but there were 24 young Métis children, I would say 7 or 8 up to maybe 14 or 15, who were fiddlers, who came down from one of their communities to provide entertainment at this signing. The pride and the joy in their faces was for me a tremendous affirmation that we were going down the right road in this regard; that this community has come an enormous distance under its new leadership. I think it is an exciting time for them and it is an exciting time for us.

We will also be moving forward in this very difficult and complex area in a way in which all players are around the table at the same time. I think we should not underestimate this achievement either. Having the First Nations, north and south, the Métis community and the Province, as well as the existing child welfare system, which certainly will see tremendous changes as a result of this initiative, all sitting around the table saying what is the best thing we can do for families and children; how can we respect the needs of workers and staff; how can we build on the strengths of First Nations and Métis communities and achieve something that works for everybody has been a really challenging, but also very good process. I am looking forward to the next years as we put flesh on these bones of commitment as we move forward in this way.

In the area of Family Conciliation and Family Violence Prevention, we have about 5250 families in Manitoba who are in the process of divorce or separation who are receiving services through Family Conciliation in a given year. We allocate only a million dollars to this service, but it provides service to a great number of people.

Funding for Family Violence Prevention has been increased this year to nearly \$8.6 million, and this provides an increase in funding for shelters, second-stage housing programs and women's resource centres to further their important work on behalf of individuals and families experiencing domestic violence. Resources are also being made available to provide additional supports for staff benefits. Many of these agencies have staff who are deeply committed to the service that they

provide, but they have never had any kind of benefit programs, no pension plans, little in the way of disability or other benefits. Yet these people have worked for these agencies, sometimes as long as 20 years, at very, very modest or very low wages. So we are pleased to at least begin to be able to make some benefits available to these staff.

Finally, in the Housing Division, I have already, in my opening comments, alluded to the fact that we are now under one ministry. This has provided both efficiencies but also tremendous opportunities. I will give members a couple of examples. Many people on social assistance or in receipt of Child and Family Services live in public housing units, and because of our joint stewardship of these two areas we have been able to open resource centres in some of our larger public housing units where families can work with each other and can receive support either in terms of particular individual needs they might have or in terms of learning better parenting approaches, dealing with any number of issues, because our department is now able to work through Housing with Income Assistance, through child welfare with day care, with disability related services, in order to provide a much more integrated service.

It also has, through our Housing Division, been enormously active in developing our Neighbourhoods Alive! program, which, I am sure, the Member is already aware of, a program which will grow over the next number of years focussing on inner-city areas and challenging areas in Brandon, Thompson, and the inner city of Winnipeg. The way in which we are doing that, I have already alluded to, and that is to respect the ability of those communities to plan and to put forward initiatives which we can work to support. The challenge we have set our staff is to figure out how to make what we have available fit the very good ideas and plans and capacities of the communities who are asking us for their support.

I have been really pleased with the initial responses that we got from the community. For example, in the areas of William Whyte School, a large number of community housing initiatives by non-profit community based groups are taking place within that community but now in a

co-ordinated way in which groups are working in a particular area, each group working in their own area working with each other through an overall umbrella. It means that we can achieve an impact, because we have five or more groups working at a relatively low number of units, but, in total, it becomes a very significant impact.

It also means that we have an umbrella that allows those groups to work together on identifying training opportunities, sweat-equity opportunities, and other community needs that become more visible as communities begin to come together and accept the challenge of renewing their own neighbourhoods.

As part of Neighbourhoods Alive!, the Housing Division is implementing the new neighbourhood housing assistance program, which will provide up to \$10,000 per unit to community-based organizations to help with locally planned and developed housing strategies in these targeted areas.

In Winnipeg, efforts to improve housing conditions will be co-ordinated through our Single Window Initiative with the federal and municipal governments located on Portage Avenue, and that has just become a beehive of activities over the last six weeks with staff working extremely hard to respond to community initiatives and to begin the process of getting resources into their hands so that we take advantage of this building season and begin to make a real impact on all of our neighbourhoods.

We dedicated at the provincial level \$8 million of new money over four years for this program, and that is just the particular housing assistance program. That does not count the RRAP program, and it does not count Neighbourhoods Alive!.

That is just the new Housing money. A further \$1 million is allocated in this budget for urban centres outside of Winnipeg, in Brandon and Thompson. I am also pleased that the province is continuing to be a cost-sharing partner in the expanded Residential Rehabilitation Assistance and the programs related to that, emergency home repairs programs for seniors.

The province has become the active partner which really basically means that we are now the delivery agent for the RRAP program across the province. We will work with our partners at the city level and in the rural areas and with other municipalities, but we are now a 25% partner in this program. The federal government is a 75% partner.

Unfortunately, the municipal government has not yet made a commitment to the RRAP program. We hope they will, but at this point it is a much bigger program than it was a year ago, and we have now got the ability to deliver that program at the provincial level, to have the approvals and the administration provincial rather than having to go to Calgary or Edmonton to deal with the approval process.

Finally, I am also pleased to advise that an initial \$1.7 million is provided in this budget to adjust utility allowances in our Housing area to reflect the actual rate increases since 1988 for all tenants of public housing who are paying utility services directly. The utility allowances have fallen farther and farther behind the reality, and people on very limited assistance again were robbing other parts of their budget to pay for utilities, and I am pleased that we are going to be able to help address that issue.

Finally, in closing, I am certainly looking forward to this process and to questions from both the Opposition critics and our own members as we move through these Estimates. I am a person who has worked in social policy all my life, and it is an immense privilege to, at this stage in my career, probably the last job I will have before retirement, I might say—who knows, but it might well be, but to have the opportunity to work at this particular set of challenges I take as a great opportunity and a great challenge. It is an honour and I am energized by it.

\* (16:30)

I also want to say in closing that we are blessed in this province by a very professional public service, and I, in particular, feel that my department is extremely ably led and administered, full of creative people and full of people who have the despicable habit of sending e-mails at five in the morning unless, of course,

they have changed the time on their computer, which I do not think they have done. These are extremely hardworking people, and I am very indebted to them, as I know all governments are. I think our public service is an extremely honourable profession, and it is full of extremely hardworking people, and I am grateful to them for the support they have provided.

I thank you, Madam Chair, and with those remarks I am pleased to begin the Estimates process.

**Madam Chairperson:** We thank the Minister for those comments. Does the Official Opposition critic, the Honourable Member for Ste. Rose, have any opening remarks, comments?

**Mr. Glen Cummings (Ste. Rose):** Thank you, Madam Chair, and I thank the Minister for his comments. He is quite correct that this will be a bit of a new experience for me, getting as close to this department as I will have the opportunity to today and over the next period of time as the critic.

I do want to respond directly to his opening thoughts which I think are quite appropriate, and that is that, regardless of political stripe over the years, it is not a matter of whether or not services and programs need to be delivered; it is sometimes a difference of how. It is also sometimes a reflection of economics within various jurisdictions, specifically within the provincial jurisdiction.

Some of the changes that he has been referencing in his opening comments frankly are a signal of directions that he and his government wish to move in, and we will discuss his choice of priorities, his method of administering, whether or not the effectiveness of the programs. I think that is really where there will have to be some accounting as this administration takes hold and goes into post-budget evaluation of the effectiveness of the delivery of the programs.

Certainly, I would also acknowledge the Minister's closing remarks, and that is that by and large over the years, those who work in the civil service in this province have departed themselves very well. I only hope that from time

to time those of us who are engaged in the responsibility of politics are remembered as fondly sometimes. I suspect that no matter what we do, that will not happen.

But to deal directly with some of the aspects in the Department, obviously I will be interested to hear his comments about the Healthy Child Initiative because I share the concern that was demonstrated in this initiative and in a number of other areas of government during our years of responsibility, and that is that there needs to be as good an effort as possible to make sure that there is a co-ordinated response to problems that we see out there, particularly as they reflect on this department. Education, health and social services, given my background as a trustee for a number of years and my ongoing relationship with the schools, I find that there is a continual challenge to make sure that the services are co-ordinated for young children. My experience would be more in the early school years and going through school more than they would be with the preschool years.

But I think the Minister and I do not have any philosophical difference on the point of early intervention, and I think he can see the beginnings and in some cases the manifestations of a number of efforts to try and bring that to bear as he comes in to this department. Truly, we can do analytical, and I will attempt to do some analysis of where the dollars are placed and what the net result might be of that, but what I would encourage the Minister and the Department to remember is that it is always very easy to announce an initiative and very flattering from time to time. As the Minister says, one can be energized. The community with which the announcement is shared can be energized, and very often good things come of programs that may be specifically tailored to certain communities or to certain needs.

But, in the end, the year of the announcement can often be the cheap year. The second year, once the administration is in place, once the awareness of the program is in place, and as it begins to take hold, sometimes there is unanticipated success. Then the Minister and/or the Department or the government of the day is then suddenly faced with the responsibility of either disappointing those who anticipate taking

advantage of the expected funding for the growing need that has been identified—and I do not want anybody who might inadvertently read these comments in Hansard to assume that I am saying that the programs might not be well intentioned, but what does happen is that after a year or two, there has to be an evaluation of the effectiveness and of the relationship where a third party may be involved.

Something that continues to impress me in various areas that this department touches on is the volunteers, the non-profit organizations and the self-help organizations that are out there that this department has to interrelate with. There are some days when I look at this and see it as a myriad and sometimes a baffling complexity of relationships that have to be maintained. I wish the Minister well in that respect, and his department.

But, nevertheless, there is also always the question of checks and balances in the system, the balance of encouragement and incentive and in some cases, ultimately, consequences as people, particularly in the area of self-advancement, work incentives, opportunity to get off of assistance that I would suggest that we are in—and I say to the Minister that he is perhaps going into this ministry at a very opportune time. The economy seems to be producing jobs. I know from time to time the Opposition over the last few years has referred to some of the jobs as being McJobs. I come from the background of saying even a McJob teaches me to stretch my abilities and to then tender them to the next higher level of opportunity which includes in some cases retraining and re-evaluating my opportunities, and I think that that type of balance, as I said, between encouragement, incentive and ultimate consequences and how we move through that side of the responsibility that this department becomes involved with I think is ultimately what will create the judgment on the success or failure of the initiatives that the Minister has touched on and the long-standing desire of the Province of Manitoba to move from a have-not to a have position on the national scene.

I guess I might as well put it on the record that I am still very adamant on that side of the balance sheet, that Manitoba has some enormous

opportunities. What we have are some regional discrepancies, sometimes, where that opportunity is available, and a very difficult part of where this department and anyone evaluating the economy of this province finds itself is where you can bring the jobs and the people together, and sometimes the two are in far, disparate parts of the province. I do not suppose we will solve that over the next few hours in going through these Estimates.

\* (16:40)

The Minister will probably enjoy what I am about to say. My colleague reminded me, and I indicated that I intended to do this anyway, but I am going to include it in my remarks at this time. That is that we probably see the changes, and a good deal of the direction that the Minister has indicated is in the changes in day care opportunities, has probably built on work that to some significant extent the Member for St. Norbert (Mr. Laurendeau) had been working on. He indicated to me that was how he saw the announcements, and, frankly, we provide congratulations in that respect. Even though I know from time to time that program in the province has been under fire and under criticism over the last few years, I have become more aware through changes that are occurring in rural Manitoba and the demands of flexibility that are being put on this system, and the sometimes very difficult struggle that single parents and/or low income families find themselves in, dealing with day care and opportunities for themselves to seek employment while at the same time they want quality supervision and enhanced opportunities for their children.

That does lead me to one other aspect in a general sense, without talking about the specific appropriations, and that is I think we all miss too often a group of people in society that I have an enormous amount of sympathy for. While we may refer to them in different ways, I think the best way to describe them is the working poor. There are people out there who are working extremely hard, in some cases holding down two jobs in order to survive, and they are getting caught. One of the few ways that we can assist them is through giving them a break in the tax system, where they have an opportunity to retain what they earn, where there are programs. That

is conversely why I say, where there are those who have been successful, it is not inappropriate that they sometimes pay for services that those who, on income basis, cannot afford, deserve some assistance.

That raises a whole different philosophical debate. It does address the question of universality to some extent; nevertheless, there are people of not substantial means out there, who are gainfully employed, who have a significant amount of pride in what they are doing. Far too often in the debate where we are providing services in this field, income assistance, housing assistance and others, we forget that the working poor are often the ones we have not directly addressed, the way we do those who are obviously unemployed, obviously not trained well enough to enter into the workforce at a suitable level. It is that balance that general policy of government, I think, finds so difficult to find.

It is probably an area where the Minister and I might well have disagreement, but it is an area of concern for me living in a rural area. I possibly see something different from that than what might be in an urban setting. I cannot directly address that, but it is an area of interest that I might pursue as we go through this.

Generally speaking, I would like to start the process by simply, with the Minister's and the Chairman's agreement, going through the appropriations as they are laid out, if the Minister agrees. It generally has been traditional that there is an opportunity to go back and ask questions of the Minister at the end without his staff in attendance, but, as anyone who has looked at this process realizes, there are tangents that can develop as we go through this. I would like to start this evening and move right into the first appropriation.

If the Minister wants to have staff join him, we can start.

**Madam Chairperson:** We thank the critic for the Official Opposition for those remarks.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department.

Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line.

At this time, we invite the Minister's staff to join us at the table, and we ask that the Minister introduce the staff in attendance.

**Mr. Sale:** Madam Chairperson, just through you to the critic the Member for Ste. Rose, I certainly have no problem with going sort of appropriation and subappropriation by sub. There are sometimes things that people want to move back and forth on a bit. If there is a need to revert back at some point, I am happy to do that. That may be necessary.

I would ask the critic if it is possible, and it may not be possible—I understand the politics of this as well as the realities of the situation. It is a large department with a lot of staff. In so far as it is possible to say what staff are needed for given parts of the debate, it would be helpful to know that, because, as the Member can see, we have a fair number of people in the room. I know they just love Estimates, and they would not miss it for the world, but there also may be things that they might more productively be doing.

I do not need an answer at this point, because today probably I guess we go till six o'clock and everybody is here now and it is after 4:30, as it always is, and the end of these people's days. Maybe we could get an indication at the end of today where we might have staff tomorrow.

**Mr. Cummings:** I can give you an indication right now. I do not believe in forcing a department to go completely into limbo during the Estimates process. I intend to start at the front of the book and move forward. You can judge accordingly by how far we are moving forward. If we intend to do any jumping around, I will provide notice to that and take it from there.

**Mr. Sale:** Joining me at the table, and I am sure known to all members, Tannis Mindell, our deputy minister; Drew Perry, Acting Assistant Deputy Minister for Administration and Finance; and Sheila Lebrecht who is the Director of

Financial and Administrative Services for the Department.

**Madam Chairperson:** I would like to advise members of the committee that the correct procedure for considering items in the Committee of Supply is in a line-by-line manner. In order to skip ahead or to revert back to lines already passed, unanimous consent of the committee is required.

The floor is open for questions.

**Mr. Cummings:** I thank the Chair for that advice, but I think the Minister and I just overruled it. I hope we did.

I would like to begin with Social Services Advisory Committee. I wonder if the Minister could share with us if there have been any changes in the make-up of this committee and who might be sitting on it at this time.

**Mr. Sale:** Joining us at the table is Isabel Furtado who is the staffperson who works with the committee. She would be known to the Member because she has been in that job for some time.

In general terms, to answer the Member, yes, it is a newly appointed group that has had a number of appointments over the last five or six months. The current chair is David Schellenberg, who formerly was the Director of Child and Family Services for Central Winnipeg and long-time social service person. The remainder of the members, Jan Chaboyer, is from Brandon; Kelly Gibbings, I believe is from out in Minionas, Swan River area; Larry Morrisette, Rose Buss, who is from Beausejour; Lesley King from Thompson; Isobel Dowbiggin lives in St. James, west end area, actually Westwood area; Joe Anderson, Cindy Stroppa, Jamie Skinner, Wes Drysdale, Robert Smith and Pat Chimney.

**Mr. Cummings:** Could the Minister provide any comment on the workload that this committee has been dealing with?

\* (16:50)

**Mr. Sale:** I think that basically we can probably provide this information, but verbally, at this point, pretty consistent year over year, although there is some decline which probably reflects caseload decline as much as anything else. The total in '95-96 was 1120, in terms of total appeals received. The next year is 1201; '97-98, it was 1073; '98-99, dropped fairly significantly to 893; '99-2000, a further drop to 850. We are projecting, this year, a slight increase to 925, but it is much too early in the year to know whether that is what is going to be reflected or not.

If the Member would like a copy of this information, we can provide it to him in terms of the appeals under different programs. There are one, two, three, four, five, six, seven, eight, nine programs under which appeals can be launched. The vast majority of them are under Income Assistance or Municipal Assistance as the Member might expect. There are a few under day care subsidies, and one or two under the other programs. We can provide that information if the Member would like it.

**Mr. Cummings:** Thank you, and if you could provide that, that would be useful. My point was if there had been any particular programs or areas where appeals have risen.

The Estimates of Expenditure indicate that there is pretty much of a flat line in terms of costs. Are there any changes contemplated in this area, or is it business as usual?

**Mr. Sale:** Basically, the committee has a mandate under the Act, and the Act is not being changed, so the work of the committee is in response to its mandate under the Act. It has both an advisory function to the Minister as well as an appeal function in terms of protecting the public's ability to have a fair hearing. So the current mandate is the Act that was in place. I think that is probably the clearest way I could answer the question.

**Mr. Cummings:** I would move to Human Resources, then, please. My question would be: In this area, have there been any personnel changes? Obviously the personnel numbers seem to be pretty much the same as previously, but have there been any personnel changes or secondments in this area?

**Mr. Sale:** I am informed that, no, there have been no changes in personnel over the past year. Jan Sanderson is the Director of the Co-ordinated Unit between Health and ourselves. We share that unit, and there have been no management changes in the unit other than—I do not know about the junior level whether there have been any personnel turnover. I think there might have been the odd one but not at the management level of the branch.

**Mr. Cummings:** Are there any changes or reviews under way in this area that the Minister has initiated?

**Mr. Sale:** No. This branch provides services to the Department in areas such as, for example, negotiations with Pelican Lake staff. As we work through that change, and if the Member means those kinds of changes that are out in the program side, then there is work going on all the time in a whole variety of areas. In terms of an internal function of that branch being asked to do an internal review of any aspect of the Department, the answer would be, no, there has not been any request to do that nor is any contemplated at this point.

**Mr. Cummings:** In policy and planning, let me state up front that this may well be an area the Minister being a new minister and lots of issues that he wishes to address, have there been changes made in this area in terms of personnel and/or secondments or contracts that are relative to this area?

**Mr. Sale:** Again, the short answer is no. However, Grant Doak is the Acting Director of this branch because our current ADM who was the ADM of Admin and Finance for the Department is the Acting ADM in Housing, because we did not want to make a quick move in the area of Housing until we knew how the integration was going to go with the full department. So we asked Kim Sharman, a lifelong civil servant, a Treasury Board analyst, and then into our department some years ago to undertake that acting position.

So, for that reason, Drew Perry became the Acting ADM of Admin and Finance. Drew is also a long-time civil servant, a lifer, and has served many administrations. So, no, in that

area, there have been no changes in the staffing of that branch at this point.

**Mr. Cummings:** I may not be up-to-date on all the announcements, but have there been any new initiatives undertaken in this area in terms of analysis of activities of the Department?

**Mr. Sale:** Yes. I have a personal interest in evaluation research and in evidence-driven policy development, I guess, is the best way to put it. So we have initiated a number of studies of our current caseloads looking for ways in which we can strengthen our income support program by being more aware of the characteristics, successes and failures.

We are attempting to strengthen the evaluations, which I found when I reviewed some of the evaluation frameworks, I found them to be overemphasizing qualitative and perhaps under-emphasizing the quantitative aspects of evaluation. I think that both are important. I think the qualitative evaluation is a very important type of evaluation, but we also have to look at some of the more quantitative issues in terms of costs and benefits and outcomes, duration of time on assistance, quality of employment found, length of time in employment, and some more quantitative measures. Some of that was being done.

We are looking at strengthening our evaluation frameworks. We are looking at analysis of the characteristics of our various caseloads so that we have a better idea of how we can get more people into independence, and what kinds of needs people have that maybe we do need to respond to differently than we have in the past. That would be a couple of examples of initiatives that we have started.

\* (17:00)

**Mr. Cummings:** I am not going to dwell on, just so the Minister knows where I am heading, but I would be interested in whether I understood what he was talking about with qualitative and quantitative. I presume he meant the quality of delivery and, in some cases, the quality of standard of living of some of the people that he might be dealing with. I know what quantitative is, but I am wondering what he meant by qualitative.

*Ms. Marianne Cerilli, Acting Chairperson, in the Chair*

**Mr. Sale:** Qualitative measures are things such as people's self-perception of whether, for example, as a WIN recipient, Women and Infant Nutrition program recipient, how did they change their understanding of their role as a mother, as a mother-to-be? How did they change their nutrition awareness? What about substance abuse issues? What about networks of support in the community? So measures which do not so much count things as they talk about perception about how things have changed for people, descriptive kind of evaluation, which describes for example, in a community development project: Did a group come into being? Did they develop a plan of where they wanted to go in the community? Did they seek resources in an effective way? So it is a more descriptive form of evaluation than saying: How many dollars did the group get? How many houses did they build? How many volunteers were involved in crime prevention programs, which would be more quantitative? Obviously, in the long run, what you want to be able to describe is whether this initiative actually made a difference. You only know that if you can compare the group that received this initiative to a group that did not.

I will just give the Member an example of what I think is a really good study. Hamilton-Wentworth area did a study of early interventions with at-risk families. They used three different groups: families who got standard services, a group of families who got an enhancement in the area of child care, families that got respite care, and families that got—I have forgotten what the fourth intervention was. But they did that over a period of a couple of years and collected very detailed information about the costs of welfare, the jobs that people found, the earnings they had, the number of times they were involved with child welfare or police or whatever. They measured the kids' development, measured the readiness to learn of the children using appropriate standard diagnostic tools, and wrote a report. That is quantitative research that is really pretty high quality for any social research.

Social research is hard to do because it is hard to do it ethically. I am concerned that we do

both kinds of research appropriately, but I found that my feeling was that we were not paying enough attention to the quantitative side of the evaluations that were underway. So that is where we are putting a little more energy and a little more effort.

**Mr. Cummings:** I said I was not going to dwell on this but that does spawn another question, and that is—*[interjection]* That is all right. It is a friendly question, because I have wanted to know if that also encompasses perception which leads to willingness of potential clients to become involved with programs, particularly when you are talking about early childhood intervention. Sometimes your biggest barrier is the willingness or lack of willingness on the part of the family to become involved.

**Mr. Sale:** The Member is absolutely right. That is one of the really important roles of qualitative research, because if you can find out what works for people in terms of making a program accessible, whether it is culturally accessible or whether it is physically accessible or whether it is successful from a financial point of view, you can figure out how to make programs welcoming so people will come and use them, then you have learned something pretty important. That would certainly be a form of qualitative research, to find out what kinds of formats work.

If you go into some of the WIN sites in the province you will see you immediately feel welcome. You feel like this is a good place to be. Others are somewhat more austere and feel more like a doctor's office and you are not sure whether you want to stay there or not.

Being sensitive to those questions of what works in terms of getting people into programs—for example, we have known for years that if people are in a minority group, and they never see members of their minority among the group that are supposed to be helping them, they get a pretty clear message that they are the minority, and they are probably going to stay that way. Whereas when you get kids in a school in a reserve and the teachers are kids who have grown up and become teachers from that community, there is a totally different message to the children in the school.

That is not to say that non-Aboriginal teachers are bad teachers or that only good teachers are Aboriginal, that is not the issue. The issue is exactly what the Member was raising which is, is this program really accessible to the people who need it and use it, and does it feel like a place where they can learn and change and become more effective. That is a real role for qualitative research. There are no ifs, ands or buts about that.

**Mr. Cummings:** Without revealing any in-house confidentiality, can the Minister give me any idea of the number of these types of reviews that he is undertaking or is he talking about a general review of effectiveness?

**Mr. Sale:** I think in terms of specific projects, if you look at all of our initiatives which we will go through as we go through and I tried to outline the major ones in my opening remarks, there is a research and evaluation component associated with all of those initiatives because we do not do, and I am sure this is true of the previous government too, you do not undertake major initiatives if you do not have a plan for evaluation and review.

In terms of those there are, I do not know, probably the acting director of that program or where the Assistant Deputy Minister might have a sense of how many projects are underway at any one time, but it would be, I am guessing, in the 20s or 30s.

*Madam Chairperson in the Chair*

There are dozens of projects underway at any one time, and they are often long-term evaluations or shorter-term evaluations. Every project of the Healthy Child Initiative, for example, has to have in order to get funding, an evaluation framework. So that means much of what we do is being looked at at any one time. It is the nature of the beast.

**Mr. Cummings:** I thank the Minister for that. I will move to the next section, but before I do let me just comment, then I am assuming it will be appropriate to conclude that, to paraphrase what I think I heard the Minister say, that there is an ongoing component of evaluation of any of the initiatives that are being announced. That is

appropriate. I would congratulate him and the Department for doing that.

I was also interested if there was new research that was being undertaken. Sometimes that is somewhat confidential, so if the Minister wants to share any of that thinking, he can, or I am prepared to go to item (f).

**Mr. Sale:** I think the Member will understand that we have all kinds of intergovernmental, interdepartmental committees that are underway at any given time. Planning and research often provides support to those committees. I am sure that he would probably know from his previous role or could learn from the previous critic the kind of range of committees that are underway. For example, the Healthy Child Initiative, there is a five-department program, and research and planning support will be part of the regular sort of senior staff support to that overall program.

We continue to evaluate programs funded under program 8 of the WDA, Winnipeg Development Agreement, preventive child and family services. As I have said, we are working on the development of a long-term strategy in the housing side in terms of how it fits in and how we can further strengthen those programs and, frankly, reduce some of the costs of those programs.

\* (17:10)

The Neighbourhoods Alive!, Building Independence, and restructuring and devolution of Child and Family Services and the implementation of the other recommendations of the AJI all have some component of research and planning associated with them.

Every program in the Healthy Child Initiative has to have an evaluation framework. I expect that we may touch on other areas as we go through Estimates. If the Member wants to know more about the sort of planning and research side of them, maybe we could ask them specifically as we touch on the various divisions.

**Mr. Cummings:** There is a slight increase in (f) and it is slight, so I do not intend to ask any more than this one question in this section. Are there any changes that have required that, or can

I assume that it is business as usual in Financial and Administrative Services?

**Mr. Sale:** The Member is right. These are very small. They are made up of a series of upwards and downwards adjustments, reclasses and merits, totalling about 16 million salary adjustments, downward of 3.2 million, severance of 24 million. Sorry. Those are not small numbers. Thousands. Let me restate: reclasses and merits of \$16,000, salary adjustments of \$3,200, severance of \$24,000. A recovery of two days, which I gather is the fact that it is not a leap year this year. It is the millennium but it is not a leap year. We did not have 29 days in February of the 10.6 thousand. There was a slight reduction in our employment insurance costs for a net of 24.1 thousand, but the Member is right, it is a bunch of little adjustments up and down.

**Mr. Cummings:** I have a general question on information systems. Again, it is small change, but is technology—I guess this would be an appropriate area where I could ask: Is the Department able to keep up with the technology advancement costs that all areas of government are struggling with? Actually I think that is in another appropriation, but I am pretty sure the people who are here can answer the question.

**Mr. Sale:** Just to welcome Brian Kanopsky, Director of our Admin Systems to the table for this particular area. That is a really hard question to answer. We have information systems that are quite old, and yet they are pretty robust in information system terms. They work pretty well. They are very old. One of the problems with that kind of a system is that it tends to have a lot of costs associated with mainframe and line costs, because you are not using the power of micro computers and desktops.

On the other hand, you are also avoiding the costs of redeveloping these systems which always start out to be X and turn out, as the Member knows, to be three or four times X and not always with a great increase in functionality. Sometimes yes, but not always. I do not want to get political on this one, but we have had some real surprises as a new government in terms of the costs of technology and the relative performance of that technology.

The Member may know that the SAP system, for example, hugely expensive, costing us another bundle of money this year and has not yet delivered on its promise. Let us put it charitably. It has not delivered on its promise. We have some very good systems. On the other hand, we need a new system in our day care area that we are working on in-house, developing a more effective system there. It is a mixture. We run a large number of systems. There are some opportunities, I think, to improve in that area. But I think the general answer to the Member's question about have we kept up, I do not know anybody who has kept up with the costs of technology.

**An Honourable Member:** That was a leading question.

**Mr. Sale:** Yes. I think the problem we have as a government is to say look, we need to know what the business case for any change is, and the business case is not simply there is a new technology available. The business case has to be, how will this strengthen our accountability, our ability to deliver services, how will it reduce our costs, but not just how can we have the latest bell and whistle on our tables. We have a lot of challenges in this area. I think the Member probably knows that there is no department in government that has not had a great deal of difficulty with its technology platforms.

**Mr. Cummings:** I have a feeling that I should know the answer to this, but I do not. So I am going to ask it in this area, that is in maintaining the systems. We have other parts of the Department obviously that I could ask this in, but from the practical application of the collection and management of the systems that would provide that information back to various parts of the Department, I think it goes without saying that there is a huge responsibility in this area to be able to provide the most up-to-date information so that cross references can occur on the one side so that people can get the services that they are entitled to, but on the other side so that there are cross references to make sure that there is not overlap and duplication. It is unnecessary in some areas.

That is why I asked whether or not the Department is able to keep up. I guess I was

looking whether or not there was—and certainly I suppose this is a redundant question but I wondered whether or not there were sufficient resources to be able to supply that backup? Obviously if the Minister thought there was not sufficient resources they would have dealt with that at Estimates time. My question therefore is that this small increase, does this provide for the Department to stay current, I guess is really what I want to know?

\* (17:20)

As the Minister alluded to and might well have guessed, these are investments that can be hard to justify at the front end but if the product comes out the other end, in the end they do provide savings for themselves and can pay for the cost of upgrade and the additional support that is required because the efficiency at the other end is there because of the availability of data. I am interested to know if there are other areas of the Department where allocations are being made for systems. I know there is one separate allocation. Is there more than one other allocation besides this?

**Mr. Sale:** The answer to the Member's question is each of the divisions, as he goes through the Estimates book, I think he will find that there is an amount for the operation of the systems that that division uses so the costs according to the principles of government accounting, which I know he is more familiar with than I am even, require us to distribute those costs out to where they are actually incurred.

So, as we go through the divisions, he will see an appropriation line or a part of a line in each of the areas. In addition, the costs for our desktop maintenance are also distributed. This is the central unit that provides central supports to the many different programs. For example, we run a program called CFSIS, which is the Child and Family Services Information System. It requires maintenance, it requires new screens, updating. We bring on new users. We do training and support for that whole system to the 14 or so agencies plus our own staff that deliver and use the CFSIS system. The SAMIN system, for income support, again the same issue. A lot of work to bring together the one-tier initiative, to get people all on this system, to make sure

that everybody knows how to use it. Then as we change our program approaches, all of the system has to be updated each time you make a little change. New screens are asked for in terms of getting better or clearer information. So that is what this group would do as well. I believe they are also working on the day-care system in terms of the replacement system that will be brought in to replace a system that currently crashes at regular intervals. It is a very old system.

**Mr. Cummings:** I am prepared to move to 9.2, if the Minister agrees.

**An Honourable Member:** Do we pass it?

**Mr. Cummings:** We can, except the Minister's salary is on this page.

**Madam Chairperson:** The Minister and the critic discussed this issue earlier today; however, in the interest of clarity, I would like to ask the committee: Is it agreed that questioning for this department will follow in a global manner with all line items to be passed once the questioning has been completed? *[Agreed]* Thank you. The floor is now open for questions.

**Mr. Cummings:** Sorry for the confusion, Madam Chair. Under Employment and Income Assistance, can the Minister give me an understanding of the nature of the employees that are under Program Services? What skills are we looking at in this area? Is this administrative?

**Mr. Sale:** As the Member might expect, there is a wide range of skills, but the predominant identity is probably our case co-ordinator staff who are responsible for the direct relationship with people with disabilities, single parents, general assistance recipients, who maintain a caseload depending on the area they are, the work they are in. It may range from under 50 to as high as 300 in some situations where people are maintaining a long-term caseload of disabled people who probably are not needing to be seen very frequently but need somebody that is their case co-ordinator as needs change.

There is also, of course, a fairly wide range of administrative support people who provide the kind of day-to-day bookkeeping and controlling of the flow of resources through the

Department. In addition, there are some people who would be called specialists, I suppose you would say, who are usually people who have many years of experience and probably have a graduate or at least an undergraduate degree in social work.

Our case co-ordinators have a wide variety of characteristics from people who have simply many years in doing what they do and do it very well and may not have greater than high school education through to people who have masters of social work or other graduate degrees that equip them to do this kind of work. We have rehab counsellors who have specialties in the area of rehabilitation counselling. So it is a wide variety, but I would say the dominant personnel identity would be the case co-ordinator who is the direct front-line person. If the Member wants, I can give an approximate count of the different categories in that area.

**Mr. Cummings:** Yes, I do not need it at this moment, but that would be useful if it is available, not that I care who it is individually but so I get a better understanding of how the Department is functioning month to month.

If the Minister would sooner answer this under another line, that is okay, but I would be interested if we could have some discussion about the administrative changes between the Province and the City of Winnipeg, and how that is going.

**Mr. Sale:** I just should welcome Gisela Rempel, who is the ADM of this area, and again I will not say lifer, but long term. Pardon?

**An Honourable Member:** She is not that old yet.

**Mr. Sale:** Well, actually, all of our lives are only what we have got, right, so part of our staff for a long time, put it that way. Gisela had the very difficult job of pulling together the one-tier program, which frankly was achieved but in a time frame that was probably too short to achieve it as effectively as it might otherwise have happened. I think that staff did a commendable job in getting it done, but I think it often was done under an enormous amount of pressure on particularly the line staff.

The process is essentially complete at this point. We had our final agreement with the City of Winnipeg at the end of last year. Under the one-tier initiative, single-tier initiative, there was an agreement between the Province and the City around the bearing of costs and the apportioning of costs, and what would happen with staff. Staff had to indicate by the end of 1999, from the City end, how many wanted to stay and how many wanted to go back so that we could finally get our staffing component lined up.

It was a very difficult process for everybody because the people who delivered the service are deeply caring people. They also had very different pension arrangements, different pay arrangements, so people had to make difficult decisions based on their family's needs and on where they were in their professional career and what their pension situation was and so forth. I do not think anybody would blame them for finding that difficult, but that also meant that we were not in a position to finally be able to configure the resulting staff until January, February of this year. That put additional stress and strain on everybody.

\* (17:30)

We are through that now. The computer systems seem to work, caseloads continue to go down, which is what we want, and the staff, I think, are finding increasing stability. Things are going reasonably well in that overall sense now, but it was a very big and a very difficult project.

**Mr. Cummings:** The Minister has no doubt correctly characterized the difficulties. I think everyone can appreciate any kind of a reorganization, particularly when it is across the jurisdictional in the sense of Winnipeg and the Province, that or a provincial and federal is equally as difficult. But that actually is one of the areas that I have from time to time felt that now that it is complete, it does give the Minister I think an opportunity to be able to effectively offer a greater range of solutions to the people who find themselves caught—and I think that is the correct term—sometimes caught in the web of support and unable to get out of it. There might be some who are unwilling to get out of it, but at least they deserve a reasonable opportunity to access services. I was always of the view that

when it was multijurisdictional between the Province and the City it created some administrative problems in terms of caseload and everything else for both jurisdictions.

So now that it is complete and the Member touched on it—the Minister referenced I believe that he believed the caseload numbers are dropping. That in itself is one criteria, but I wonder if he can tell us whether the workload, distribution of workload, whether the relative caseloads are staying the same, going up for the people who are responsible in this area.

**Mr. Sale:** As the system is stabilized, we have moved some staff to the area of disability, because that is unfortunately the growth area in the Department. It is a very significant growth every year, as people with very significant health disability-related issues survive longer and longer. Because of medical science, we wind up providing supports for longer and longer because they are not able to meet their own income needs. Caseloads in that area, as I said earlier, were in the 300 region. We have moved some staff in there to try and bring those caseloads down somewhat. It is relatively recently that we have done that, so I do not think I can tell the Member at this point whether that has had the desired effect yet of making those caseloads more manageable. Obviously it should. It also though is a question. You cannot just move people in. They need to be trained appropriately to work with the different disability groups that they are working with.

In the area of single parents, caseloads are typically as high as 100 in the city; in the area of general assistance recipients, 150. These are very high caseloads. I think that people cope with them, but they work darn hard to do so. We have been trying to provide more supports in the form of a better scheduling system, so people can actually make appointments and have that system work for a long time under the one-tier initiative. That system did not work very well and caused a great deal of frustration. Our staff rebuilt that system which IBM had provided and was not able to make work. We made it work and that has taken some of the pressure off.

We have also, I think, through having that job centre there, were able to provide some more

direct services to people to get them in to thinking about employment and training and personal issues that they may need to deal with, before they even become a case. So, some of that also is having some positive effect on caseloads. But I think the Member would probably agree that carrying 100, 150, or as high as 300 cases, means that you are probably not doing much work with each case on an ongoing basis. Yet that is a very expensive thing to address when you start trying to bring caseloads down by 20 percent. The implication is 20 percent more staff. I think everybody understands the costs and the difficulties involved in that.

**Mr. Cummings:** I was thinking more in terms of efficiency of delivery, not only at the caseload level, but at the administrative level, whether any savings manifest themselves in a way that resources could be redirected to deal with the size of the caseload. The Minister has indicated redirecting some resources to those who are handicapped. I am wondering, can he share the numbers with me? The numbers of employees that came over. I am sure I knew the number that was intended at one point, but, as negotiations unfold, I imagine that has changed significantly. I am trying to understand, when the numbers of staff finally made the decisions where they were going to go that we ended up with any reduction in staff, but with a reduced number of total cases, ended up with roughly the same case load. Or did we inherit numbers, employees, the whole nine yards, without significantly changing any of the ratios that we are talking about?

**Mr. Sale:** In general terms—and I can attempt to get more specific information for the Member—we can try and get more specific information about the degree to which caseloads could be reduced because of savings in the amalgamation. Frankly, the City ran a very lean operation. There were not big savings.

I think that the Member earlier made the point of more effective service because people did not need to go to two different places to find out where they were supposed to be. You could get one set of program standards, and I think, in the long run, probably a more effective system, from the client's point of view. But the amalgamation in my understanding did not release a lot of administrative costs for us, but I

will attempt to get more detailed information for the Member on that.

\* (17:40)

There were 122 staff with the City social service department that were available for transfer to the Province at the start of the exercise, 122. Eighty decided to stay with the City, and 42 agreed to accept employment with the Province. So that is the kind of magnitude. Essentially, it was a two-for-one ratio. Two went back or stayed in the first place, because they did not need to come over. They could say yes or no I will not move, in the first place, and then they had a final decision to make at the end of December yes or no I will stay. At the end of the day, 42 stayed with the Province and 80 remained with the City.

**Mr. Cummings:** That means that there were additional people that the Province took on over and above the 42? Could the Minister share that number with us.

**Mr. Sale:** I am going to attempt to explain this again.

**Mr. Cummings:** I am not keeping a total here, by the way.

**Mr. Sale:** No, it is okay. It is confusing. I should have stepped back one more step before I gave you the initial number of 122. There were 165 positions needed to staff the one-tier system from the City, that is, to bring over the City's functions into the Province, 165. The City only made available to us 122 positions. We hired immediately or in the early stages 43 or so. Now, since the fallout of the city decision making, leaving us with 80 people who went back to the City who were needed, we have, over the process of the last number of months, about seven or eight months in total, hired that 80. We are just at the very end of hiring the last batch right now. We just finished the competition for the last 16.

I was leaving out the initial stage where the total number needed were 165. We hired the difference between what the City made available, 122, and what was needed at the front end of the process. Then, as the city people made

their decisions one way or the other, we hired more to get to the point of the numbers that were agreed on in the transfer agreement. I hope that is clear for the Member.

**Mr. Cummings:** That is useful. I probably will get myself in trouble for saying this, but I have always been baffled by how the breakdown and the salary differences developed between the Province and the City; it no doubt contributed to some of the problems that the negotiators had, the same as it would between the Province and the federal government. Not looking to attribute blame, I am going to ask, however, on completion of this and on having a uniform system, I guess, on the one hand, we live in a society that does not look for uniformity, but in the sense of delivery of programs, uniformity is a good thing, in my mind. I felt that in some ways the City's program disadvantaged the City because we literally had people moving across jurisdictions to access benefits.

Has the Minister observed any improvement in benefits as they are delivered to the individuals? Has there been a change? Perhaps this is a comparison that the Department has not necessarily had an opportunity to make, but the numbers are undoubtedly available somewhere. That is, has there been any change in movement of individuals? To be blunt about it, it was always my opinion that we literally saw people moving out of municipal areas to the city in order to access the service that they saw available in the city. To quote one of my colleagues, if you love the city, you should fix this, because it was putting an unfair load on the city in some respects.

I am wondering if the predicted changes have in fact occurred. Or is this all clouded by the fact that the economy is reasonably buoyant right now and that probably employment, one of the driving forces, is probably not an issue at this point? Are there any figures the Minister can share with me on this?

**Mr. Sale:** First of all, I would like to thank the Member because I think that is an important observation. It affects kids too in school divisions. There is no question that kids move out of families, move out of rural Manitoba to come to Winnipeg or to Brandon because they

know that there are services available for a special-needs kid there that are not available in other areas. So this is not unique just to social assistance.

First of all, it is too early to know if there would be any effect. But I just remind the Member that municipal assistance is still delivered municipally across most of Manitoba, and the only place that changed was Winnipeg. So I do not expect there would be any change in that area intuitively. I certainly know that we cannot tell you whether there has been any yet, because we are barely into the first year of the change. The municipalities still deliver welfare; it is a very small number of people, but nothing has changed out there in that regard.

I think, when you say people come to Winnipeg to get assistance, I would say people were often driven to Winnipeg by the practices of the municipalities, who made it very punitive for people who were known to the community to have to appear before councils, for example, to plead their case, which is an incredibly demeaning process for people. Unfortunately or fortunately, I guess, depending on your point of view, municipalities still deliver welfare in most of rural Manitoba.

**Mr. Cummings:** Perhaps this is a misunderstanding on my part of the current situation. What I was referencing was the difference in assistance that was available across the province. That was what began to highlight the two administrations.

**Mr. Sale:** Those differences still exist and are not substantially different than they were. The Member may probably know that there was a motion at the Association of Manitoba Municipalities to ask the Province to take over municipal assistance. However, while the motion passed, it does not appear to be the will of Brandon, for example, who has expressed a wish to continue to deliver their own programs. It is not clear to us. We have asked the association to do a survey of its members to find out whether in fact most of its members really feel this way or whether this was a motion that passed on the floor of the convention but may not represent the full views of all the municipal members.

Because we are down to the situation where municipal welfare is only I think around 1 100 cases or so out of a total of 34 000. It is a very small number. But it is still a real situation where many municipal welfare systems are pretty basic, to say the least. So the impetus to push people into Winnipeg, I do not think, has changed much over the last year. I know we have not seen any. There is nothing in our numbers that would tell us that this has changed.

\*(17:50)

**Mr. Cummings:** I am not going to observe whether or not the council support what they passed in convention whole-heartedly enough to follow through with that, although I still stand by the observation that it seems to me there are other factors the Minister is going to have to wrestle with.

You could put a family in a complete house in rural Manitoba in many cases for a lot less than two months' rent in the city. Therefore, someone who is completely dependent can find themselves at a lesser cost to society, frankly. That is one of the inequities that arise and can cause significant discrepancy. It is an issue that I know is going to be an ongoing thorn in the side for centres such as the City of Winnipeg in attracting people, not necessarily for the right reasons.

Moving on from there then, under the Income Assistance Programs, section (b), Employment and Income Assistance, I see the numbers are pretty much the same, slightly down, in this area. I wonder if the Minister still supports what was probably the premise here, that numbers would be stable in this area, or slightly reduced, or have we now maybe reached the point where we might be anticipating better than expected results in this area?

**Mr. Sale:** The overall costs in this area are frustratingly stable, in spite of declining caseloads, because the costs of the increasing areas of disability are much higher per case, and they tend to be virtually permanent, whereas as we move quite rapidly numbers of people off general assistance, they tend to be less expensive cases because they are often only on partial assistance, or they are only on for a short period

of time anyway. So it is frustrating to watch caseload numbers come down very gratifyingly, but cost not changing much. I think if that is the area that the Member was asking questions about, we are certainly having a reduction in costs, and that is gratifying. But, if you look at the caseload reductions, on the straight numbers, you would expect the costs to be going down more. The problem is that the area where we are finding increases, quite substantial increases, in the numbers of cases, disabled, much more expensive cases.

**Mr. Cummings:** I can share the frustration in that respect. Can the Minister or the Department share any relevant numbers in this area? I do not dispute the direction, but is there a 10 percent of the original caseload increase year over year, or are we talking 15 percent, talking relevance, just so I can understand.

**Mr. Sale:** I think that we just give the Member this sheet, but let me just comment on it. We have seen a steady decline in the what is still called mother's allowance. Then we have father's allowance. Father's allowances are very—mother's allowance; we do have anachronistic language here.

In April of '99, 9444, whereas most recent numbers today, 9011. I will give you this sheet so you do not have to make all the notes as we go. So that is a very gratifying reduction over a 14-month period.

Fathers, on the other hand, we have a very small caseload to begin with, with a very small increase, 499 to 515, same period of time.

Disabled is where you see the big increases: 12 765 in April of 1999; 14 153 in May of this year. You can see that that kind of caseload increase and the costs per case are going to overwhelm a lot of general assistance cases.

Looking at general assistance cases, it is a staggering reduction. I have not got up and bragged about this in the House because I have not been asked any questions. I am hoping desperately that the Member will give me an opportunity to do that, but 12 201 in April of '99; 8577 in May of this year, so a reduction of, what, 3700.

**An Honourable Member:** It must have been that draconian workfare.

**Mr. Sale:** It must have been us, actually, because the rate of decline has accelerated since we formed government. It is very frustrating, I know, Glen.

The rate of decline has increased actually. In terms of other caseloads, very stable, a small decline, 642 down to 504, same period. The total in that 14 months, 35 551 down to 32 760.

Municipal total is virtually stable, however, 1294 down to 1223, not much of a change. That gives you a total overall in the 14-month period, 36 845 down to 33 983.

**Mr. Cummings:** Madam Chairman, I do not want an answer right now as the clock is just striking six o'clock, but when we next reconvene, I would ask if there has been any change in the standards of admittance that would have had an effect on this. We will start there.

**Madam Chairperson:** The hour being 6 p.m., Committee rise.

## HEALTH

\* (15:30)

**Mr. Chairperson (Conrad Santos):** Will 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 Health. Would the Minister's staff please enter the Chamber now.

We are on page 87 of the Estimates book, Resolution 21.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$558,100.

**Mrs. Myrna Driedger (Charleswood):** I believe, as we left the last session of Estimates, we were discussing further the particular contract of the new deputy minister. My question had been in relationship to whether or not the Department of Health was covering his hotel costs or rent, meals and other expenses. I wonder if the Minister could finish his comment, his answer on that particular question.

**Hon. Dave Chomiak (Minister of Health):** Just prior to commencing, Mr. Chairman, I should indicate that I have been joined by Ms. Hicks, Mr. Dedi and Mr. Barna, who are assisting us in this committee with respect to this item for Estimates.

As I indicated, as I was commencing my comments when we last were in committee, there was an instance—we are well aware of the former government hiring a deputy minister who for several years flew from Toronto on a regular basis to Winnipeg in terms of employment on a full-time basis I believe the arrangements were. There was also an associate deputy minister as well who flew in on a regular basis from Ottawa.

With respect to the situation with regard to Mr. Hikel, as I indicated on previous occasions, Mr. Hikel has been retained on a temporary acting basis as deputy minister. As members, I am sure, are well aware, Mr. Hikel did considerable work for this government, but more importantly the previous government. In fact, Mr. Hikel carried out somewhere in the neighbourhood of, I believe, 15 projects for the previous government on a consulting basis and in some cases acted, in fact, as an executive on behalf of the previous government.

When we came to office, Mr. Hikel, as a consultant, provided us with assistance with respect to financial accounting and financially related matters, and as a consequence, we have asked Mr. Hikel to join us on an acting basis as deputy minister to use some of his financial expertise on an interim basis at the Department of Health where he is acting in that capacity.

He is presently, as I indicated previously, a resident outside of Winnipeg and does regularly commute with respect to that and will do so on an acting basis. When we fill the position permanently and when we deal with the position permanently, obviously that situation, if Mr. Hikel, for example, should apply and be accepted in that position, obviously residency would be a requirement for residence in Winnipeg.

At this point, the fact that he is in an acting capacity, he is commuting, and I believe we are paying. I will provide the details for the Member

of those particular matters. As I indicated previously, I will provide the details with respect to the contract.

I should indicate he is commuting to work exactly the same way and in the same manner as he did during the approximately 15 assignments he completed for the previous government. Those arrangements occurred virtually every year from 1991. Indeed he was engaged and on assignment for the previous government up until last September 1999 when he was moved by his employer from Winnipeg to Toronto.

The assignments included a six-month project at the Manitoba Telephone System during which time he served as the full-time chief operating officer. He has a family in Ontario where his wife has full-time employment. He has also concluded work, while commuting, for the departments of Health, Family Services, Education under the previous administration, as well as the Manitoba Liquor Control Commission and the Public Insurance Corporation.

The decision made by this government with respect to Mr. Hikel has been, rather than engage his services as a consultant which would be far more expensive, we decided that we would put him on an acting basis as a deputy minister where we would be paying him a salary commensurate with that of a deputy minister and would not be dealing with him on a consulting basis which would cost us far more in that regard insofar as we wanted to utilize his expertise.

So that was the rate. We do not want to get into a situation as was the case with the previous administration where a deputy minister or associate deputy minister were flying on a regular basis for several years to and from Winnipeg and were acting in that capacity. However, on an interim basis we felt that this was a desirable course of action insofar as if we were to engage him as a consultant, in fact, it would be at considerably more expense and indeed has been.

The previous administration engaged Mr. Hikel as a consultant, as I indicated, for 15 projects since 1991. So, in the interests of two things, basically that of the need for his financial

capabilities and the experience he could bring to bear on the Department of Health with respect to that, as well as the fact that we felt that having him engaged as an acting deputy minister rather than engaging him as a consultant which would be of a greater expense, it would make more sense for the public and the people of Manitoba, and that is the arrangement. As I indicated to the Member opposite, we will provide details with respect to the contract to members opposite with respect to that.

**Mrs. Driedger:** Mr. Chairperson, I wonder if the Minister could tell me when that information will be made available to me.

**Mr. Chomiak:** Mr. Chairperson, I can indicate to the Member opposite that when I was there for seven years, there is information I am still waiting for from previous ministers that has not been provided, but I will indicate that we will provide that information soon.

\* (15:40)

**Mrs. Driedger:** Mr. Chairman, could the Minister of Health tell me whether a job search had actually occurred for the Acting Deputy Minister or whether it was an appointment?

**Mr. Chomiak:** If the Member might define for me what she means by the contrast between job search and an appointment. I am not sure what she is referring to.

**Mrs. Driedger:** My question refers to whether or not there were advertisements put into any of the local newspapers or if there was any advertising related to the job that might have occurred in the *Globe and Mail* or the *National Post*. As I understand, when we had hired the Y2K specialist that did come here for a period of time, that was a national job search; that was not an appointment, and he competed against many people in Canada, went through the interview process and was specifically hired because of his unique abilities.

He was certainly in a job competition. It does not appear that this particular Acting Deputy Minister was in a job competition; it appears that he was actually appointed to the job without any search in Manitoba occurring to see

if there were any qualified people in Manitoba available to actually fill the job of the Deputy Minister.

**Mr. Chomiak:** Thank you, Mr. Chairperson, I am glad the Member has attempted to enlighten us with respect—I was curious as to that specialist she referred to. I do not think it was just Y2K. I think he was an acting information guru if I can put it in those terms for the Department for several years as a permanent position, and I would be interested to hear more information about that particular process as well as—there were two positions hired, I might add. There was the Information Officer who was a DM; there was also a Y2K specialist, so—*[interjection]* No, I am trying to deal with what the people of Manitoba suggested in September.

Now, with respect to the particular competition, there will be a competition that will be held when we permanently fill that position. That is clear and that will take place. In the interim period, we determined that we require the expertise of this particular individual to carry out the particular tasks and needs that we require under the circumstances of what we encountered when we came into office, which I would love to discuss during the course of these Estimates, as well as other related matters.

We determined that someone of Mr. Hikel's expertise, who had done some of the financial analysis for the government, would be appropriate on an interim acting basis to assist us at the Department of Health in putting in place an overall system dealing with financial matters and financial accountability with respect to the Department of Health.

On that basis, we determined that we would ask—we had two options. We could have brought in Mr. Hikel as a consultant at a very high rate or we could save money to the taxpayer and bring him in at a deputy minister's salary. And fortunately we were able to do that, choose the latter course of action for purposes of assisting us in moving forward at the Department of Health as we are attempting to come to grips with the significant financial difficulties encountered by us upon assuming office and trying to put the financial house in order with respect to the Department of Health.

The Member is well aware of the ramifications of overexpenditures that have occurred at the Department of Health for the past several years and the non-matching of actual Estimates with the actual expenditures. As a new administration coming in, we felt that one of our first priorities was attempting to deal with this issue. That is one of the reasons for the engaging of Mr. Hikel in that capacity and in that role in order to help us to better put in order the financial system that was left to us at the Department of Health over the past 11 years.

I was particularly concerned about some of the difficulties that were encountered in terms of financial estimates versus actual expenditures. We are also very concerned about some of the systems that require to be upgraded with respect to accountability, as well as the evolution of the structure that had moved from one of a department of Health that was basically an operator in so many ways to that of a regionalization process that took place. When we came into office, regionalization had already taken place but the systems had not and still have not evolved to a level that we are entirely comfortable with, with respect to the way that both communications and financial matters are dealt with between the Legislature, the Department of Health, and the regions, and on down to the various operating agencies.

So that is one of the major issues that we face as a government that we are turning our attention to in order to do this, so that we can better utilize the much-needed funds in health care across the entire spectrum to better utilize funding for purposes of providing health care programming to the needs of residents of Manitoba.

That was clearly one of the deficiencies that was recognized I think by the population during the last election campaign, and there clearly is a need that needs to be addressed. Mr. Hikel has had extensive experience and expertise in this area. In fact, as I indicated, he was engaged on an assignment for the previous government up until September of 1999. So we have continued that engagement in the role of an acting deputy minister. We will be undertaking a process for a permanent position, and we will be going through all of the usual channels and the

necessary channels to undertake that particular process.

**Mrs. Driedger:** I wonder if the Minister could tell me how long the acting deputy minister will remain as an acting deputy minister, and when he plans to begin his actual search.

**Mr. Chomiak:** I cannot give a definitive response to the Member on that particular matter. It depends on a number of factors. I will state clearly for the record that it is the intention and it is the goal of this government to hire a permanent deputy minister of Health at some point. Until we work through processes, until we do some assessments of the way some of the systems work, until we utilize and do an analysis vis-à-vis Mr. Hikel's ability and authority, I cannot give her a definitive statement as to when that will occur. We are just in the process now of undertaking a whole variety of activities with respect to the Department of Health, many of which I am sure we are going to touch upon during the course of these Estimates, as we proceed through this Estimates process.

\* (15:50)

It is quite clear, from both the statements that we have made publicly and otherwise, that it is an acting basis; that is the basis upon which the appointment was made. At some point, there will be a competition and there will be the usual procedures that will be followed with respect to the employment of a permanent deputy minister.

Under the circumstances of the situation as we find it, it seems appropriate that someone of Mr. Hikel's expertise and background, someone who has worked with the Government, who has worked within Government of Manitoba and very many other governments for the past nine years, and worked extensively and had the confidence of members opposite in a number of very sensitive positions, and very sensitive roles, and someone who had the confidence of this government when we came in to assist us in a financial review and audit, to assist us in that regard, would seem like a natural to fill, in the interim, a position as the Deputy Minister of Health, and will continue to fulfill that role.

I can only suggest to the Member that there is a whole series of major issues in health care that have to be dealt with in both the short term and the medium term, and ultimately the long term, that affect dramatically the circumstances of the population of Manitoba. There is any number of issues that, on a daily basis, we encounter, that we have to deal with. There is the entire question of how we deal with the issues, as I illustrated earlier in my comments, of dealing with the financial matters, and how we can get a better handle and a better system in place for financial accountability and for financial follow-up in the province. We are also engaged and involved in some very significant negotiations at the federal-provincial level with respect to—I do not want to overstate the case, but in some ways the future of the medicare system is going to be dramatically affected by negotiations that are occurring at the federal-provincial level, as we speak. These are not small issues. These are not insignificant issues.

That is not even dealing with some of the major issues that we are going to be dealing with. As I indicated earlier, the whole question of dealing with a regionalization process, as it was undertaken, and continuing that process through, as well as dealing with the daily significant issues of health care that we are dealing with on a daily basis.

We feel that we have made a significant start in this province for the past nine months, with respect to activities. I think that the record of the past nine months in terms of action has been significant and has been useful. We have to continue a number of these initiatives and expand the number of initiatives. We will be doing that.

So the issues confronting the Province with respect to health care are significant. We are going to continue to meet those on a daily and a regular basis, keeping in mind that overall there are some significant measures and processes we must put in place that have not been put in place for the past several years to better improve the functioning of health care in the province of Manitoba. We intend to undertake that with the assistance of the very able individuals who are involved in the system as well as that of the Acting Deputy Minister of Health.

**Mrs. Driedger:** Once I have sort of digested the convoluted answers I have been getting on all of these questions, I can summarize by saying what I have heard is that Mr. Hikel was appointed, that he is fully expensed in terms of airfare, phones, car, hotel or rent, whatever it would be, meals, and other expenses. I understand that the Minister is intending to provide me with a contract. I understand too, that the Minister agreed the other day to provide me with Mr. Hikel's resume as well as the resume of the two new ADMs. I understand with Mr. Hikel's position that there was no competition. It was not advertised in Manitoba. He is acting and the intent down the road, somewhere, is to go through a competition for the position. I understand why Mr. Hikel would want to live in Ontario because he is probably paying less tax there compared to what he would have to pay here in Manitoba. *[interjection]* It is in your own books.

I have spent some time going through the last year's Estimates. I have to say that in looking at the responses of the former Minister of Health in answering questions, his responses were very direct, very forthcoming, not evasive, not convoluted. I am finding I am getting a little bit discouraged here and a little bit frustrated because I know there are a lot of issues that we need to go through. I am really hopeful that once the Minister finds his pace that we will get into a rhythm where we are seeing more direct responses and the Minister will be more forthcoming in his answers.

The Minister had also agreed to table for me, and I am wondering if those are available yet, a list of the summer bed closures for surgery and medicine; the number of ICU beds closed in Winnipeg; and the number of panelled patients. I wonder if those particular tablings were available yet?

**Mr. Chomiak:** In the Member's statement of what she heard, if the Member could make her questions more precise, perhaps it would assist me in terms of doing my response. I understand that she is new, and I recognize that. It is fine with me if the Member provides precise questions. That makes it very useful and very helpful. I attempted to do that for seven years in terms of being a critic, in terms of precise

questions. That would certainly make the process go a lot further.

The Member concluded and said she had heard a number of things. I am sorry to say that she leaped, as she often does, to some conclusions that were not, in fact, stated in my answer. I said I would provide the specifics with respect to the details of the contract regarding hotel lodging and those details. I did not confirm that, in fact, that was the case. I said I would provide the details to the Member. So I want the Member to understand that, in fact, that will be the case. I will provide that to the Member.

I will try to make my answers more direct if it will help the Member in her understanding of the issues surrounding health care. I hope she will forgive me if I ask for a clarification of the questions in terms of the questions that are posed in order to permit me to provide the most direct and the most responsive answer to move this process along as best as we can and provide those details.

I will determine, with respect to the summer bed closures and those related matters, whether that information has been provided in the past and will undertake to review that for the Member.

**Mrs. Driedger:** In looking at the last organizational chart from 1999, there was an executive director of Health Labour Relations, and that was Linda West. I understand that her role has been terminated and that the job she performed has now been spread amongst the associate and assistant deputy ministers. I am wondering if there are any other major changes like that that have occurred within the organizational chart.

**Mr. Chomiak:** With respect to the organizational chart, I am just looking through it in order to provide an accurate response to the Member with respect to the issue as to whether or not—and see if I understand the question correctly—there had been other major changes in the organization chart. I must correct the Member with respect to the position of Linda West. As I understand it, her secondment, she was seconded, and the secondment expired with respect to that role at that particular function.

Just offhand, looking at the chart, of course, the Member would be aware that Mr. Carson is no longer the Deputy Minister. As I have explained to the Member, that role has been filled on an acting basis by Mr. Ron Hikel. At this point, with respect to all of these particular positions, offhand, other than the information I have provided previously to the Member, from the chart I am looking at, I have indicated Mr. Barna is acting in the role of Assistant Deputy Minister, Internal Programs and Operations. He is acting in that capacity.

As I look through this particular chart, the Psychiatry, Disaster Management Public Health, Emergency Health Services, Health Programs, Community Health Assessment, Inter-departmental Regional Support Services, Primary Health Care, Standards Development, Insured Benefits, Pharmacare, Workforce Planning, Health Relations, Finance and Administration, Information Systems, with respect to this particular chart, I can indicate and I have been advised that Mr. Scott Ransome is the Acting Executive Director of Health Labour Relations.

\* (16:00)

**Mrs. Driedger:** I wonder if the Minister could tell me if there are any future plans for changes to the Department.

**Mr. Chomiak:** I do not know whether to characterize that as a hypothetical or not, but clearly an organization is an organic functioning body that changes on a regular basis. There are always changes that occur in these organizations on a regular basis. In terms of the basic structure of the Department as it now stands, I do not think there is going to be a basic fundamental change in structure, although one never can tell, given the demands and the needs required.

Certainly, when we came in, we made a minimal number of changes with respect to structure and organization. We established the present structure that is the chart that is before us in the Estimates book. I do not think I can give, with any certainty, an answer in that regard, knowing both the experience I had observing the Department of Health for seven years and the reality of the situation facing us in Health.

Indeed, I think for the past three or four years, every Supplementary Estimates book required an updated organizational chart that went into the Supplementary Estimates book to deal with the changes that take place. I am just pointing that out to the Member, that every chart, as I recall, for the past three or four years was outdated by the time it went to print and appeared in the Supplementary Estimates book.

I do not think that is the case at this point. Certainly the general structure is remaining as it is. To give a definitive answer in that regard, whether or not it is in the vein of a hypothetical or not, I do not think that any minister can give that kind of an assurance with any kind of certainty. I do not think any minister now or in the past can give that kind of definitive overall statement to a question in that regard.

**Mrs. Driedger:** I wonder if the Minister would consider providing me—and he could table it in the near future—the names and positions of his political staff. He does not have to go through it today. My preference really would be that it would be tabled so that we could get on to some other questions today. I wonder if the Minister would agree to table those names and positions of his political staff.

**Mr. Chomiak:** I do not think that is a problem. That I think has happened as past practice. By political staff, I wonder what the Member is specifically referring to.

**Mrs. Driedger:** That would be his special assistant, executive assistant and the staff in his office, any communication staff that might be attached to his office.

**Mr. Chomiak:** That is why I am glad that we have delineated the issue. I am glad that I asked the question back to the Member and the Member is more specific. I do not think it is fair to say that the people in the Minister's office are political staff. The people that are in the Minister's office, there are a number of people that we hire, special assistants, executive assistant and the like. Yes, I will provide that. But people in the Minister's office, I will also provide the names. They are not political staff, and I think they are the same people that were there when the previous minister was there and

the previous previous minister was there. I do not think it would be fair to them to characterize them as political staff, but I will provide what I understand is the changes with respect to individuals hired in the role of special assistant, executive assistant, et cetera.

**Mrs. Driedger:** I thank the Minister for that. I am wondering if we could go on to a different topic right now and look at some questions around the area of surgical slates. I know a year ago he certainly had some concerns about the decrease in surgical slates. I am wondering if the Minister would be able to provide for me, at this point in time, whether or not we are seeing a decrease percentage-wise in the surgical slates and whether we are seeing a percentage of the ORs that will close over the summer. I wonder if he has percentages for me in terms of the surgical slate percentage decrease and the operating room closure percentage decrease during summer months.

**Mr. Chomiak:** Surgical slates are a very wide subject and they cover a whole series of areas. I am not quite certain—and the Member has jumped into summer closures of operating rooms, et cetera. I do not understand. I wonder if the Member could be more specific in terms of what she is asking.

**Mrs. Driedger:** May 12, 1999, it was a topic of concern for the Minister, and his concern was in the area of surgical slates and are we seeing a decrease in surgeries through the summer. Maybe I will put it forward that way. Are we seeing a decrease, a deliberate decrease in surgical slates over the summer months?

**Mr. Chomiak:** I do not mean to be difficult. The question the Member just asked me is entirely different than the earlier question. So, if the Member is going to accuse me of being convoluted in terms of my responses, it is because sometimes it is very difficult to ascertain specifically what the Member is referring to because the question the Member just asked now is entirely different than what I and I think the staff here were trying to determine what the Member was trying to get at in her initial question. I am not trying to be difficult. I am trying to be precise in terms of what the Member is asking for.

So the Member is now asking me has there been a reduction in surgeries over the summer, and the Member is nodding her assent. As I understand it, every year in this province because of vacations and because of demands, surgery slates go down through all the holiday periods, and, as I understand it, there is no exception this summer.

**Mr. Chairperson:** The item before the Committee is 21.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$558,100.

**Mrs. Driedger:** Mr. Chairman, I wonder if the Minister could indicate for me whether or not there are less number of surgeries being done this summer than last summer.

**Mr. Chomiak:** Is the Member asking for surgeries right across the province of Manitoba? For what time period specifically is the Member asking for?

**Mrs. Driedger:** I think if we looked at the city of Winnipeg where we have the largest surgical slates, and if we were to look at the months of July and August, I wonder if we are seeing more surgeries cancelled or not scheduled this summer than we were, say, last summer.

**Mr. Chomiak:** I am not sure if one would utilize or should utilize the word "cancelled," because the utilization of the word "cancelled" implies something different than the scheduling, or scheduling particular hours and number of hours. I am not sure if we have those statistics at the Department of Health. I will endeavour to see if those statistics are available.

\* (16:10)

**Mrs. Driedger:** Mr. Chairman, I am going to go back to one particular document that came out through the election. I just want to finish this document, looking at election promises. I will later come back to other documents related to election promises, but I would like to finish off on this one and then come back to some other issues that are quite current today.

In this particular news release that went out on renewed healthcare, one of the statements in

there made me wonder what direction this government might be going. The statement says: enhancing community college, hospital and university-based training to meet current and future demand. This is in the Nurses First piece of this news release: enhancing community college, hospital and university-based training to meet current and future demand.

I am wondering when the NDP threw in the word "hospital," if it is the intent of this new government to reinstitute hospital training programs for nurses, because it says: enhancing community college, which we have seen they have done. "Hospital" is sitting there all by itself, then university-based training to meet current and future demand.

I am wondering whether the Minister could tell me whether the intent of this new government is to reintroduce hospital-based training for nurses.

**Mr. Chomiak:** We are very proud of the fact that we are undertaking initiatives to expand the human resource base in this province, something that has not been done for a decade. We are very, very proud of that. As the Member will know, nurses are trained in a clinical setting, can be trained in a clinical setting and in hospitals. There are programs that are undertaken in hospitals in terms of training initiatives for other professionals that are going to be continued and expanded with respect to hospitals.

In terms of the actual return to hospitals of a diploma-based nursing program, that is not the intention to do that, but the Member ought to know that there are training programs that take place in hospitals with respect to upgrading as well as with respect to other professional-related programs that train health care professionals throughout the field that we require training and assistance on.

I am glad the Member talked about the community colleges because it was very clear from our analysis of the need that we required additional training of nurses at the RN level and that the community colleges would, in fact—because of their track record of training and because of their success in training—be a very

useful resource for the educating of nurses. There is a whole series of initiatives.

It is unfortunate that members opposite oppose our nurses' plan, because it is so crucial for this province. But I hope members opposite will not oppose some of our other education and training initiatives relating to other health care professionals because of the significant effect it has on the population and the significant needs that we have in our health care system. With regard to the education and training component of programs right across the system, we are looking at a whole variety of programs that are offered in every forum and expanding and enhancing that particular training. It clearly has been an area that has been neglected, and we face a huge human deficit, a huge human resource deficit in this province that makes it very difficult to undertake to provide the kind of health care that we wish to provide.

In fact, what we have found, we have put resources in place, and we have been unable to attract people in a lot of areas to occupy those positions because of the deficit of the last decade in this province. We have to turn that around. Unfortunately, it is not something that we can do overnight. You cannot undo in nine months what has been undone in ten years of neglect. That is unfortunate, but we have made a start.

I think we could move forward better if members opposite would only recognize the significance, for example, of our nurses' training program and would not be so opposed to it, but that is the way the system works, I guess. It is unfortunate that we do require the nurses, and members opposite are not supportive of that, but that is the reality. We are proceeding to do what we can, and we will continue to look at educating and training people at all levels in all areas of the system to enhance the ability of Manitobans to deliver the health care that they require and that they need.

**Mrs. Driedger:** Mr. Chairman, the Minister is bound and determined, I think, to get on record many, many times the fact that we oppose his nurses' program or all his nursing initiatives, when he is not quite sure where we stand on some of them.

Some of them, of course, we are going to be totally in favour of because many of those initiatives are just a continuation of efforts that were in place prior to the NDP forming government. The Minister, I think, would dearly love to know where we stand on some issues, and every time we ask a question on a particular issue, he is so sure, just because we are asking the question, that we do not like an initiative or we are against it, when, in fact, as I said before, we are asking the questions because accountability is the issue. Just because I ask a question does not mean that I am for or against it. I have an obligation in order to ensure accountability that I ask the questions.

I wonder if the Minister could explain—there was a second part to that statement under Nurses First, and that was to ensure that there is an appropriate staff mix in the hospitals. And we are talking nurses, we are not talking anybody else, and the NDP said they were going to ensure that there is an appropriate staff mix in the hospitals. I certainly know where he stands on Connie Curran. We have heard that many, many times.

After his vociferous reactions to Connie Curran, I quite expected that one of the first things that I would see from the new government would be an addressing of the staff mix issues in the hospitals because surely to goodness, if somebody was so negative about Connie Curran, one of the first things that I would assume would have happened would be an attempt to undo or change what had happened when she made her recommendations. I wonder if the Minister could explain for me what his intention is with this sentence: ensure that there is an appropriate staff mix in the hospitals. What is he doing in regard to looking at that. I know that is a very, very complicated issue. It is a very expensive issue. I am wondering how he is going to begin to address this and ensure that there is an appropriate staff mix. I am wondering what his time lines on that particular project will be.

**Mr. Chomiak:** I certainly do appreciate the role of an opposition with respect to the role of asking questions. I do not necessarily always believe, as my predecessors often did to me and I do not feel comfortable doing it, that because I asked the question I was against something. No,

I do not accept that. But I do know that members opposite have done everything they can to block—I should not use the word "block"—to not support our initiative with respect to diploma nurses. From the meetings that took place, from the public statements that have taken place, and from the fact that they voted against the Budget, et cetera, it is very clear. The Member could certainly clear that up very easily by just saying that they support, in a very simple few words: We support diploma nurses program. The fact that they eliminated the diploma nurses program, the fact that they opposed the introduction of our diploma nurses program, the fact that they speak against the program on every occasion when it arises suggests to me that they are not in favour.

Now, I do not know what other initiative, what other conclusion one can draw from that fact, but the Member could clear it up very, very easily by simply stating that they are supportive of our new diploma nurses program. I look forward to that from the Member in order to clarify that situation.

I am tempted by the Member referencing one Connie Curran. I am tempted to go down that road, but I am resisting because I do not know if the Member understands the ramifications of Connie Curran were far more than staff mixes. The ramifications of the Connie Curran experience, I think most people in Manitoba, most objective observers view that part of the decline in the health care system occurred when one Connie Curran came to town—*[interjection]*

Oh, the Member indicates that is the impression we tried to leave. I guess we are going to go—*[interjection]* I do not want to go—*[interjection]*

**Mr. Chairperson:** If the Member has a question, he can take the floor.

**Mr. Chomiak:** I do not want to use valuable Estimates time to go down that road. I would prefer not to do that, although it is tempting, particularly when my good friend makes comments from his seat, the Member for—Len, what is your seat?

\* (16:20)

**Mr. Leonard Derkach (Russell):** The same as it was 10 years ago, Russell.

**Mr. Chomiak:** Oh, yes, it used to say Roblin. The Member for Russell.

In any event, that is a complex question. I do not know if I can give the answer in a short concise fashion. The staff-mix issue is one that confronts us in a variety of areas in a variety of ways. We have already started that process. We have asked the RHAs to review their staff mix to optimize the skills of people available. We have asked that LPNs be reintroduced into acute care settings. We have asked that the RHAs utilize full-time personnel, to give the option of utilizing full-time personnel, because it is true, the Member does state, not all nurses want to be full time. That is true, well aware of that.

We think that having the option and having the option and flexibility makes a lot of sense. Right now, the full-time staff ratios until recently were the lowest in the country in Manitoba, and that is not all by choice. Part of it is by design. Part of it has to be changed. It is not an overnight process. We have begun that process to change, and we are giving that option. The issue of staff mix, as I have indicated, has already started. We have already sent out directives. We are already working in that regard. Staff mix is clearly a fundamental issue as it relates to patient care and as it relates to issues of stress levels, burnouts, the kind of care that is provided. I think I am going to cease at this point and see if the Member has any further questions because this is an area, I think, that—well, I will just cease at this point.

**Mrs. Driedger:** I am wondering in the area of staff mix if the Minister has in mind a particular way that he wants to go. When we were in government we had asked the RHAs to look at changing part time to full time. That is nothing new. That was something that we were attempting over a few years.

I am wondering if the Minister has been able to reach a higher point of success at this point in time than we were. I am wondering in terms of saying that they are putting more LPNs into the hospitals, whether he has some targets in that area. I am wondering, too, I guess in the area of

health care aides, whether he is planning on having more or less and whether he is looking at RN, health care aide as working together or bringing back more LPNs into that particular mix.

He must certainly have sort of a plan in mind in terms of the direction he wants to go in this. I do not necessarily want detail. I am looking more just for what plan is there in place. What path is he following in order to begin to address this issue?

**Mr. Chomiak:** The question of full time versus part time, I am pleased that the Member indicated the previous government had started that. We are continuing that. The last stats I saw, as I indicated in the House, indicated that the ratio of full time to part time had indeed increased, had increased across all levels with respect to nurses in the province of Manitoba. We are continuing that process. We have asked the RHAs for plans in that regard. We have also asked RHAs to develop plans with respect to the fact that we believe LPNs should be utilized to the optimum of their skills and, in fact, have taken steps in that regard. There will be further action in that regard in the future.

With respect to the health care aides, there is a problem with respect to health care aides insofar as, like so many other professionals, we are short health care aides. Right now one of the biggest requirements is the additional training of health care aides so that we have health care aides across the system in all areas, and we have undertaken initiatives in that regard as well. There are a variety of processes that are rolling out. Some have already taken place, and some are continuing to take place in regard to this issue. I am aware of the difficulties of this area.

I stood up on a regular basis and asked Health ministers, for example, to increase the mix of LPNs in the healthcare sector. And, with varying degrees, certainly the last Minister indicated that that was going to be government policy; Mr. Stefanson, the previous Minister. Mr. Praznik was not so amenable to that and we had difficulty in that area, but certainly the last Minister, Mr. Stefanson, undertook initiatives to try to increase it and I believe did try to increase it. We are continuing and we will continue to do

that, and to undertake that. There are further initiatives and further directions that will take place over the next few months in that regard.

*Mr. Cris Aglugub, Acting Chairperson, in the Chair*

**Mrs. Driedger:** I wonder if the Minister could tell me whether the Department of Health has developed a strategic plan in terms of addressing the issue of how to go about looking at staff mix. Is there a written document that talks strategically about how the Department wants to approach staff mix?

**Mr. Chomiak:** With regard to whether or not there is a specific document that outlines the strategic direction to deal with staff mix, I am not aware of such a document.

**Mrs. Driedger:** Does the Minister have any plans to give approval to the university and provide the funding for having more students come into the nursing program? I understand there is a waiting list at the university. Does he have any intention of allowing more students and to provide the funding for more students to be accepted into the BN program this fall?

**Mr. Chomiak:** We are awaiting those numbers from the University of Manitoba.

**Mrs. Driedger:** Would the Minister be willing to look at providing the funding and the spaces for more students as a policy direction?

**Mr. Chomiak:** We are very hopeful that we can train and educate as many nurses as possible. We are very hopeful that we can train across, whether it is BN nurses, whether it is diploma nurses, whether it is RPNs, whether it is LPNs, that we can undertake additional directives in this area.

I just want to caution the Member at this point. There is an agreement that was entered into between the Province of Manitoba and the University of Manitoba with respect to the nursing education program. It is a very considerable funding from the Province of Manitoba. If memory serves me correctly, it is \$5.6 million from the Department of Health and an additional \$2.5 or 3 million from the

Department of Education which is a considerable sum of money with respect to the education of nurses.

\* (16:30)

**Mrs. Driedger:** Without getting into the funding issue then, would the Minister approve more students going into the BN program this fall? If we are looking at a nursing shortage, and we know there is a waiting list there, I am sure some consideration must have been given to this. I am just wondering if he is amenable to allowing more students to enter the program.

**Mr. Chomiak:** As I indicated, I am waiting for the final numbers from the university and the final numbers that are coming forward, so I do not want to speculate on a speculative, but clearly, clearly we would like to educate more nurses in Manitoba.

**Mrs. Driedger:** I am wondering if the Minister has given any consideration to increasing the intake of LPN students in future courses.

**Mr. Chomiak:** As the Member probably knows, there are an additional 25 LPNs that are being trained in the Interlake area this year, in addition to the 190 that were the expanded program. We are also doing some number crunching in that regard with respect to the LPN program.

**Mrs. Driedger:** I guess, with fall right around the corner and training programs, whether it is university training for nurses or whether it is LPN students, I guess I am just wondering, in terms of the fact we know we are in a nursing shortage, my line of questions was related to wondering what plans this government has in terms of addressing it in a very short period of time, I guess, because we do not have a lot of time, in order to enlarge that base of students graduating. That was my reason for going down that path.

I am wondering if the Minister could tell me, as of this particular date, how many part-time and how many full-time registered nurses we have in the province.

**Mr. Chomiak:** I will undertake to provide that information for the Member.

**Mrs. Driedger:** I wonder if the Minister could add to that then how many part-time and how many full-time LPNs there are and health care aides.

**Mr. Chomiak:** I will undertake to provide those statistics and that information to the Member.

**Mrs. Driedger:** I thank the Minister for agreeing to do that.

I would like to, just for a few minutes, read to the Minister some of his comments in opposition when he made statements in the House about the nursing legislation that was before the House. These are three different excerpts which begin with: "We have always and consistently, on this side of the House, done what we thought has been right for the health care of Manitobans."

**Mr. Chomiak:** Hear, hear.

**Mrs. Driedger:** Well the Minister now is saying "Hear, hear," because what I am going to say is he may have been thinking he was consistent before. His performance right now in passing and proclaiming the legislation is not consistent with the rest of his comments.

"Madam Speaker, this is positive legislation and I want to deal with the positive aspects of it. For too long in Manitoba, we have used nurses incorrectly, inappropriately. Probably the single biggest change that could occur in our health care system would be restore confidence on the part of nurses in the health care system that would restore their faith in the health care system and allow them to undertake their duties and their functions the way they have been trained and the way they have done so for a hundred years. If this legislation, together with the other professional legislation dealing with nurses, contributes in some small way, and I think it will, towards improving the situation and the confidence level for nurses, we certainly welcome and support that."

He goes on to say: "I think it goes some way towards telling Manitobans and telling nurses in particular that we recognize their role and their function, their contribution, that we are looking forward to a future of working with nurses and

having nurses work with us, and having nurses lead us in some ways into the new era of a different health care system, that we will look to their advice and we will look to their assistance in developing a better and an improved health care system, and that we welcome their role and responsibility.

*Mr. Chairperson in the Chair*

"This kind of legislation passed unanimously by this Chamber, I think, will go some way towards healing some of the wounds and some of the very serious problems and difficulties that have occurred in this province over the past number of years. We have tried over the years to be a positive factor in improving conditions for nurses in Manitoba. We think this bill will go some direction towards doing that, and we intend to allow this bill to pass and to support this bill and support the role of LPNs.

"I think it is a significant day for LPNs, as it is for RNs and as it is for registered psychiatric nurses that this Chamber recognizes their role and function and their expanded role and function. But now the real work begins for whomever is leading the province in the next several months, and that is to put the words of this legislation and the words that we pronounce in this Chamber into actual practice. That is I think where the test will be. Whether the present regime will continue its practice of saying one thing during an election campaign and doing another after the campaign or whether a government will come in place that actually believes what it says and carries out what it says, that will be the test. That will be the real challenge in the future."

\* (16:40)

Mr. Chairman, I would like to ask the Minister when he intends to proclaim this legislation, because the three regulatory bodies that are out there right now are very discouraged with this minister. I have spoken to all three. They do not understand why he is sitting on this legislation. They feel that he is creating some new wounds within the profession.

He talks here about putting it into action. Everybody is waiting with bated breath, wonder-

wondering why this is not being proclaimed. I am wondering if the Minister could tell us now and tell the regulatory bodies and the nurses when this legislation will be proclaimed, because all of them feel that the regulations have been ready for some time. There were very, very minor changes, and they feel that he is sitting on this. I wonder, if he really believes all of those words that he has said, what is he waiting for?

**Mr. Chomiak:** I am glad the Member went down this line of questioning, because it actually allows me—you know, somehow, members opposite assumed, certainly the Interim Leader of the Opposition seemed to indicate that proclamation of these acts, that these three acts were the panacea for what happened in this province the past decade. I say that is a terrible, terrible trap to fall into, you know, to rely on the proclamation of three acts as the panacea for the health care difficulties.

The test is what one says during a campaign and what one lives up to. Let us look at the record from the campaign to what we lived up to. A five-point nurses plan, Mr. Chairperson, a five-point nurses plan, for the first time in the history of this province, that increases the supply of nurses, improves access to staff development and continuing education, improves the utilization of available nurses, improves working conditions of nurses and establishes a nursing advisory council, is not satisfied by mere proclamation of an act.

That is the mistake the members opposite fall into. That is a trap that they fall into. They rely on one issue alone, proclaim the acts and everything will be fine. Fire nurses, does not matter. Do not worry about working conditions, does not matter. Close the diploma program, it does not matter. All of that does not matter. What you actually did does not matter, but we will proclaim these acts and all of a sudden nirvana will occur in this province. That is a mistake I tell you. The Leader of the Opposition and the Member are falling into the same trap of assuming that proclamation of these three acts will bring harmony and unity and fulfilment to the nursing profession in Manitoba. That was the mistake you made when you were government. You did not deal with the real issues. Then we bring in a five-point nursing plan, and you

oppose it; and you oppose the diploma program; and you oppose our providing \$3 million for increasing nursing education; and you oppose our committee that is set up to examine working conditions; and you oppose those positions, you vote against it, and you criticize it at every course and every turn in the road. So, yes, of course, the test is what one says.

During the election campaign, we said we would meld the two authorities in Winnipeg together, and we did that. We said we would bring in initiatives for hallway medicine, the most expensive initiatives brought in in any jurisdiction any time, and we did that. We brought into place our five-point nurses' plan, and we did that. We brought in place specific action on waiting lists, and we did that. We said we would deal with the SmartHealth contract, and we did that. Mental health, we did that.

So I do not want the Member to fall into—*[interjection]* The Member fell into that same trap of somehow assuming that proclamation of these acts was the only test and the only indicator of where—*[interjection]* I said those acts—

**Mr. Chairperson:** The Hansard has to be printed. If I were the one editing it, I would not understand what is in there. The Honourable Minister has the floor.

**Mr. Chomiak:** Thank you, Mr. Chairperson. The Member opposite, the Member for Emerson (Mr. Jack Penner) can speak all that he wants if he wants to speak from his chair. I am happy to take questions from the Member.

But, you know, Mr. Chairperson, I have answered this question on three or four occasions for the Member. The issue of the proclamation of the acts—and you know, the Member stood up and asked the question and said all the regulations were ready, and I said that is not factually true.

The Member can say what she wants, but I think it is a trap that you fall into thinking that the mere proclamation of these three acts will end the difficulties in health care, of nurses in Manitoba. We voted unanimously in this Chamber for all these three acts. We came in,

and we are engaged in the finalization of the regulations concerning these three acts. As I told the psychiatric nurses and as I told the LPNs and as I have told MARN at their annual general meetings that I addressed, these acts will be dealt with, and they will be proclaimed soon.

**Mrs. Driedger:** The Minister, when he was in opposition, said: But now the real work begins for whomever is leading the province in the next several months, and that is to put the words of this legislation and the words that we pronounce in this Chamber into actual practice. That is, I think, where the test will be.

So it lies in his lap, it lies in his power to move this forward. We have never said that the acts are going to end the problems in health care. That is not even where I am going with my questions. All I am doing is asking on behalf of the nurses. All I am doing is asking on behalf of the regulatory bodies who are wondering where is this act, if the Minister could tell us when he is going to proclaim them.

**Mr. Chomiak:** I am glad the Member clarified her position and the position of her party, that, in fact, these acts are not the panacea for all of the difficulties in nurses. I am glad the Member clarified that, and it is useful for me to know that. As the Member indicated, she has asked that question, and I have answered that question on several occasions. Let me repeat what I have said on several occasions.

Firstly, there have been more activities with respect to nurses and nurses' working conditions in the past nine months than I dare say happened—with the exception of what happened with Connie Curran—at any time in the past decade in this province. I think that is undisputed and very clear. That is why I am concerned, because the Member seems to be fixated on only the proclamation of the acts and does not seem to be aware of all of the other issues concerning nurses. So I am glad she clarified that position.

It is quite clear that the test for all of us is what we do in terms of our activities in this regard. I am very pleased that the Member has actually indicated that. As I indicated to the Member, the regulations were not complete. The situation, as I indicated both to MARN, to the

LPNs, and to the RPNs at their annual general meeting, is that the acts will be proclaimed soon. I have said that at least six or seven times to the Member. So, to clarify, the acts will be proclaimed soon.

**Mrs. Driedger:** The Minister, in opposition, said: "We have always and consistently, on this side of the House, done what we thought has been right for the health care of Manitobans."

I wonder if the Minister is prepared to confirm his position, where he has said he has been consistent in doing what has been right for the health care of Manitobans. This appears to be an inconsistency. Those particular acts will help address the health care of Manitobans because they expand the role of nurses.

Does the Minister not agree that proclaiming these acts will be the right thing for the health care of Manitobans? I am sensing an inconsistency here.

**Mr. Chomiak:** I do not see an inconsistency here. I guess the Member is going to have to elaborate. I go back to that fixation the Member has on proclamation of the acts as being the panacea for solving difficulties in this respect.

I have already indicated to the Member that the regulations were not complete in this regard. The Member should realize it is obvious and it is trite that we voted for those particular acts. Those acts passed in this Chamber, and proclamation of those acts are subject to the regulations being finalized and prepared. When that occurs, the acts will be proclaimed.

I dare say that the judgment as to what is right is a difficult one to make in terms of health care. One assumes that one's decisions that are made are based on the best advice and the circumstances that one faces at any particular point.

I would not be so bold as to say that we always get it right, but I would go so far as to say that we endeavour to do the right thing under the circumstances that are faced on all occasions. So that is the criteria that faces us and the criteria that is most important with respect to dealing with this issue.

But I daresay to the Member that the initiatives that we took in terms of our five-point nursing plan and the other initiatives have been significant in terms of the impact they have had on the confidence of people and nurses in the system and all people in the system.

\* (16:50)

With respect to the diploma nursing program, in particular, I can suggest that I have probably not received more support for anything else that we have done than—I have received more support for that than probably for any other single initiative that we have undertaken, particularly from nurses in respect to the diploma program, which is why I find it surprising that the Member opposes the diploma program and that the members opposite have opposed that program. I think, if you canvassed your constituents and if you canvassed your nurses in particular, you would find that there is overwhelming support for the diploma program. So I am only trying to be helpful in suggesting that perhaps you should change your approach in terms of opposition to the diploma program and turn around and support the program, because I think that, in the long run, it will serve you, the Opposition, better, and it will serve the Province better to support the diploma program.

With respect to the proclamation of the acts as I indicated—*[interjection]* Members opposite seem to be fixated on the issue of casinos and suggesting from their seats that perhaps the panacea is casinos. I do not accept that in terms of the health care system. I dare say that members opposite should reassess their priorities in that regard.

Returning to the issue as addressed by the critic with respect to the proclamation of the acts, I can only repeat what I said earlier, that the acts will be proclaimed soon, but I do not want the members opposite to be—I mean they can decide and you can decide how to handle your approach to issues, but to be totally fixated on that and think that that alone will be the salvation for health care, I think, is a mistake. That is certainly something that members opposite will have to choose and will have to determine, but we have undertaken a variety of activities across the board in health care, right

across the system from administrative to nursing to a variety of other issues that deal with actual health care issues, that deal with deficiencies that had not taken place.

The Member for Emerson (Mr. Jack Penner) talks about shutting down ambulances and shutting down hospitals. I just remind the Member opposite that the largest hospital in the history of Manitoba that was ever closed, over 200 beds, was closed by members opposite on directive to a board. The Misericordia Hospital shut down by directive of the government several years ago. I think that members opposite are treading on very dangerous ground.

I also suggest to members opposite that this year our support for emergency services in rural Manitoba is greater than at any other time in the past decade, imagine any other time in the past decade occurred in rural Manitoba. So members opposite, I think, are being disingenuous in terms of their comments and in terms of their advice, but I welcome suggestions. I only suggest to the Member that the issue with respect to the proclamation of the acts is one that will be dealt with soon. I think there is a whole series of other initiatives that we have undertaken that I suggest members opposite re-examine their opposition to, because I think it works for the benefit of all Manitobans.

**Mrs. Driedger:** It is interesting how the Minister is just so convinced that, just because we are asking questions, we oppose something. That is quite interesting. The more often he gets it on the record, he takes great glee in it.

I am asking questions, Mr. Chairman, because that is my job, to ensure accountability. The Minister is just itching to know where we stand on that one issue. He is just going to have to keep trying a little bit harder, but on that same issue, while he is on it then, I probably will come back to more questions on nursing education down the road.

For the moment, I would like to ask him one question: Does he agree that there could be a 30% attrition rate out of the 23-month or, actually, I heard it is, a 26-month diploma program? Is he expecting a 30% attrition rate?

**Mr. Chomiak:** I am advised that most normal programs planned for attrition rates at certain levels of 20 to 30 percent.

**Mrs. Driedger:** Mr. Chairman, actually that is not true, because the university's attrition rate is 8 to 10 percent. I am wondering if, as we heard at the MARN meeting, the attrition rate for this program could be 30 percent, whether that is a discussion that he has had and if he agrees that that is the case, because the university's attrition rate is 8 to 10 percent.

**Mr. Chomiak:** It is very interesting, because if one wants to talk about rates, it is fairly certain that the rate of nurse training has not reached expectations at all with respect to the nursing training program. That has been one of the problems, and that was one of the difficulties that we encountered when we came into office. The Member indicates an 8 to 10% attrition rate. I am advised that we are anticipating that our attrition rate should not be anywhere different from the norm in other functions, at other locations.

If the Member wants to go down this road, it is interesting whether or not one attributes the attrition rate to the first year general nursing program or the first year of the program; whether one wants to attribute the rate to the BN program that is offered at the University of Manitoba versus the BN program that is offered at Red River Community College; whether one wants to look at the attrition rate that is offered in the programs in the North versus the programs in the city of Winnipeg.

Again, the Member is taking some figures and attempting in my view to do what members opposite have attempted to do since the diploma program was announced. That is to raise alarm bells at every single step of the way and support their initiatives of non-supportive diploma program, after having abolished the diploma program several years ago, that being one of the major reasons why I believe we are in a major nursing crisis here in Manitoba. Something that they refused to acknowledge for years, refused to recognize, and now we have been forced to take all kinds of actions and activities to deal with it.

**Mrs. Driedger:** I wonder if the Minister could tell me the number of patients that leave Manitoba on an annual basis for heart transplants.

**Mr. Chomiak:** I will endeavour and undertake to provide that information for the Member opposite.

**Mrs. Driedger:** I wonder if the Minister then, when he is providing that information, could indicate how many heart transplants are done out of the province for Manitoba patients in '99, '98, '97 and perhaps '96, so that we can see over the last four years how many patients leave Manitoba to go for a heart transplant.

**Mr. Chomiak:** I will endeavour to see if that information is available.

**Mrs. Driedger:** I think the information should be available. I am assuming that Manitoba Health covers that, so I do not anticipate that that should be difficult information to get. I am wondering if the Minister has any idea of how many heart donors are available on an annual basis from Manitobans.

**Mr. Chomiak:** I do not know if that particular information is available, but if it is I will endeavour to ascertain it.

\* (17:00)

**Mrs. Driedger:** I am wondering, Mr. Chairman, why the Minister would not have that information more readily available after just making an announcement that we were going to go into a transplant program in Manitoba. It would seem to me that if we were going to make a fairly significant decision like a transplant program, that that would be some of the information that would be first and foremost on the table because you are not going to want to implement a transplant program if you only have six to ten transplants a year, because then the question of expertise of physicians may come into question.

In terms of adequate training, adequate resources, do we have an adequate donor base? My sources tell me that we do not have an adequate donor base in Manitoba to sustain that

My sources tell me that we do not have an adequate donor base in Manitoba to sustain that program. I would be very fearful of rushing into a program like this. I understand from the news release that it says it will take up to two years to set up, and it will operate out of the Health Sciences Centre. My concern, I guess, as a nurse in this area is I do not want to see us go down the route of the baby deaths. That would be very, very disconcerting.

So, I guess, as a nurse, my first question would be: How many transplants are done for Manitobans on an annual basis? Does it warrant a program in Manitoba? Does it warrant a program in Manitoba immediately? Does it warrant a program in Manitoba down the road in a few years? If we are looking at a half a dozen heart transplants a year or even a dozen, how many physicians would be responsible for doing those? If we only have a couple of heart donors from Manitoba a year, where will we get the other donors from? What kind of risk does it put the patient at if there are expectations for donors from Manitoba?

I am wondering if the Minister has any idea when the information from Judge Sinclair is going to come out in terms of the information on the baby death inquest, and I do not know the parameters of what he is looking at in terms of the scope he undertook when he went about doing that. I imagine the scope is fairly large, and the parameters he addressed were fairly large in terms of looking at how viable programs like this are in Manitoba. I wonder if the Minister has any idea when that report will come out.

**Mr. Chomiak:** Mr. Chair, there is a variety and there is a long list of questions there, so the Member will have to forgive me if she assumes that my answer is convoluted. During the course of my response to her rather convoluted and number of questions, I have no recourse but to give her a longer response to her questions.

First off, I find it distressing, very distressing that members opposite would oppose a cardiac program in Manitoba. It has been long-standing. *[interjection]* Who is saying? Just talk to the Member for Lac du Bonnet (Mr. Praznik), and you will have your answer. I know the Grey

Nuns want desperately to talk to the Member for Lac du Bonnet about his comments of political interference and assuming that the Grey Nuns of all people could be bought politically, and they would love to have a conversation with the Member for Lac du Bonnet in terms of his rather gratuitous remarks regarding the cardiac program.

The Member asks why I do not have this information handy. We are in the General section, and the Member indicated she was going to be asking general questions with respect to particular programs and the like. That information is accessible, and we will be providing that information in due course, and when we have the appropriate officials here to provide that information, we will provide that information.

But the Member seems to be going down the road of wanting to deal with the cardiac program and the cardiac heart transplant program in a void and in a vacuum, and is somehow tying in the pediatric inquest, of which I know considerably more because I attended many of those hearings of the pediatric inquest. I sat with those parents when we tried to get the government to put in place an inquest, which they were refusing to do, to provide for that. I sat with those parents, and I cried with those parents, and I worked with those parents to try to get the inquest started.

The inquest was started because of a variety of circumstances. Yes, there were not a number, a volume of surgeries done here. The equipment was poor quality. The processes in place were not properly in place, and I could go on and on and on with respect to that particular inquest.

With respect to the cardiac program, as Minister responsible for the Department of Health, we realized there was a difficult, serious problem in this province relating to cardiac surgery, relating to retention of cardiac specialists, cardiologists, heart specialists, nurse specialists, and related professionals dealing with cardiac surgery that had been allowed to deteriorate, and a program that was not moving forward. We felt we had no choice but to move forward because of serious difficulties, which we felt we would be experiencing. First and

foremost were equipment difficulties. One of the very significant issues in the children's pediatric inquest was the difficulty and failure of equipment. I leaked the memos that indicated that. I am aware of the deficiencies. One of the advantages of announcing a consolidated cardiac program when we did was to allow us this year to put in place adequate equipment right across the board to provide for heart surgery.

The Member fails to note that the cardiac program talked about, at some point, developing a heart transplant program if criteria were met, if systems are in place. But what the Member fails to recognize is the comprehensive nature of the cardiac program that will see rehab services put in place for the first time in Manitoba, a provincial, sponsored program of cardiac rehab that has been sadly lacking in this jurisdiction. Yes, there have been efforts to do it, but there is not a comprehensive program that is going to be undertaken to put in place a whole system of cardiac prevention and the like that deals with it. More importantly to put in place a critical mass that will see Winnipeg again be a centre that could attract and retain cardiac specialists and individuals to do training and fellowships here to develop a proper and a substantive cardiac program.

One of those components down the road is the possibility of doing heart transplants here, as are done in British Columbia, and Alberta, and Ontario, and Québec, and most of the provinces. The question of the cardiac program is probably one of the most comprehensive program areas and development of the Department of Health that has taken place in some time. It has put in place a process that will see cardiac surgery retained at St. Boniface where historically it began, and where the Bell-Wade Report commissioned by the previous administration, recommended it ought to stay, and at the same time will provide for the enhancement of the facilities and equipment at Health Sciences Centre to undertake the thousand-or-so cardiac bypasses that take place in Manitoba every year.

What members opposite failed to realize when they made their original cardiac program was that we are still three or four years away from Health Sciences Centre having the capacity, and the equipment, and the operating

rooms to effectively undertake and expand the program. Well, we are talking about the redevelopment of the entire Health Sciences Centre with respect to the operating rooms and the like in order to undertake the volumes that are necessary as well as the ultimate utilization of a cardiac, perhaps transplant program.

So I will provide the Member with specifics of the heart transplant program when we can, and I will provide that information to the Member. But I do not think the Member should get caught in the trap of saying: Well, we should wait for the Sinclair report to report before we do anything, because we have been waiting for Murray Sinclair's report since we started demanding it when the event first occurred. It has been the longest running inquest in Canadian history. It is probably the most voluminous inquest in Canadian history. It deals primarily with children's pediatric surgery, albeit I expect that it will have recommendations overall, but that the report, when it comes, and I do not know when it is coming, because it is under the auspices of the Minister of Justice (Mr. Mackintosh) and it is an independent process.

\* (17:10)

I am loath to go to Murray Sinclair and say, hey, where is your report, because that is probably not the role a Minister of Health or any minister should probably take in this regard, but we had a need to enhance and develop a cardiac program that has been, the system has been in dislocation for a number of years because of significant changes that occurred in the '90s and throughout the '90s, reports that came and made some recommendations, subsequent reports that made subsequent decisions made other recommendations. What we had to do was put together a comprehensive cardiac program that would suit the needs of Manitobans, enhance the cardiac services that are necessary for Manitobans and attract and retain in Manitoba specialists and expertise in this field so we could have a first-class cardiac program.

The announcement is comprehensive. It is over a number of years. It is an investment not just in equipment but in people. It is a long-range concept that covers a variety of areas, not just cardiac surgery, not just transplants. Again,

the members seem to be fixated on the issue of transplants and are not cognizant of all of the other elements that are necessary as part of a cardiac program, the rehab and the related preventative measures that are part of this overall plan and framework.

More importantly, the significance of this announcement allows us in the next six to eight months to replace and renew an incredible array of equipment dealing with cardiac care that was necessary to take place, and at the same time it provides for the volumes of services to be provided at the two sites.

I think it is significant that we had the CEO of the Health Sciences Centre, the CEO of St. Boniface Hospital and the CEO of the Winnipeg Regional Health Authority together at a table for our announcement that showed I think and demonstrated that there was an agreement of where the cardiac program should go. There was a recognition of the significance of this program, and I think from a perspective of Manitobans involved in health care, we will see with the enhancement of equipment and with the stabilization of the cardiac care program, I think an improvement in the ability to offer services. I think that announcement was of a significant nature.

I am sorry that the Member for Lac du Bonnet (Mr. Praznik) found it necessary to be in opposition to the announcement. I think that most people in the system were pleased with the announcement and are supportive of it. I think it is a decision that will serve Manitobans well, as it respects cardiac care and the needs that we have to meet for the services to be provided to Manitobans.

**Mrs. Driedger:** I find it interesting that the Minister says I am fixated on heart transplants. I just chose to start my line of questioning on the issue of heart transplants, and it has nothing to do with a fixation in that area. Believe me, I do have a lot more questions on the cardiac program.

Having worked at St. Boniface Hospital for 21 years, having been a supervisor on the cardiac surgery unit for a number of years, I am very

well aware of the internal workings and machinations behind cardiac surgery in Winnipeg, so I do have a lot of questions to ask the Minister about his decision. But I am going to save them for the appropriate area within this so that staff might be here to help provide him with some answers. But, believe me, having been around that particular program and knowing exactly some of the issues around it, I do have some questions.

So I am not fixated on heart transplants. That is just where I chose to start my line of questioning mainly because my connection to the donor program in Manitoba tells me that the heart transplant program is not sustainable in Manitoba. With that information coming from the source it has come from, I am very concerned that we might go down the road of a heart transplant program that is not sustainable. Therefore, those were my questions in terms of the whole transplant program, and I look forward to receiving the numbers.

I am wondering—and maybe, from just the recent answer that the Minister gave, he may not know this, and I would be prepared if he could provide the information at some point though—what would be the cost of a heart transplant program on an annual basis.

**Mr. Chomiak:** I would hope that the Member would use her experience and knowledge to perhaps talk to the Member for Lac du Bonnet (Mr. Praznik) with respect to his opposition to this particular matter. Because the Member is concerned that we take umbrage with her questions, I assume the Member is supportive of our cardiac announcement. I certainly hope that the Member—*[interjection]* Well, if the Member is not supportive and if the Member is not prepared to support the announcement, then I guess I can chalk up another point of departure from the Member opposite with respect to our program. We know that the Member is opposed to our nursing program; we assume the hallway medicine initiative is also opposition, and, clearly, I guess the cardiac program as well.

So, as regards the cardiac program, I think the overall announcement was a program of \$20 million over a four-year period. Again, because the Member is only referencing programs to the

heart transplant program, I can only assume that that is the only area the Member is interested in.

I would just like to indicate to the Member that there is far more to the cardiac announcement, as I have tried to illustrate in my previous response, than the transplant program. It is a very comprehensive program. As I indicated, the most exciting thing, from my perspective, is equipment renewal and equipment replacement in the first six to eight months as well as the stabilization of the cardiac program related to that.

If it is at all possible, I will try to provide the Member with her breakdown with regard to the costs, but I would hope that the Member would also be interested—I mean it is the Member's choice—in anything other than the heart transplant program which is several years down the road from our announcement. Whether the Member is interested in anything other than that, I think that would be useful. We will endeavour to undertake, if it is possible, to provide a breakdown in that regard.

\* (17:20)

**Mrs. Driedger:** I certainly will, as I said, have more questions on cardiac surgery. I might even get into some of the questions around how much incoming neurosurgeons are being offered. But for now I guess what I am wondering about and why I am concerned about the program, I am just hoping that it will be a sustainable program here. I do not want to see any patients run into some problems because the program has not been fully thought out.

Do we have enough surgeries on an annual basis that can sustain expertise? Is there anything wrong with sending the patients to London, if we only have a very small handful? Is this the best use of funding right now when health care dollars are in such demand and we have got such huge challenges, and sending patients out of province has worked up until now?

Without knowing the numbers, I do not have answers to these questions. Certainly from a patient point of view, I can appreciate that a patient having surgery would probably do better in their own home environment, in their own province, but if we only have six patients a year

that are having this, then there are more questions that need to be asked.

I have one more question, and then I would like to turn this over to my colleague from Russell to ask some further questions. I wonder if the Minister can confirm for me, I had a phone call this morning from a patient who had left Grace Hospital. She has asked me to phone her back this evening when she is feeling better, and she has indicated that the hallway there is full of patients. I wonder if the Minister can confirm what his understanding is of patients in hallways at Grace Hospital today.

**Mr. Chomiak:** It is clear to me that the Member is worried about the heart transplant program. My view of the heart transplant program, like other programs, is we have got to walk before we can run. Clearly, we will not be undertaking a program that we feel is not in the best interest of patients.

So if the Member is not fixated on that, then the Member's questions with that regard are questions that are clearly not—we are not going to undertake grand initiatives and grand schemes that are not documented and are not in the best interests of patients in the Province of Manitoba, contrary to what has happened in the past, and I do not want to go down that path, during the last decade and the last 10 years of the previous administration, because there are lessons that we learned from the previous administration that we do not want to follow with respect to particular ways of doing things and particular ways of dealing with the situation.

The Member asked about the hallway situation with respect to the Grace Hospital. I can indicate that, with respect to the hallway situation at Grace Hospital, I think there are, at Grace Hospital, according to the stats that we have, with respect to the stats that I am able to ascertain today, there were, according to our statistics, four people, admitted patients, in the hallway of Grace Hospital.

I note that yesterday there were none and today there appear to be four, in the hallway of Grace Hospital. I also note, I do not know if the Member wants me to look at last year's statistic that I happen to have available, but that yesterday, last year at this time, there were 24 people in the hallways of hospitals in Winnipeg.

So I think that we continue our initiatives. We continue to deal with it on a daily basis. We have put in place, one of the things that I am very pleased with, with respect to our hallway initiative, something that I have to assume members opposite oppose, our hallway initiative, you know, members opposite do not like talking about last year. They do not like talking about last year. They say what are you doing today, and that is a fair question. What are you doing today?

What we are doing today is important. What we are doing today are a bunch of things that were not being done last year, a whole bunch of things that were not being done last year. We have done a whole number of activities, and we are monitoring and doing it on a daily basis to deal with the hallway situation in Manitoba. Opening beds, geriatric program assessment teams are up and running, psychiatric nurse coverage, the expansion of the oncology day program, the home IV program, the expansion of adult day care, not to mention the fact that we have increased the funding, I think, in the range of \$4 million to home care to deal with people in the community.

So what is happening today are a whole number of initiatives, including daily conference calls and working with the physician, bed managers that are in place at all institutions to deal with the hallway situation. Members opposite do not want to talk about last year, and I do not blame them, because there were not the initiatives in the overall program that we have in place this year. This year we are taking action to deal with the situation and to deal with the problem. It has not been perfect, as I have said on many occasions, but I think the stats of being down 60 percent, 70 percent, 80 percent, now, if you want percentage figures, that tells you right there; 60 percent, 70 percent, 80 percent is a fairly significant, I dare say, a very good record with respect to initiatives.

Now, there are peaks the Member talked about two weeks ago. Let me put it in the Member's own words. The Member said it is worse than ever. I took umbrage with that fact because, for that week, we had two more people in the hallway than had been done the previous year, and the Member said it is worse than ever

because she found a week. The implication was that the whole system was collapsing and falling apart, and I said to the Member: look across the whole system and the whole managed way that we have tried to deal with this issue, and you will see a direct correlation between actions we have taken and the people in the hallway. Now, it is not perfect. One of the advantages we have at this point in dealing with the hallway situation is the fact that we are able to—*[interjection]*

Well, you know, the Member for Russell (Mr. Derkach), I mean, that is a heck of a lot better than Members opposite who said there was no such thing, who denied there was anyone. I always said the biggest difficulty is, if you do not recognize there is a problem, they are not going to deal with the problem. Members opposite denied there was a problem and said there was no problem and therefore undertook no initiatives whatsoever. So we took action, and I suggest, Mr. Chairperson, the CIHI report, a national independent report, and its recommendations with respect to what happened in Manitoba with the hallway situation is illustrative. An independent body outside of Manitoba reviewed the situation and indicated we had done better than any other jurisdiction with respect to the hallway situation.

Now we are attempting, and I want members opposite to be assured that our actions continue on a daily basis to deal with the situation, and we are attempting to deal with the problems there. They are on a manageable basis, so we can deal with them on a regular and manageable basis. It is no longer a situation where it is 25, 30, 40, 50 people staying night after night and no way of tracking it or having a means. It is down to some nights no people; some days, there are people in the hallways. It is way below traditional levels, and we are able to deal with it on an individual basis and able to improve the situation.

I might add there are additional initiatives we are going to be undertaking in our hallway measures, additional announcements that are going to take place and additional activities that are going to take place in this regard. *[interjection]* The Member says that is right. People know. *[interjection]* The Member has made a very disgusting comment, the Member for Russell (Mr. Derkach), from his seat, saying

something that I do not think I ever said in the entire time I was critic. I never suggested to any Minister what the Member from his seat has said. I think it is below the Member, who has years of experience, to suggest something like that. I never in seven years suggested that to any Minister.

I think the Member should be very careful in terms of his comments from his seat in that regard. I think it is not becoming of a Member to make that kind of suggestion to anybody. I do not think it is appropriate. If the Member wants to go down that road, I would be prepared to go down that road with the Member, but I do not think it moves the discussion or the debate of issues any further forward to have comments like that come from the Member for Russell.

\* (17:30)

If the Member knew on how many occasions one was tempted to make that kind of comment but decided on principle that it is not a fair comment to make of any Minister, I dare say if you look inside the Hansard, you will not find once a statement where I made that particular comment. I think the Member should know better than that. I think the Member ought to know better than that in terms of experience in this Chamber. But, I digress. No, I would not even repeat those comments. I do not think it is appropriate for the Member to make a suggestion of that kind.

I can indicate that the hallway initiatives continue and they will continue. I think that the recognition by CIHI of the significant impact that our initiatives have had have been useful, and we are going to continue to approach that situation as best we can, and I think the situation is such that we are going to continue our efforts.

**Mrs. Driedger:** I would like to ask the Minister if he would be prepared to look into a particular situation. I am willing to bring this here in Estimates rather than ask the question in the House. It is in regard to a letter I received from a Nadine Hammersley, who feels that she is not getting straight answers from the hospital representatives, the WRHA representatives, and the Minister of Health representatives. She is a woman whose 83-year-old mother was in

Winnipeg and the 83-year-old woman died. Actually, I would read it except it is two typed pages; it is very long. I am sure the Minister's office is probably well aware of this situation. It is a tragic situation. In reading this as a nurse, I am very uncomfortable with what happened.

I would ask the Minister—I will leave the name with him, Nadine Hammersley. She has left me some phone numbers. If he cannot track it down, I would be very willing to provide him with this letter. I would hope that his department could check into this and then let me know what is happening in this particular situation.

**Mr. Chomiak:** I believe that matter was brought to my office's attention yesterday. I believe it was yesterday that a note came up with respect to that. I, of course, will undertake, as we do in all of these issues, to investigate the situation. I appreciate the fact the Member has brought it to my attention with respect to this, and I will endeavour to find out as best I can what the situation is.

**Mrs. Driedger:** I would like to thank the Minister for that and I look forward to hearing a little bit more about what has happened in this situation. I would now like to turn things over to the Member for Russell (Mr. Derkach).

**Mr. Derkach:** I begin by, first of all, addressing the issue that the Minister just spoke about with regard to my flippant comment, and I apologize to him for it, because, indeed, he and I go back a long way, and although we have had some heated debates across the way, we have tried to keep it I think at a fairly professional level. If my comments offended him, I certainly do not mean them and I apologize to him for them.

Mr. Chairperson, I guess what I have been seeing in the whole area of health care is a situation that is not one that can be corrected by any one individual overnight, and certainly we are not expecting that this Minister of Health can do some of these things overnight. However, there are situations that are deteriorating especially in rural Manitoba.

Now, this minister may think that everything is fine because hallway medicine is down in Winnipeg. We are having some real challenges with regard to accessing health care services by

people who live outside of the city. I brought this matter to the Minister's attention before. I have not gone in this direction in Question Period because I do not believe that through that means we can address the serious issues that are out there. They are far too serious for me simply to try and bring the matter through Question Period and get a response from the Minister and then think that I have done my job or that we as an Opposition have done our job.

Mr. Chairperson, we developed the regional health districts throughout Manitoba on the basis that we needed to change the direction that health care was going and the dollars that were being swallowed up by health care. We needed to enact some efficiencies in the entire health care area and the way that services were being delivered to Manitobans; indeed, our task was not done when government changed. However, I have to say that perhaps services in Winnipeg are okay. People who live in East Kildonan or North Kildonan or in Fort Garry or in any one of the regions of Winnipeg can access health care services fairly quickly and without significant cost. But if you lived in a rural community in Manitoba, sometimes it is difficult to access those services that are available to people who live in urban centres.

As a matter of fact, the Member knows full well, I brought an issue to him only once, there were others where patients who were facing death were not able to get service from the very professional services that are only available here in the city of Winnipeg. It has to do with the cardiac area. My understanding from the physicians that I talked to in rural Manitoba, from the smaller communities, physicians have been directed that they are not to send their cardiac patients into Winnipeg, that indeed they will have to deal with those cases right in those communities.

It is a well-known fact that the equipment that is available in the small hospitals is just not adequate to be able to deal with some of the circumstances that arise from time to time. What is left for these patients? They either have to stay in that facility and hope that the good Lord will protect them from the eventual calamity of death or that somebody else is going to accept them

into a hospital facility. So they seek services outside of Manitoba.

Now, Mr. Chairperson, these are real cases. This is not some figment of my imagination. It is not something that someone else has drummed up. As a matter of fact our physicians have been instructed to take extra courses so that they, in fact, could deal better with these types of patients. However, it is not just the doctor's professional services that are required in many of these circumstances. It is the availability of surgical procedures within that region, the availability of equipment that is required to keep those people alive.

If I look at other rural services, what disturbs me so greatly is the fact that even today we are looking at areas where people may not get the services that were available to them even as little as a year ago. That is disturbing. The Minister might tell me that that is up to the regional health authorities. But the delivery of health services has not been given over to the regional health authorities alone. There is a partner in all of this. That is the Minister's own department. I do not know whether the Minister is aware of these circumstances and these situations. I can give the Minister the bills that some people have had to pay in order to get a simple pacemaker put in.

I have a constituent who showed me her bill for over \$2,000 in ambulance service from a community in my constituency to the Brandon hospital and back. Now, this lady is on old age pension. She does not have the means to be able to pay that all at once. Yet that is a cost to her. I ask you to compare this patient with somebody living in downtown Winnipeg or someone living in Churchill. Why all of a sudden do people in rural Manitoba become third-class citizens in this province?

\* (17:40)

Had this person been able to recuperate in that hospital in Brandon for more than a few days, more than a day, if you like, she probably could have used the services of a neighbour who would have driven her back to her own community. But because the procedure was done

and the order was that she was discharged from that hospital just as quickly as she could be put into an ambulance and taken back to her hospital at the local community, that cost her an additional thousand dollars. I do not know what the health care system saved by having her transferred out of that hospital back to her own hospital, but, yes, she can recuperate in her own hospital, but at what cost?

I can relate to the Minister another example of a constituent who, because she was discharged early and because she was not able to access home care services got an infection in her leg. She went back to the hospital and she was told that she would have to purchase the dressings for her leg because she was not a patient in the hospital. I have never heard of that happening before, Mr. Chair. I do not know where the change is. I cannot blame the Minister for giving that directive. I cannot say that that is coming from the Department of Health, but these are changes that are happening that are impacting on the health of Manitobans outside of this city. I am talking about outside of the city of Winnipeg.

So let us not have our blinkers on. Let us not think that everything is rosy and we are on the up with regard to the health care provision in Manitoba. There are problems out there. I guess, through the Estimates process, our responsibility as members in opposition is to determine whether or not the Minister has any plans to address some of these issues and why they are happening now. Admittedly, I say to you that healthcare is not an easy area. I think we know that from the experience that we had in government over the course of the 11 years that we were there.

But I guess one of the most glaring issues that I have to deal with is the fact that during the election campaign this Minister, while he was out on the campaign trail, and his party, said that they would fix all of those issues, that they would remedy the hallway medicine, that it would be eliminated completely and that they would have 138 beds available to Manitobans right away and that they would hire a thousand nurses, I believe it was, was it not? *[interjection]* No, a hundred nurses, I am sorry. Now, the Minister says we fired a thousand nurses. Mr.

Chairperson, you see this is the way you skew things. This is the way the Minister skews things. You see, the nurses he refers to—

### Point of Order

**Mrs. Bonnie Mitchelson (Interim Leader of the Official Opposition):** Point of order, Mr. Chairperson. I see the Minister of Health (Mr. Chomiak) sitting with a big smirk on his face portraying the fact that he thinks that this is a very funny issue, and that the issue of the shortage of nurses and the shortage of care for people in rural Manitoba is a funny issue.

I would call him to order and indicate that I know he has been sitting there seriously listening, but when we started to talk about the nursing shortage and the promises that he made, he started to laugh and smirk, and I think that is extremely irresponsible. He has to take responsibility for the actions of himself and his department, and I find it disgraceful to see that kind of gesture on his behalf.

**Mr. Chomiak:** I do not think that the Leader of the Opposition has a point of order. In fact, I was smiling at that point because the members opposite, every time they talk about the thousand nurses that they fired, I use the excuse that it was the unions that actually fired the nurses. I was just waiting for the comment from the Member to suggest, as they have done over and over again, that somehow it was the unions that fired the thousand nurses.

I think it is very disrespectful of members opposite not to take responsibility for the chaos and the destruction and the lack of confidence and the whole woeful state that they left health care in. They still do not get it even though they were very, I thought, thoroughly awakened and should have been thoroughly awakened during the election campaign as to the serious underpinnings of a system that they built during the time that they were government.

**Mr. Chairperson:** Well, I thought all the members understood points of order are departure from the rules. Differences of opinions are not points of order. So there is no point of order on either side.

### Point of Order

**Mr. Chairperson:** The Member from Emerson (Mr. Jack Penner) is raising a new point of order.

**Mr. Jack Penner (Emerson):** A new point of order. I think the Minister of Health, Mr. Chairman, needs to re-evaluate what he just put on the record. I think it is unfortunate that a Minister of Health would put on the record that there were a thousand nurses fired when, in fact, that is not true and he knows it. There was a redistribution of responsibility and the people were reassigned to different areas of service in the system, and he knows that full well. He knows that there is a nursing shortage across this country, indeed, North America, and that he would put misinformation on the record is simply not acceptable. For the people of Manitoba, that our Minister of Health would put that kind of misinformation on the record, I think, it is unfortunate that he would betray his own office and his own department that way. I think you need to call him to order, Mr. Chairman.

**Mr. Chomiak:** I believe that the Member does not have a point of order. It is a dispute over the facts, and I would be happy, I would love to have an opportunity to deal with the very serious issues that are raised by the Member for Russell (Mr. Derkach) if he could only control his own members and get them to stop on fallacious points of orders, because I am very interested in what the Member has to say. I wish to discuss it with the Member and if the members could only contain themselves, they will have an opportunity to ask questions. I think that they ought to allow the Member for Russell who is raising very serious concerns to complete his concerns, Mr. Chairperson.

**Mr. Chairperson:** On the matter of the second point of order, there is no point of order. A dispute over the facts is not a point of order.

\* \* \*

**Mr. Derkach:** I am offended by the fact that this minister continues to use the remarks that he used during the campaign, which are not true, as somehow portraying what happened in health care and with regard to nurses in Manitoba.

Because this minister knows full well that the thousand nurses he speaks of have all been employed in various deliveries of health care in this province including the personal care homes that have been opened as a result of the actions that were taken by the former administration. If there were a thousand nurses surplus, then why can he not as a minister today hire those nurses back? The reality is, they are not there. The reality is they are working, and today this province faces a serious shortage of nurses.

Now, we have our different philosophical approaches with regard to how we are going to make sure that the supply of nurses is then made adequate for the province in future years. We may disagree on the approach that is taken in that regard, but I think this issue is far too serious for us to flippantly go out to the news media, to the people of Manitoba, and indicate that somewhere along the line a thousand nurses have been fired, because he cannot come up with any details to show us where those thousand nurses were fired or were let go by the former administration. As a matter of fact, if he did his research and if he, in fact, would check with his staff, he would find that those nurses, in fact, are employed in the health care system today.

\* (17:50)

The issue that I talked about with regard to the health service deliveries in rural Manitoba is a serious one. It is not one that is going to go away tomorrow, and it is not one that I am going to let go of. I am going to hold this Minister accountable for the delivery of health care services in rural Manitoba that are comparable to the services that are received by people in other parts of Manitoba, including northern Manitoba.

It is unconscionable that a person who gets into a situation where they have a heart attack in rural Manitoba, 220 miles or 250 miles away from the city of Winnipeg, is loaded on an ambulance; taken to Winnipeg; is given the treatment there; or perhaps needs to undergo surgery and is immediately put back into an ambulance at his own cost unless he has got Blue Cross and is hauled back to his own hospital to recuperate. What is even more unconscionable is that doctors have been told that they must treat their cardiac cases at the

local hospitals because they will not be accepted into St. Boniface or into Health Sciences Centre. Now, that is an easy way to keep the hallways in the city hospitals free. So, I have some concerns about it.

**Mr. Chairperson:** Is there a question?

**Mr. Derkach:** Yes, there certainly is, when I have completed my remarks. The reason I am taking some time here is because the people that I represent and the people that I have spoken to in rural Manitoba, whether it is in southwestern Manitoba, whether it is in southern Manitoba here, or whether it is on the western side of this province, all face the same situation. There is not a level playing field in terms of people being able to access the health care system. We talk about emergency services. And I look at the template here and the suggestions that are made here with regard to having rural Manitobans access emergency services and I think is deplorable. If I am living on a farm, 15 miles from a community in rural Manitoba, I might wait as long as 30 to 40 to 50 minutes to get an ambulance. I want to use an example.

In the area of Clear Lake, Onanole, Erickson, Sandy Lake, approximately 42 000 people inhabit that area during the summer months. That is the same size as the city of Brandon. Do you know how many emergency services workers have to deal with those people? There are two who have to do the same work as people who work in the health care field in the emergency services area in Brandon.

For the summer months, they are allocated some extra staff, but once September comes down, they are back to two. Those are issues that are of real concern to Manitobans. The alternative is for an ambulance to come out of Brandon or an ambulance to come out of Minnedosa. The distance between Minnedosa and Clear Lake is something in the neighbourhood of 30 to 40 miles. My colleague says it is 44 miles.

Those are the types of issues that we have to deal with on a daily basis. The Minister from his seat says, you had ten years to address that issue. I can tell the Minister that last year I met with ambulance service workers—*[interjection]*

**Mr. Chairperson:** The Member for Emerson (Mr. Jack Penner) does not have the floor. He can ask for it.

**Mr. Derkach:** Last year I met with ambulance workers. Municipalities used to control the ambulance services within their communities. There used to be volunteers in place, but over time Manitoba Health, not a problem for this Minister, it is just a problem for the system itself, demanded that these volunteers have the same training as people who work on a full-time basis. However, these people had to pay for their own training. They are now faced with even paying their own mileage to train. Then they have to go to the employer and ask the employer for time so that they can go and get their training. Who is going to volunteer under those circumstances? How can you volunteer under those circumstances?

You know, Mr. Chair, if I were injured in an accident out in rural Manitoba, I really do not care if the person who is attending to me has got his top classification in emergency care service. I want him to attend to me as best he can and get me into a hospital facility and into an emergency service facility. We have to consider the demographics of rural Manitoba if we are going to expect to have any decent type of health care services delivery in that area.

So when I look at the template here, Mr. Chair, I am bothered by it. I am seriously bothered by it. I want the Minister to pay special attention to that because, yes, the public pressure is here in the city of Winnipeg and maybe to a lesser extent in the city of Brandon. The Minister has already moved to remove the fee that was charged to northern Manitobans for them to get into the city hospitals, but he has not done anything to remove that horrendous cost that is faced by rural Manitobans who do not live north of 53. This is two-tier medicine.

The Minister will admonish me because he will say that was the same situation that existed when you were there. Well, not quite. And, yes, it needed to be fixed. So I am asking this Minister—he is new, I understand that—to provide for us his plan in terms of how he is going to address some of these serious issues. The most important issue that I want him to address is this

issue of rural Manitobans being denied access to the tertiary hospitals here in the city of Winnipeg when they run into a problem like a heart attack, because that is serious.

I mean, we go on waiting lists for cancer treatment. We are sent to the United States for cancer treatment. That is fine. I have got three constituents right now who are in North Dakota receiving cancer treatment, away from their families, at a cost to them. Manitoba Health will pay a portion of their cost, but it does not pay the total cost. I am not going to take that on with the Minister except to say to him that he was the one who opposed an Americanization of the health care system in Manitoba, yet he wants to use their services.

I am not going to go at him for that because as long as Manitobans can get services, I am in support of it. His decision to allow Manitobans to go to North Dakota, I do not have an issue with, except the fact that now he is speaking from a different side than he spoke from when he was here in opposition, so he is not consistent. But I think the most important issue for me is the inability for Manitobans to be able to access services here in the city of Winnipeg.

They are being shipped to places like Regina, Saskatchewan. They go to Yorkton on their own to try to access services. They go to Saskatoon to try and access these services because they are told, yes, there is a bed available in St. Boniface, but we are keeping it open for somebody from Winnipeg; yes, there is a bed available at Health Sciences Centre, but we are keeping it open for somebody from Winnipeg. In other words, find your own services because you live in rural Manitoba.

So I want the response of the Minister, and I know he does not have time to do that today, but, certainly, when we resume in the next session, I do have a more specific question that I would like to ask the Minister and allow him to answer.

**Mr. Chairperson:** The time being 6 p.m., Committee rise.

Call in the Speaker.

#### IN SESSION

**Mr. Speaker:** The hour being 6 p.m., the House is adjourned and stands adjourned until 10 a.m. tomorrow morning (Thursday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, July 5, 2000

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Schuler	3501	Family Services and Housing	3537
Struthers	3501	Health	3560
National Historic Site			
Jack Penner	3501		