

**First Session - Thirty-Eighth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**DEBATES**  
**and**  
**PROCEEDINGS**  
**Official Report**  
**(Hansard)**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**First Session—Thirty-Eighth 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.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine	Riel	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, September 10, 2003

**The House met at 1:30 p.m.**

### PRAYERS

### ROUTINE PROCEEDINGS

#### TABLING OF REPORTS

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** I table The Public Trustee Annual Report '02-03, Civil Legal Services SOA Report '02-03.

**Hon. Eric Robinson (Minister responsible for Sport):** Mr. Speaker, I am pleased to table the 2003-2004 Departmental Estimates for Sport.

**Hon. Diane McGifford (Minister of Advanced Education and Training):** Mr. Speaker, I am pleased to table the 2001-2002 Manitoba Student Aid Program Annual Report.

**Hon. Drew Caldwell (Minister of Family Services and Housing):** Mr. Speaker, I am pleased to table the Supplementary Information for Legislative Review 2003-2004 Expenditure Estimates for the Department of Family Services and Housing.

**Hon. Steve Ashton (Minister of Conservation):** Mr. Speaker, I am pleased to table Supplementary Information for Estimates for the Manitoba Sustainable Development Innovations Fund and for Manitoba Conservation.

#### Speaker's Statement

**Mr. Speaker:** Prior to Oral Questions, I have a statement for the House.

As a result of negotiations and an agreement that has been reached between representatives of the Government, the Official Opposition and the independent members, the following provisions will be implemented during Oral Questions for the month of September, 2003, on a trial basis: 50 seconds will be allowed for questions and answers during Oral Questions; no points of order are to be raised using Beauchesne citations 409(2), 410, 417 and 408(2); points of order and

matters of privilege can continue to be raised during Oral Questions; Leader's latitude will continue to apply, with the exception of when a question is directed to a specific minister and is instead answered by the Premier; the assignment of questions during Oral Questions is such that questions 1 to 6 will be allocated to the Official Opposition caucus, question 7 will be designated for the independent Liberal members and question 8 will go to a government backbencher, if a government backbencher should rise to ask a question. The order will then revert back to the Official Opposition caucus.

The independent Liberal members are guaranteed a question every day, and if the Liberals should miss the opportunity to ask a question due to time expiring, the Liberals will receive two questions during the following Question Period. This is to be accomplished by the Speaker recognizing the Liberals when 10 minutes are remaining in the subsequent Question Period. On Mondays and Tuesdays, it is agreed that one independent Liberal member can ask one question and one supplementary question, to be followed by the other independent Liberal member who will then be allowed to ask one question.

Effective September 10, I will be applying these practices to the remaining Question Periods for the month of September.

\* (13:35)

I wish to extend thanks to all members for their hard work and diligence in negotiating this agreement, particularly the honourable Government House Leader (Mr. Mackintosh), the honourable House Leader for the Official Opposition (Mr. Derkach) and the honourable Member for Inkster (Mr. Lamoureux).

### ORAL QUESTION PERIOD

#### Bovine Spongiform Encephalopathy Cash Advance for Producers

**Mr. Stuart Murray (Leader of the Official Opposition):** The Doer government has already committed a \$100-million figure to a low-

interest loan program and one would assume the only group that would applaud a program that does not work, Mr. Speaker, one would assume if they committed the \$100 million, that they are willing to spend it. However, instead of the ineffective and cumbersome loan program that the Doer government has established, our producers and their families are asking for a cash advance program. Will the Premier, who has already committed to spending the \$100 million, convert the loan program to a cash advance program?

**Hon. Gary Doer (Premier):** Mr. Speaker, the member opposite should recall his own letter to producers that we received in July, at the same time we made the announcement on the low-interest loan program. The Assembly should address itself to the real challenge of getting actual real cash as opposed to advances, whether it is low-interest loans or a loan, the cash assistance in advance.

With the advice of all farm organizations that we have been discussing this issue with, including calf and cattle producers and the Manitoba Chamber of Commerce, they all said to us even though the APF program is flawed, you have no choice but to sign it even though you have some improvements to it. The bottom line is we took the advice of the various organizations because I think getting an advance for a cheque is not as important as getting the actual cheque and cash. Our \$43 million is on the table for this program.

Members opposite are opposed to real income going to the cattle producers in their opposition to the APF. Last year they were in favour of the APF, now they are opposed to it. We cannot have two positions on an issue of this importance and that is why we agreed to sign the agreement and have real income go to people that are really suffering income losses here in Manitoba.

\* (13:40)

**Mr. Murray:** Today is day 114 of the BSE crisis in Manitoba and this Premier continues to drag his heels. Even if the full \$350 million in cash advances requested by the Manitoba Cattle Producers were to be given, the cost to the

province would be less than \$20 million. Manitoba, the cattle industry, the beef industry, is worth \$525 million. That is what it was worth in 2001 in this province. With losses pegged at a million dollars a day, we have already lost \$114 million. Surely, the Premier would agree that \$20 million is a small price to pay, Mr. Speaker, to ensure that an important industry in Manitoba is saved.

**Mr. Doer:** Mr. Speaker, the fundamental issue of saving our industry still remains the opening of the border and the ability also in this province to rebuild our slaughter capacity that has become regrettably over the years, from 292 000 cattle in 1989 to under 20 000 in the year 2003. We have some real challenges to manage in our own industry.

Mr. Speaker, the APF funding that we have put in this Budget is \$43 million. The money we have allocated out of the Fiscal Stabilization Fund for the programs that we have agreed to since May 20 is \$17 million, including the slaughter enhancement. The amount of money we will be paying for the low interest rates, particularly the 2.25 percent is much more than that. That is well over \$60 million, three times more than the members opposite are calling for.

**Mr. Murray:** Mr. Speaker, the Premier clearly does not get it. What we are talking about is less than \$20 million. That amount should not get in the way of saving farm families and an entire industry. If the Premier does not see that it just shows how heartless and uncaring he really is.

This morning I heard a producer say all provinces and premiers are fighting for their producers except ours in Manitoba. There is no future for our farmers with this Government because this Government does not care about the future of the cattle producers in Manitoba.

In fact, Mr. Speaker, it is interesting. They could not even be bothered to have either the Premier or the Minister of Agriculture (Ms. Wowchuk) attend yesterday's meeting of the Manitoba Rural Adaptation Council Conference here in Manitoba. Not one member attended.

I would ask the Premier again. Surely, \$20 million, Mr. Speaker, is the right amount to flow

to ensure that those families are not put in a desperate position as they see because of the lack of what we see from this Government, no action.

Please, Mr. Premier, do the right thing. Flow the \$20 million. Ensure that those families are looked after, Mr. Speaker.

**Mr. Doer:** Mr. Speaker, members opposite are opposed to the APF. They are opposed to the advice given to us by all the farm organizations. Well, they were in favour of it last year and they are opposed to it this year.

Mr. Speaker, that component has some \$43 million in our Budget that will flow in income, not in advances, in income to the desperately needed cattle producers across Manitoba that need income from both their provincial and federal governments. Members opposite want advances; we want real income to deal with the income losses here in Manitoba.

\* (13:45)

#### **Bovine Spongiform Encephalopathy Cash Advance for Producers**

**Mr. John Loewen (Fort Whyte):** Mr. Speaker, in 2002, the Doer government faced its own financial crisis. They were forced to pay the federal government close to \$300 million as a result of a federal accounting error.

The solution that was devised by the NDP was to simply add \$287 million to the accumulated deficit, no mention in their statement of revenue and expenses. I would like the Minister of Finance to explain to the Manitoba families who are suffering through this BSE crisis why on the one hand he can go out and add \$287 million to the deficit to solve his own crisis but when cattle producers are facing these trying times he can give them nothing.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, I think it is obvious to everybody that if we had not solved that federal accounting error, the resources we have today that we are making available to farmers would not be there. That ability to resolve that federal accounting error saved all people in Manitoba countless millions of dollars. The money that we negotiated with

them in terms of repayment was an amount that was spread over several years, an error that was overlooked by the previous government. It was an error that was made on their watch and ignored by the federal government. We solved their problem in order that we could have resources today to put \$60 million on the table for Manitoba cattle producers, \$43 million in the agricultural framework agreement.

We have our money on the table. We are ready to move on that. If the federal government would sign on and flow that money, it would be there. We have put \$17 million on the table as well and that money is already flowing. You guys just bring hollow rhetoric without any money attached to it to the table.

**Mr. Loewen:** Mr. Speaker, the cost of this cash advance program is likely less than \$20 million. This minister went out and borrowed close to \$300 million to solve his own problem. He provided nothing to the cattle producers of Manitoba. I would like him to stand in his place and explain to the cattle producers of Manitoba, those families who are having trouble seeing how they are going to feed their children for the winter, how they are going to clothe them; I would like him to explain how, on the one hand he can go out and borrow \$287 million and add it to the deficit to suit his own purposes and yet when they are asking for a program that would only cost him \$20 million, he says no.

**Mr. Selinger:** The member from Fort Whyte is astounding in his ignorance. We did not borrow \$300 million, we made an accounting entry to recognize the problem that occurred on their watch in the '95 period. There was no additional borrowing. What we did is we preserved and ensured that we got our equalization payments and other transfers stabilized in this province, which has allowed us to balance the Budget, have a Fiscal Stabilization Fund which we are using today to respond to these people in rural Manitoba going through so much suffering and which you are ignoring by your hollow rhetoric.

**Mr. Speaker:** Before recognizing the honourable Member for Fort Whyte, I would just like to remind all honourable members when you are picking your words to pick them carefully because every member in the House is an

honourable member and should be treated as such.

**Mr. Loewen:** This is the same minister that told us Hydro would not have to go out and borrow money as a result of his demand from them. Yet, according to his own officials, the debt keeps going higher and higher and higher. Do the right thing, stand up for Manitoba families, tell the cattle producers that you will lobby with the Premier (Mr. Doer) to set up a program to give them cash advances that will only cost you \$18 to \$20 million. We are simply asking you to do the same thing for these families in their trying times as you did for yourself.

**Mr. Selinger:** Once again the member from Fort Whyte is astounding in the inaccurate statements he makes. There was no borrowing for the Hydro dividend. The only borrowing that occurred in Manitoba Hydro was for capital projects which increased the value of the assets in this province. When the members opposite purchased Centra Gas they paid \$55 million for what was called good will, \$55 million for a name that had no assets attached to it.

What we have done is we have said let us move forward on the agricultural framework agreement which puts our \$43 million on the table and flows real income to cattle producers in this province. You folks are opposed to signing that agreement and you would rather have an offside program. You cannot beat the \$43-million program that we have on the table with your suggestions.

\* (13:50)

#### **Bovine Spongiform Encephalopathy Cash Advance for Producers**

**Mr. Ron Schuler (Springfield):** My question is to the Minister of Agriculture. In February of this year, \$20 million of taxpayers' money was flowed to Motor Coach Industries. This loan was made, as the Premier (Mr. Doer) stated, in good faith. Yet, today, we hear this Government state that they are not prepared to protect an entire industry affecting over 12 000 families with less than \$20 million. Where is the common sense of this Government?

**Hon. Ron Lemieux (Acting Minister of Agriculture and Food):** I thank the Member for Springfield for the question.

The key issue has always been reopening the border. It is the Canadian border we are talking about that has created so much difficulty for our producers, and certainly not only this Minister of Agriculture (Ms. Wowchuk) but our Premier has spoken to other provincial ministers and also other premiers, spoken to governors of the states south of us, trying to reopen the border, doing everything humanly possible that they can to show the United States, because one cow, one cow in Alberta has created this difficulty for so many of our producers, Mr. Speaker.

**Mr. Schuler:** My question is to the Minister of Agriculture.

This Government was more than willing to bail out Motor Coach Industries, a company headquartered in Chicago, yet is not prepared to give cash advances to 12 000 families in Manitoba.

Does the minister lack clout with her boss, the Premier, or does she lack the willingness to stand up for an entire industry?

**Hon. Gary Doer (Premier):** Mr. Speaker, in the year 2000, we flowed \$50 million out of the Fiscal Stabilization Fund to deal with the income challenges for grain and oilseeds producers. Of course, the members opposite said that we should take \$300 million out of the fund.

In the year 2001, we flowed another \$50 million, cost-shared again for the grain and oilseeds producers because of the challenge that they had. Again, members opposite wanted us to drain the fund for the second time. There would not have been any money left if we had done it the first time. Again, they are proposing to proceed with the same measures.

Mr. Speaker, the interest rates for the loan at Motor Coach are double that for producers, and even more than that, they are repayable.

On top of the program for producers, the \$100-million advance, a low-interest loan advance, we have \$43 million in income, Mr. Speaker.

**Mr. Schuler:** The Premier of Manitoba stated that he would fight for the workers of MCI yet refused to meet with any farm group for 72 days.

My question is to the Minister of Agriculture. Will the minister now demand of her boss, the Premier, that 12 000 families be offered a cash advance at a cost of less than \$20 million, or is she willing to sacrifice the livelihood of 12 000 Manitoba families?

**Mr. Doer:** Mr. Speaker, this is very serious and there are a lot of families that are really under a lot of uncertainty and economic pressure.

When we announced the low-interest rate hundred-million-dollar program, lower for the younger farmers at 2.25 percent, we said it was a short-term measure to deal with the situation in the farm community. We said the \$15 million and the amendment to the \$15 million was a short-term solution. We said rebuilding the slaughterhouse capacity was buying some change, but we needed a lot more change in the industry in Manitoba.

Mr. Speaker, we believe that the federal-provincial income support program, the \$43 million that will trigger over \$60 million from the federal government, which the federal minister says will flow within six weeks, is crucial for Manitoba families.

\* (13:55)

#### **Bovine Spongiform Encephalopathy Cash Advance for Producers**

**Mrs. Bonnie Mitchelson (River East):** The Premier (Mr. Doer), as a former union boss along with his Minister of Industry and Trade, Mr. Speaker, within a few days, without batting an eye, opened the chequebook and took almost \$20 million of taxpayers' money and provided that to MCI to save 1200 jobs, where the corporate profits—

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

**Mr. Speaker:** Order.

**Mrs. Mitchelson:** Mr. Speaker, MCI received close to \$20 million in taxpayers' money in order

to save 1200 jobs, when the corporate profits from MCI flow directly to Chicago.

My question for the Minister of Industry and Trade is: Is it because the Premier, a former union boss, views the farmers, because they are non-unionized after 114—

**Mr. Speaker:** Order.

**Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines):** Mr. Speaker, I want to assure the House and Manitobans that our Premier has been working very hard with farmers in Manitoba and was responsive to them from the day that the first BSE case was detected through communications by phone and every other venue that is possible.

The misinformation that the member across the House is placing on the record is also concerning. The portion of our contribution was a loan, a loan that is repayable which they have already made, contingent on their investment in Manitoba, which they have done dollar to dollar, so there is no bailout. The amount of money that Manitobans have put forward will be recovered at rates twice as much available to farmers—

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

**Mr. Speaker:** Order. I ask the co-operation of all honourable members. I have to be able to hear the questions and the answers. I ask the co-operation of all honourable members, please.

The honourable minister has about five seconds remaining.

**Ms. Mihychuk:** I would just like to point out that the loan rates for farmers are substantially better than those available for MCI, and that the amount is significantly larger.

**Mrs. Mitchelson:** Mr. Speaker, the minister just confirmed \$20 million in two days for MCI to save 1200 union jobs and 114 days and no money for farmers whose profits stay right here in the province of Manitoba. Is it because this Government and this minister, under the leadership of a former union boss, are giving preferential treatment to 1200 jobs whose profits

go to the States when farmers whose profits stay right here in Manitoba should be supported?

**Hon. Gary Doer (Premier):** No, Mr. Speaker.

**Mrs. Mitchelson:** Mr. Speaker, and the answer from the Premier was a slap in the face to 12 000 farmers, a large industry in the province of Manitoba whose dollars are generated here, whose money stays here to support our rural communities, our families, our education system and our health care system.

Where are the priorities under the leadership of this Premier? Are his priorities to support union bosses and ensure that farmers who are not unionized do not get a penny from this Government?

**Mr. Doer:** Mr. Speaker, we do not need any lectures from the member opposite who sat in Cabinet and gave \$35 million to SmartHealth, tens of millions of dollars to Shamray, money to strawboard plants that never had any return, money to Faneuil out of Massachusetts, over a hundred million dollars in items we had to deal with when we opened the books from members opposite.

We put in 50—[interjection]

\* (14:00)

**Mr. Speaker:** Order. Once again, I would like to ask the co-operation of all honourable members, because it is very important that I am able to hear the questions and the answers in case there is a breach of the rules. So I ask the co-operation of all honourable members, please.

**Mr. Doer:** Unlike members opposite, we care about all the people of Manitoba. That is why we put in \$60 million to deal with cattle producers and the immediate challenge that they have in the crisis in rural Manitoba. That is why we put in loan guarantees to establish the bus industry here in Manitoba. We care about every Manitoban. That is the difference between them and us, Mr. Speaker.

#### **Bovine Spongiform Encephalopathy Cash Advance for Producers**

**Mr. Mervin Tweed (Turtle Mountain):** What the Premier fails to tell Manitobans is that—

**Mr. Speaker:** Once again, I would like to ask the co-operation of all honourable members, please, because it is very important that we are all able to hear the questions and the answers. Also, we have the visitors in the public galleries and we have the viewing audience on TV. I am sure each and every member would like to set the right tempo for our viewing public. I ask the co-operation of all honourable members, please.

**Mr. Tweed:** What the Premier fails to tell Manitobans is that not one penny of that \$43 million has flowed anywhere to people in Manitoba.

What do we know, Mr. Speaker? We know that the Premier interfered with negotiations at MCI and then negotiated \$20 million of government money for owners in Illinois. We know we have a crisis in Manitoba that could be solved for less than \$20 million.

My question goes to the Minister of Agriculture (Ms. Wowchuk). Has the Minister of Agriculture failed the cattle producers in Manitoba by failing to convince her Government the importance of the cattle industry?

**Hon. Gary Doer (Premier):** Mr. Speaker, we announced a program, a federal-provincial program which we confirmed with the cattle producers of Manitoba in Kelowna. We further amended that program after it was not producing the results for Manitoba producers. We announced a \$2-million slaughterhouse capacity enhancement fund. Because of the absolute pressure, the absolute pressure of cattle producers to get income, we signed on to the \$43-million program.

Their position is not to sign on to get the 60 percent federal money in income. I regret that, but of course I am not surprised, because they have one position on the deficit. They want us to make cuts but they will not tell us where to make cuts. They want us to sign the APF, now they do not want us to sign the APF. We are taking our advice and we want to flow real income to people that are challenged with their incomes here in this crisis.

**Mr. Tweed:** Mr. Speaker, 1200 jobs, \$20 million flowed in good faith to a company based in the United States. The Government has

second or third position on the loan, we are not sure, and the Ministry of Industry (Ms. Mihychuk) has already stated she is not unprepared to flow more money if necessary.

In rural Manitoba we have 12 000 families and thousands more related jobs. They are asking the farmers for a 100% security pledge on their loans and their first-borns, I am sure that will come next, Mr. Speaker.

Again I ask the Minister of Agriculture: Has she failed to convince this Government that MCI, or, pardon me, that the agricultural industry, the cattle industry is more important than MCI to the people of Manitoba?

**Mr. Doer:** Again, Mr. Speaker, we have two different positions from the members opposite. The Leader of the Opposition (Mr. Murray), in a radio interview, said he would have signed the MCI deal but he would have done it faster than we did.

The member from Springfield took a different—*[interjection]*

**Mr. Speaker:** Order.

**Mr. Doer:** Yes, then you did sign a letter really fast that called for a loan program for the producers, Mr. Speaker. Members opposite, they have different positions on the APF, they have different positions on whether to have a deficit, they have different positions today and tomorrow on MCI between the member from Springfield and the Leader of the Opposition.

We believe that all Manitobans deserve a government that is with them, will stand with them. That is why we have \$60 million for the cattle producers. It is a real crisis and we should band together in this House. We should start uniting in this House by calling on the federal government to flow their money to the cattle producers.

**Mr. Tweed:** Mr. Speaker, all we are asking this Government to do is treat Manitoba cattle producers with the same respect that he treated the workers at MCI.

Mr. Speaker, when the Premier signed the deal with MCI he stated and I quote: We get about \$20 million per year back in tax revenues from MCI operations. We think that is good. The cattle industry generates over half a billion dollars in revenue to the province of Manitoba.

Again I ask the Minister of Agriculture: Has she failed in convincing her colleagues, the Premier, the Health Minister (Mr. Chomiak), the Finance Minister (Mr. Selinger) that the cattle industry in Manitoba is just as important as MCI and that the Government should step up to the plate and help the industry today?

**Mr. Doer:** Mr. Speaker, the Minister of Agriculture all summer has been working hard and diligently to get the APF agreement that was proposed to the provinces amended to deal with the payment by producers over a longer period of time rather than a shorter period of time.

At a meeting we have had on a number of occasions with all, all, the farm organizations in Manitoba they said, yes, you have improvements, Madam Minister, and, yes, those improvements are good for producers and you have no other choice but to sign that agreement and have real income flow to the cattle producers of Manitoba through a federal-provincial agreement.

Members opposite, for their own political reasons, are opposed to that after supporting it. We are signing it because that is the advice we have and that will put \$43 million additional in income, not advances to cattle producers in Manitoba.

### **Bovine Spongiform Encephalopathy Cash Advance for Producers**

**Mr. Jack Penner (Emerson):** Mr. Speaker, there are, as has been previously said, 12 000 producers in this province. There are thousands of jobs that are dependent on the livestock industry. There are value-added jobs that are dependent on that livestock industry such as trucking and others.

Will the Minister of Agriculture (Ms. Wowchuk) today explain why for a cost of \$20 million or less this Government will not provide a cash advance program to the producers to save

that industry and the thousands of jobs that are dependent on that industry?

**Hon. Ron Lemieux (Acting Minister of Agriculture and Food):** Mr. Speaker, I thank the member for the question. I am a member from the southeast of the province. I am also an MLA from the southeast of the province of Manitoba and I have spoken to many farmers, many family members that are also very concerned about the cattle industry and the beef industry in the province.

We have \$43 million on the table. Many, many producers have told us yes, even though it is flawed, the Minister of Agriculture did what she could to attempt to make a change with regard to the APF, and even though it is flawed you have to take it. Our money is there. We are waiting to get a partner with regard to the APF and trying to work with this, but the families I have spoken to in Manitoba and especially from the southeast that I am also a member of, as the member opposite is, they are also seeing the hardship. We are trying to deal with that and the Minister of Agriculture is also doing a great job of doing that.

\*(14:10)

**Mr. Penner:** Mr. Speaker, in a copy of a letter from Chris Coulson to the Premier, that I also received, who is the wife of a young farmer and I quote: We cannot sell any cattle and our pastures are completely devastated. We need feed, we need money to buy feed for our cattle and we do not qualify for your loans program.

Mr. Speaker, when will the Minister of Agriculture realize the depth of desperation and use her cash advance program to buy them hay, to buy their kids clothes and to allow their kids proper clothing to go to school?

**Hon. Gary Doer (Premier):** Just on the specific individual, I certainly would like to take the circumstances as notice. A young farmer is entitled under the program to a 2.25% interest rate, which a very low interest rate, Mr. Speaker.

On the issue of the drought and feed situation, we are very aware of the transportation challenges for feed, Mr. Speaker, and we are

working on a drought transportation program with the federal minister that we think would make sense for Manitoba producers.

We recognize in three areas of the province, at least, there are some real challenges on the situation with the lack of a second crop of hay and the dryness of the pasture areas. This is an issue that we have had various proposals, a per acre payment, a transportation issue. We certainly believe that it is related to BSE, because in past years they would have sold their cattle.

**Mr. Penner:** Mr. Speaker, we have heard a lot about the APF program today. The Premier has not told this House that it will cost a farmer \$22,000 to cover himself for \$100,000.

Chris writes: I am 25 years old and I have always been a faithful NDP supporter, but I am starting to lose faith. Please, please give me a call, Mr. Premier. That is her letter to you.

Mr. Speaker, why will this minister, why will this Premier not concede to putting in place a cash advance system that would allow these young people to maintain their operation and provide a living for their young family? They are the seed that we are looking for to continue this agricultural industry.

**Mr. Doer:** Mr. Speaker, KAP has recommended we sign the federal-provincial agreement. The municipalities and Stuart Briese have recommended that we sign the federal-provincial agreement. The cattle producers have recommended that we sign the federal-provincial agreement for income. The Manitoba Chamber of Commerce, the sheep producers, the veterinarians that we met with, all the organizations we met with: a) admitted that we made improvements to the federal-provincial program, b) have said the federal government has had a gun at our producers' heads if you do not sign the agreement with the cash that they are entitled to from their national government.

We have signed that agreement and now it is time for the federal government to share. Our money is on the table. We have to get that cash and income to our producers, Mr. Speaker. That is really the challenge for this Legislature as I see it, to take the advice of the elected leadership

of the farm organizations to take that money and have some real income to deal with the real, real economic challenges in rural Manitoba.

### **Livestock Industry Marketing Campaign**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, one of the issues facing Manitoba slaughterhouses is marketing Manitoba beef and getting the very best possible price for Manitoba farmers. I think that one of the things which is important is there for marketing and providing good guarantees for Manitoba beef.

I would ask the Premier if he would undertake on behalf of the Manitoba government a major marketing campaign for Manitoba beef and, as part of that advertising campaign, provide a provincial seal of approval, a provincial guarantee that Manitoba beef marketed through this program is BSE free.

**Hon. Gary Doer (Premier):** First of all, Mr. Speaker, the member should know that one of our real challenges for the beef here in Manitoba is the older cattle. We need federal inspectors to deal with some of them and members opposite would know this, to deal with the challenges with the older cattle.

That is a real challenge for us that is not just answered in a 10-second answer for all of the legislators here in Manitoba. We need to find a way to target some of these plants and to target what we know to be a new operation to target the older animals. We have to try to get as many of the older animals processed as possible because they remain the most vulnerable for the lack of closure of the American border.

Secondly, we do have money in the slaughter capacity fund for marketing beef. Some of that beef has to be inspected by federal inspectors, some by provincial inspectors in terms of the stamp. The Manitoba consumer and the Canadian consumer are the real heroes in this very desperate situation. Manitoban and Canadian consumers are consuming more than 62 percent more in July of this year than they did a year ago. Hooray for the consumers of Canada dealing with the Canadian beef.

**Mr. Gerrard:** Mr. Speaker, the issue here is quite clear. You have the over-30-month cattle need a market. They need this provincial stamp of approval and guarantee. Consumers want food safety, assurance of food safety. Why is the Premier hesitant to provide a provincial guarantee that Manitoba beef is BSE free?

**Mr. Doer:** Mr. Speaker, the first challenge we all have is to take those older cattle and cows and get them processed, either in places like Moose Jaw or Manitoba, increase the capacity here. That is the first challenge we have because we know if we get a positive position on the border on younger, the under-30-month animals, we are still going to be left with a huge challenge with cattle here in Manitoba because of the fact that our slaughter capacity is down to under 20 000 a year. So we are trying to target all of what we do to getting the older cattle processed in places like Moose Jaw, which we understand is retooling for that operation.

Plants and producers have some ideas here in Manitoba. We are trying to do that more than anything else. Getting the Manitoba consumer to consume more Manitoba beef, we have a fund there. We have \$100,000 there. I absolutely trust the Manitoba consumers to do that, but some packing houses will not take, will want to deal with all elements of the beef in terms of efficiency, not just one or two elements that might be available for consumers. It looks simple on the surface but it is a challenge for all of us.

**Mr. Gerrard:** I would ask the Minister of Agriculture (Ms. Wowchuk), since the Premier did not give me a straight answer, I think it is quite important if we are going to market over-30-month beef that there be a guarantee of food safety. If the Government feels there needs to be extra measures and testing and so on in place then do it, but give us this guarantee. Let us have a provincial guarantee, because it is going to help the marketing. It is going to help the price of Manitoba beef and especially cows.

**Mr. Doer:** Mr. Speaker, in conversations we have had with the processors, they say we need more CFI inspectors, that we need the federal stamp. That is the advice we have received. We do have \$100,000 on marketing, so the straight answer to the straight question is we have it, but

the advice we received is the CFI stamp and that is the advice I assume members opposite have had too.

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

## MEMBERS' STATEMENTS

### Bovine Spongiform Encephalopathy

**Mr. Kelvin Goertzen (Steinbach):** Mr. Speaker, a great deal of attention has been focussed on the economic impact of the closure of the border to live cattle in Manitoba. Cattle producers are facing a desperate situation and the Minister of Agriculture (Ms. Wowchuk) has failed to respond. Of course, we know that the economic impact reaches beyond those directly involved in the cattle industry. We know there are a number of industries that are impacted and that are suffering as well.

This morning I spoke with Desmond Plewman who operates the Grunthal Livestock Auction Mart. Mr. Plewman indicates that he has lost more than \$100,000 since the border was closed on May 20. As well, Mr. Plewman says despite his best efforts he was forced to lay off eight part-time employees and downsize the jobs of eight other previously full-time employees.

Mr. Speaker, we are left to wonder if the Minister of Agriculture is willing to give up the auction industry like a previous NDP minister gave up the province's slaughter industry.

Also this morning I heard from a local livestock trucking industry that indicated that 15 percent of their trucks and drivers were being impacted by the border closure. Is the minister prepared to save the industry and help these related industries as well? Her actions to date appear that the answer is no.

Perhaps the Minister of Agriculture herself should consider going into the business of auctioneering because her actions have brought to mind a very familiar phrase: Going, going, gone.

\*(14:20)

### Islendingadagurinn

**Mr. Peter Bjornson (Gimli):** Mr. Speaker, I am happy to report that the 114th Icelandic Festival of Manitoba, Islendingadagurinn, was once again an overwhelming success in Gimli, August 1 to 4. Many of the 50 000 visitors who attended this year's festival enjoyed a boat tour on the *Viking Saga* in the Gimli Harbour. The 44-foot-long replica vessel was built by Newfoundland seafarer, Paul Compton, to honour Leif Ericsson and his crew of Vikings, reputedly the first Europeans to set foot in North America.

The ship continues to be a tremendous tourist attraction, with the last tour scheduled this week, providing daily 90-minute rides to visitors who learn first-hand about the history of these rugged, ancient mariners. Complimenting the ship, the new Iceland Heritage Museum presented the Full Circle: First Contact exhibition, depicting the Viking struggle for survival in North America.

The annual celebrity concert this year featured many rising stars of the community. These talented young people, Janice Olson, Signy and Heida Arnason, Dustin Narfason, Kate Cordingly, Alex Specula, Lindsey Gudbjartson, Scott Petrowski and Brad Tole, were all former students of mine who have received musical training through the Gimli High School's award-winning band program under the direction of teacher, Mike Cherlet.

Mr. Speaker, I am proud to represent Gimli, and I wish to thank the community, the Icelandic Festival organizing committee and the many volunteers for this year's wonderful festival, especially the efforts of Icelandic Festival president Jim Arnason. I wish them very much success in planning for next year's 115th Islendingadagurinn.

### Bovine Spongiform Encephalopathy

**Mr. Mervin Tweed (Turtle Mountain):** Mr. Speaker, over the last several days and weeks across Manitoba we have heard the Government of Manitoba going across the province expounding the benefits of their loan program to save the cattle industry from the BSE crisis. We know that 12 000 farm families are involved in the

cattle industry in Manitoba and many of them are suffering the consequences of the border being closed. It is one thing for an organization or a company to step up and make an investment, hoping and banking on the future, but when the border is shut down, their ability to either make money or lose money is completely gone. We know at the end of the day they will incur losses.

Yesterday, I asked the Minister of Agriculture (Ms. Wowchuk) how many of the 12 000 people that are involved in the cattle industry have actually requested loan applications and how many have been approved. After dodging the question several times, the minister finally admitted that, of the 12 000 farmers that are in the cattle industry in Manitoba, approximately 100 applications have been processed and approved. I would suggest to you that this is not good enough.

If the Minister of Agriculture, the Premier of Manitoba (Mr. Doer) and this Government believe that 1 percent of any organization that is supposed to receive funding in a time of crisis, if 1 percent of those people only are able to access the program, I would say to you, Mr. Speaker, and to the Government that the program has failed dramatically. I would ask that the Minister of Agriculture, the Premier and all the colleagues of the current NDP government should go back and try and find the solution to this 1 percent solution that they have presented to the cattle producers of Manitoba.

#### **Emilie Livingstone**

**Ms. Kerri Irvin-Ross (Fort Garry):** Mr. Speaker, I am honoured today to bring attention to the excellent achievement of Emilie Livingstone, a constituent in my riding. Emilie is a young rhythmic gymnast who, on Sunday, September 7, won the gold medallion, an achievement award certificate awarded by the Manitoba Rhythmic Gymnastics Association.

The Manitoba Rhythmic Gymnastics Association, which was founded in 1969, has been providing leadership and programs in Manitoba communities for the development of recreational and competitive gymnasts in Manitoba. A member club of the Rhythmic Gymnastics Association

is the home of the provincial and national team program located at the University of Manitoba and is the home club of young Emilie Livingstone. This association has excelled in the task of helping to foster the talents of this young athlete. To attain her goals, training and competing are almost her full-time job and her hard work has yielded tremendous results. The gold medallion certificate being one of the many achievements for the young, stunning athlete. She was also a member of the Canadian rhythmic gymnastics team which in 2003 attended the Pan Am Games in the Dominican Republic.

In the group event at these games, her and her teammates received a bronze medal in the ball and hoop and in the ribbon event. Overall the Canadian team received a silver medal. At the Pan Am Games in Winnipeg she was part of the Canadian team that won the gold medal. She was also a member of Team Canada in the Sydney 2000 Olympics. I would also like to wish her good luck in the world championships in Hungary this fall which will act as a qualifier to the 2004 Olympics in Athens.

Mr. Speaker, these are remarkable milestones of athletic achievement that should be remembered. We should also remember the importance of sports in our community and the numerous sports associations which help to cultivate the athletic talents of our young people.

#### **Bovine Spongiform Encephalopathy**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, during the summer I visited producers in many parts of Manitoba as well as feedlot operators and slaughter houses. I have great concern for those in Manitoba who have been adversely affected by the discovery of mad cow disease in the Canadian cow May 20.

We are now almost four months later and there remains much to be done to address the large impact to cattle, sheep, bison, elk and other producers, the feedlot operators and to others in many rural communities who are affected. The situation has been very considerably exacerbated by dry conditions in parts of Manitoba, including the Interlake, the region around Alonsa and parts of southwestern Manitoba as examples.

Sadly neither the provincial nor the federal government has handled this as well as it might have been handled, but it is the provincial activities that are of particular concern to us here in this Legislature.

The loan program has been put forward by the provincial government. It has been of some assistance, but it has had major problems in its delivery. The feed subsidy program is a reasonable program to start, but ending the program a month and a half before it was announced to be ended initially is inexcusable. Sadly, the design of the program also sent a very negative message to those from other provinces investing in Manitoba cattle.

The provincial government has fought the federal government tooth and nail on the Agricultural Policy Framework and accused the federal government of blackmail, creating a toxic relationship between the two levels of government and delaying the delivery of cash to hard-strapped producers. It is time for all of us to support producers in their dire need and to support rural communities struggling for survival.

I have called today for the provincial government to undertake a marketing program with a stamp guaranteeing that Manitoba beef is BSE free. I believe this can be done and if measures need to be undertaken to make sure it can be done then let us do it.

## COMMITTEE OF SUPPLY (Concurrent Sections)

### HEALTH

\* (14:40)

**Mr. Chairperson (Harry Schellenberg):** Will the Committee of Supply please come to order. This section of the Committee of Supply meeting in Room 254 will resume consideration of the Estimates for the Department of Health. As had been previously agreed, questioning for this department will follow in a global manner. The floor is now open for questions.

**Mrs. Myrna Driedger (Charleswood):** Could the Minister of Health tell us if he feels that the RHAs are adequately funded?

**Hon. Dave Chomiak (Minister of Health):** We try to accommodate all of the needs and requirements in an expanding health care system to the best of our fiscal ability.

**Mrs. Driedger:** Does the minister meet regularly with the RHAs?

**Mr. Chomiak:** I meet regularly with the council of CEOs and chairs.

**Mr. Gerald Hawranik (Lac du Bonnet):** I have a constituent by the name of Doug Dowling and I have written to the minister about him and about his situation, about a month ago. His concern was with respect to the Quest Inn in Winnipeg which advertises itself as an assisted living centre. In fact they advertise themselves in the Winnipeg Seniors Housing Directory as an assisted living centre. That would lead one to believe that in fact they do offer some services there for seniors. He feels because the Winnipeg Seniors Housing Directory listed them that, in fact, he was led to believe that there were some standards that were in place by the Province with respect to assisted living centres.

His father suffered a stroke one day, in fact on January 5, and no one checked on him the entire day, even though meals are provided at that centre as part of the services they provide. It was only after his sister called from British Columbia to alert them of the fact that she had not heard from him that he was discovered, in this centre.

His concern was with respect to safety in a centre like that and the fact that after I looked through government regulations I discovered that there were no standards for assisted living centres in the province. His only recourse then, of course, is to sue the centre for lack of services.

I do not think that is acceptable. I think anyone holding themselves out as an assisted living centre for seniors ought to meet some type of government standard. I am wondering whether the minister is going to be considering enacting standards for centres like this.

**Mr. Chomiak:** It is correct that we do not fund or license assisted living centres. I will take the member's suggestion under advice.

**Mr. Hawranik:** A second concern I have is with respect to per-capita funding for health associations. NEHA receives, from what I can understand, the lowest per-capita funding in the province for that area. We have some areas of the province, some rural areas of the province that receive double the per-capita funding. The city of Winnipeg, even though there are some economies of scale, of course, because of the size of the population in the city of Winnipeg, receives substantially more funding than NEHA does. I am concerned about that. I ask the minister whether or not you review that per-capita funding annually and whether you would be prepared to look at a more equitable funding formula particularly with respect to NEHA?

**Mr. Chomiak:** A couple of points for the member. I have had the debate with some of the member's colleagues about their particular regions on previous years of Estimates on numerous times. We review funding to regions on an annual basis. We do not fund on a per-capita basis. I might point out as well, the city of Winnipeg provides at least 30 percent of its capacity to centres outside of the Perimeter Highway. We do try to fund them as fairly as possible and in equity and in fairness. The regions have received increases over the years.

Now, I have had this discussion quite regularly. I have had several discussions with several of the rural backbenchers in other regions who have made the argument on per-capita basis. We do not fund on a per-capita basis. We do fund on a regular basis and we fund on a needs basis and we try to be as fair and equitable as possible.

If one were to compare solely on a per-capita basis I am not sure that one would necessarily grasp both the needs and requirements in a particular region if one were to go to a per-capita form of funding. It simply would not capture the health needs or the quality of care required in a particular region based on the makeup of that region.

**Mr. Hawranik:** The Lac du Bonnet constituency is a rather large geographical area of the province. We currently have three hospitals within that region. First of all, Beausejour and Pine Falls are both regional hospitals, the third being the Pinawa Hospital. NEHA has requested a study to be done with respect to making a third regional hospital by either replacing the existing Pinawa hospital or renovating the existing Pinawa hospital to ensure that it remains viable and to ensure that it becomes a regional hospital. Is the minister aware of that proposal? Is he aware of the study and the results of the study, and, if so, how long will it take for approval, and is he considering approving that hospital for Pinawa?

**Mr. Chomiak:** I am aware of that particular request. It would probably surprise the member to know that there is virtually no region—let me think if I can come up with a region in the province that has not had a request for a capital hospital construction project. There is not one region that I can think of off the top of my head. I am aware of the request and some of the requirements. I had the pleasure of attending the opening of the new Beausejour Hospital as well as some of the other facilities in the area and that we are aware of the needs and the requirements of the area. It is within our planning process.

**Mr. Hawranik:** Recently, I had a personal experience in terms of my family's experience with the health system in that my father-in-law, my wife's father, in fact, was diagnosed with cancer. While we sometimes look at lineups and waiting lists for tests, we do not often focus on when the results are available after the test. I can tell you that within a few days he was able to get a CAT scan in Selkirk, which I was really impressed with, but after that CAT scan and while he was still suffering—we thought he was suffering from cancer—it took three weeks before the test results became available because they were sent to Winnipeg and interpreted and sent to the family doctor.

We often look at the lineups that we have for the tests but often we do not look at how quick those test results become available. I am not sure whether the minister has any plans on reviewing those kinds of procedures to shorten

the waiting lists and shorten the time it takes to get a test result.

**Mr. Chomiak:** I appreciate the member's comments. The member does identify an issue that has been a significant issue in the province for 10 or 15 years. That is a need and a requirement to have the ability to have a province-wide network that would provide for interpretative results online, on time with respect to test results, et cetera, because the member does illustrate a problem, not just isolated to rural and northern Manitoba, but, in fact, it occurs in the city of Winnipeg. Part of our DSM proposal is designed to have a province-wide network of lab and test results that can be accessible across the province.

I might add that I will pass on the comments and as well the point with regard to CancerCare Manitoba. One of the newer initiatives of the Government has recently been to have CancerCare Manitoba have an outreach, a Telehealth capacity across Manitoba which we intend to link up and continue to expand in the future. But your point with respect to the lab results issue, without going into a long history of this issue, which I could but I will not, it has been a long-standing issue and we are taking some action to remedy that situation.

**Mr. Hawranik:** I would like to ask the minister, and this question, I think, goes towards accountability of the health associations. I can tell him that since being elected in March of last year, I have written three or four letters to NEHA requesting information. I have yet to receive a response, three or four letters and I have not had a response. I did write to the minister, as you know, about a couple of months ago with respect to an issue with Pine Falls District Ambulance. We tried to get a meeting with the minister with respect to that ambulance on an issue that some of the municipalities had identified. It was only after we pressed your office to ask for an answer that in fact the NEHA executive director finally called me and gave me an explanation, but he told me why he was calling me was because you had requested him to do so. I think that just shows a lack of accountability.

I am the elected member over there in Lac du Bonnet, along with other members that

represent NEHA, and I think that the response to my letters was terrible. I cannot get an answer out of them. They do not respond to my letters and they do not respond to my calls. I wonder if the minister can look into that.

**Mr. Chomiak:** I will pass on your comments to the NEHA authorities.

**Mr. Kelvin Goertzen (Steinbach):** I have a question for the minister regarding an incident that happened within my constituency on August 4 at the Mennonite Heritage Village museum during the Pioneer Days celebration. The letter was brought forward to me actually by a constituent of the Member for La Verendrye (Mr. Lemieux). My understanding from the individual named Paul Yaworsky is that he has provided the Member for La Verendrye a copy of the letter, and he indicated that one had gone to your office as well, Mr. Minister. I certainly have a copy of the letter here. I do not expect on the spur of the moment you will remember it, but I will pass it down here for your information.

In essence, what happened on August 4 at the museum in Steinbach is that a 911 call went out from a volunteer, Mr. Yaworsky, who works for St. John Ambulance services. He was volunteering there on the weekend. The 911 call came from a cell phone which was then routed. The call was picked up in Brandon. Mr. Yaworsky asked that an ambulance be dispatched to the museum in Steinbach, but instead he was transferred to the 911 centre in Winnipeg, I gather. He repeated his request, then, that he needed an ambulance at the museum in Steinbach. The call was then transferred back to Brandon where he explained the situation once more. At that time, he was put on hold for five minutes on the 911 call. It is not surprising that Mr. Yaworsky has significant concerns about the situation. He states in his letter that you have in front of you that, if the reaction had been more severe, it is possible, most likely he says, that the individual would have died due to the delays.

\* (14:50)

There are two questions I think specifically that arise from here. One is the nature of 911

calls that come as a result of cell phone calls and how they are routed and, secondly, the delay of five minutes that took place in getting a connection through to get the ambulance dispatched. Being on hold for five minutes on 911 certainly is not acceptable. I know we all would have been saddened had the result been different.

**Mr. Chairperson:** I would like to draw the Member for Steinbach's attention to this. As a new member, you probably are not aware, but if you quote a letter, a private letter, it should be tabled—[interjection]. I thank the Member for Steinbach.

**Mr. Chomiak:** Mr. Chairperson, I thank the member. He does rightly identify an issue with respect to cell phones. This specific reply to the member's letter will be answered with specific points. I just want to point out that we are in the process of establishing an overall call centre in Brandon, Manitoba, that is going to be responsible for emergency dispatch outside of Winnipeg across the province.

**Mr. Goertzen:** When a call is dispatched off the 911 call, is it possible for the operator to determine then where the call is coming from? The minister suggested a new system will be coming in place. Will it then be possible to determine where the call is coming from?

**Mr. Chomiak:** Mr. Chairperson, I will clarify that specific point to the member, but I should point out that one of the purposes for the establishment of a centralized system dispatch and conveyance system in Brandon is to try to remedy the gaps in the system that occur as a result of differing jurisdictions and differing difficulties. We do have a plan, and we are in the process of developing that in Brandon.

**Mr. Goertzen:** So I will trust then that the minister is going to endeavour to look more specifically into this particular instance and respond back to both Mr. Yaworsky and to myself as well.

**Mr. Chomiak:** Yes, Mr. Chairperson.

**Mrs. Driedger:** Mr. Chairperson, the June 20, 2003, issue of the *Rural News* put out by the Society of Rural Physicians of Canada refers to a

Manitoba study that indicates that people in Winnipeg continue to improve their health status while rural Manitobans' health status has been generally unchanged in the last 15 years.

We know that low population density and isolation result in unique challenges in delivering health care to rural as compared to urban Canadians. In order to resolve these issues, we must recognize and incorporate these differences into our planning processes.

The health care system will be sustainable only if realistic changes are based upon accurate information. For one, the role of the small, rural hospital needs to be better understood before we can make the right decisions. It has been a place to be born, a place to die and many things in between. It has played a distinct but not well understood economically and socially stabilizing community function that its larger counterparts do not. We must think very carefully before we take these institutions away from rural Manitobans. There is no single or simple panacea. I think we all know that.

Technology is an adjunctive tool for the practice of rural medicine. It is not a substitute for the skilled rural physician or nurse who can lay hands on. Mr. Justice Emmett Hall, I think, says it best.

Every citizen in Canada should have equal access to health care regardless of where they live. Anybody cannot say, out of one side of their mouth, that they support medicare and the principles it stands for and then, out of the other side of their mouth, say that rural hospitals will be closed. Closing a hospital will cause economic and civic hardship in rural communities. Jobs will be lost. Physicians will move away and people will have to travel greater distances to get care, often from strangers.

The chronically ill and infirm elderly are at particular risk and will move away from their friends, their families and homes to be closer to hospitals. I have seen that happen in a number of rural communities including my own former community.

\* (15:00)

Closing rural hospitals will lead to increased transportation costs for the patients and families

personally, well beyond what urban patients and families must pay. Rural physicians have indicated there is the hidden cost of adverse outcomes caused by having to ship patients for care. They say that obstetrics is an example where the absence of local maternity services is shown to increase prematurity of newborns, hospitalizations and costs even if the referral hospital is of the highest standard.

The optimal number, size and distribution of hospitals is not known. With inadequate information and evident concerns about access to care and quality, we should be cautious in closing rural hospitals. Rural peoples are already underserved and should not have to take the brunt of cuts. Rural RHAs are already on record saying they have not been treated as fairly as urban RHAs.

Allan Rock, when he was the federal Minister of Health, said, quote: The real threat of two-tiered health care in Canada is not rich and poor nor have and have-nots, it is rural and urban.

I would like to ask the Minister of Health if there is any rural health delivery research currently being carried out by his department.

**Mr. Chomiak:** Mr. Chairperson, I might add to the member's comments, when the member talks about rural Manitoba, the member could also add, I am sure we would all agree that in northern Manitoba the situation is even more acute. There are 5 in 10 000 communities that do not even have access to nursing stations on occasion, never mind hospitals, that do not have access to primary care.

I think we all agree that it is a goal of all of us to preserve access to health care. I certainly concur with the member's comment.

I should tell the member that the Filmon government undertook an assessment of rural hospitals. The most in-depth assessment of rural hospitals done was undertaken by the Filmon government. It was called *Assessing the Performance of Rural and Northern Hospitals in Manitoba: A First Look*. It was commissioned in 1996-97 by several members when they were in government that came out and did an assessment

of all of the smaller and all of the rural hospitals in the province of Manitoba.

I am sure the member has access to this study, which was the most extensive of its kind, that looked at rural hospitals and northern hospitals in Manitoba, looked at the need, looked at the frequency, looked at the use, looked at the volume. The Filmon government undertook that study and provided that study that is utilized by most individuals when they review the situation in Manitoba as the most recent template and review of the situation, but most observers, as a template for the situation in Manitoba, the report commissioned by the Filmon government.

**Mrs. Driedger:** Mr. Chairperson, I certainly do recognize, as the minister does, the significance and importance of the northern hospitals. That is very clear by a lot of the information out there, how integral the hospitals are to rural Manitoba.

I do acknowledge that, but that is not where we are hearing of hospital closures. Right now we are hearing of hospital closures in rural Manitoba.

I would like to ask the Minister of Health: With some of the challenges being faced by rural RHAs, has the minister worked with them and rural citizens to develop a collaborative vision for any rural health reform?

**Mr. Chomiak:** Mr. Chairperson, I am glad the member asked that question, because so much of our energy over the last four years has been devoted to rural Manitoba and providing new services in place. Let me just cite, for example, the first off-site dialysis unit constructed in the north, repatriating surgery for the first time in over a decade to rural Manitoba, to Steinbach, to Ste. Anne, to Thompson, Manitoba.

Let us not forget the significance of the programs that we brought back after the cuts of the Filmon government with respect to programs, the fact that we have increased the enrolment. The former government cut the enrolment in medical school by 15 in 1992-93. In fact, there are members sitting at this table who were members of that Cabinet that made that decision to cut the enrolment at the medical school at that time.

If we had those students, Mr. Chairperson, Manitoba students now, we would have a hundred more Manitoba doctors available. Fortunately, we reversed that and we also—  
[interjection]

**Mr. Chairperson:** Order. I would like to take a moment to remind all members, honourable members on both sides of the table to please address their question through the Chair, please. I ask for the co-operation of all members in this matter. You will get your chance to debate when you ask your question. Thank you.

Would the honourable minister please continue.

**Mr. Chomiak:** Yes, thank you, Mr. Chairperson. Not only have we expanded the enrolment at the college, we are also expanding it by another 15, as well as residency positions.

For the first time in Manitoba history, an Office of Rural and Northern Health to deal with doctors and doctor shortages; for the first time in Manitoba history, an IMG program that takes foreign trained doctors, something that never happened over 11 years, train them, provide them with a program, and those people are practising in rural Manitoba right now as we speak. Not only are they practising, but there are a number in training.

In addition, the number of nurses that have been trained, the program that members opposite oppose, the bringing back of the diploma program—

\* (15:10)

### Point of Order

**Mr. Chairperson:** The Member for Charleswood, on a point of order.

**Mrs. Driedger:** The minister is going on again putting false information on the record. The statement that he just made, he cannot back that up, because no statements have been made. He continues to say this on an ongoing basis. I would ask him to put accurate information on the record and quit trying to mislead.

**Mr. Chomiak:** I recall the rally that was held here at the Legislature where the Member for River East went out front and supported the baccalaureate program in lieu of the diploma program, Mr. Chairperson.

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

**An Honourable Member:** Of course, Bonnie, of course.

**Mr. Chairperson:** We cannot continue if we cannot hear each other. On the same point of order, the Member for River East.

**Mrs. Bonnie Mitchelson (River East):** Mr. Chairperson, again the Minister of Health, because he is incapable of answering and defending the actions of his department, likes to deflect away from the issues at hand and answer the questions. I think that shows much disrespect to the many patients and people that need the health care system when he does not want to sit in his chair and be accountable to those people.

Mr. Chair, I just wanted to indicate as a registered nurse, I am extremely supportive of registered nurses and programming and always have been, so I would hope that the minister would take answers to questions that are being asked seriously rather than trying to manipulate the process and deflect away from being accountable to Manitobans for the shoddy health care that he and his department are providing.

**Mr. Chairperson:** On the point of order raised, there is no point of order. It is a dispute of the facts, and I thank all of the members for the contribution, but I would like to caution all members on the language that they use in their debate here. I thank you.

\* \* \*

**Mr. Chairperson:** Honourable Minister, continue.

**Mr. Chomiak:** Just to continue with the incredible investment and reinvestment in rural Manitoba that has taken place in the last four years, I look around and see new hospitals in Beausejour, Gimli, Morden, Winkler, Brandon; returned surgeries to Ste. Anne, Steinbach,

Thompson; 70 new ambulances. The number of doctors has increased in rural Manitoba.

We have established the Office of Rural and Northern Health; doubled and tripled the number of nurses enrolled in programs after they had been cut; brought back the medical technologist program that had been cut by members opposite to train medical technologists so they could go into rural Manitoba; a bursary program for doctors who practise in rural and remote centres, which was not in place under members opposite; an expanded enrolment program; an Office of Rural and Northern Health; an IMG program; an expanded family residency program—all not in place when members opposite were in power.

More doctors in urban Manitoba; more doctors in rural Manitoba; the first MRA to be installed outside of Winnipeg; expanding Health Links to ensure 24-hour, seven-day-a-week information available around Manitoba; palliative care across Manitoba. I could go on and on talking about the way we have reinvested, redeveloped and put resources back into rural Manitoba, but it would probably take the balance of the Estimates period this afternoon.

**Mr. Chairperson:** I would like to take a moment here to remind all honourable members to please provide the courtesy of your attention to the member who has the floor. Please respect the person that has the floor. If we do not do that, we cannot continue because we cannot hear each other.

**Mrs. Driedger:** The minister and Premier (Mr. Doer) are on record that rural hospitals will not be closed, yet he is sitting back silently while RHA officials are saying the opposite. A couple of questions here: Is there a hidden agenda here to close the hospitals and is the minister allowing this to happen through decisions of the RHA and distancing himself from them, and if that is his policy, why is there not a greater voice from him about his position?

**Mr. Chomiak:** The same accusation was made by members opposite four years ago; we did not close any hospitals, and that remains our policy.

**Mr. Leonard Derkach (Russell):** I just heard the minister say something about that the closing

of rural hospitals is not the Government's policy. I used to hear the Premier of Saskatchewan, Roy Romanow, say the same thing at the same time he was closing rural hospitals. He closed 52 rural hospitals in Saskatchewan. Today, we have the Premier, Gary Doer, and Dave Chomiak, the minister—

**Mr. Chairperson:** I would like to caution the member that we address all speakers by their constituency or portfolio. Thank you.

**Mr. Derkach:** Thank you, Mr. Chair, and I respect that. I will reiterate it was the Premier and the Minister of Health in this province who are beginning to close rural facilities in Manitoba. We are going down the same path as Saskatchewan did. I want to ask the Minister of Health if, in fact, he and his Premier are committed to no closures of rural hospitals, why the Erickson hospital has closed?

**Mr. Chomiak:** The Erickson hospital was closed in 1998, 1999, 2000 and 2001. The first three years it was due to shortages. The most recent one was due to nurse shortages. The closure of the emergency service at Erickson has been occasioned by the fact that a doctor on August 26, I believe, tendered his resignation. It has been a constant problem in Erickson for a number of years and has been dealt with, as the member knows full well, for well over a decade with respect to Erickson hospital off and on in terms of the Erickson hospital, per se, and has been a continuing problem. We have managed to deal with it over the past four years, and we continue to deal with it.

**Mr. Derkach:** I heard the member from Dauphin's legislative assistant say "right" to the minister's approach to this. That is a tragedy because the RHA has clearly indicated to the community and indeed the minister has received a copy of that indication where the hospital is going to be now run as a northern nursing unit, not as a hospital any longer.

As a matter of fact, just two weeks ago we had a couple of doctors come through the community that were interested in locating in Erickson; however, they were told by the RHA, an instrument of the Government, that they would not be allowed to do on-call and

emergency services in Erickson, that in fact their on-call would have to be done in Minnedosa.

There is a contradiction here between what the RHA is saying and what the minister is saying. Now, Mr. Chair, it is obvious that by using the excuse that you cannot recruit doctors to a community, the minister now has a convenient tool to close the hospital because his RHA will simply not recruit for that community. And the CEO of the RHA told the community very clearly that Erickson is not a priority in doctor recruitment. As a matter of fact, they were told that if a doctor recruited for Erickson his on-call would have to be done in Minnedosa.

Now, what does that tell the citizens of Erickson? Does it say that this is a temporary closing because of temporary staff shortages? No, it says that this is a permanent closure. The Health Authority there has made their decision. I spoke to an official from the Health Authority, and I reminded the official that the Premier (Mr. Doer) of our province said that there will be no hospital closures in Manitoba. He said that in Rivers, and when he was challenged that if an RHA were to close the facility, then what would the Premier have to say, he said: We sign the cheque.

Today, we have a different scenario. Just three short months after the last election, we have this minister, in collusion with the RHAs, now moving forward on an agenda to close rural hospitals, the first of which is Erickson. In my constituency alone, Mr. Chair, there are three hospitals that face the same prospect now. They are Rosburn and Birtle. As a matter of fact, the CEO of the RHA has already met with the community of Russell, telling them that if Birtle and Rosburn close, then Russell will be a great beneficiary of that, because they will be allowed to expand their services to accept the clients from Rosburn and from Birtle.

That tells me that there is an agenda by this Government and by this minister to close those facilities permanently, yet in the report that was referenced by the minister today, Birtle was used as a model in terms of a hospital operating in this province, and yet today their doctor gave notice last December, which gave the RHA a

year to recruit a doctor, and they have not done anything in progress to that end.

So, Mr. Chair, I want to ask the minister again: Why is he and his Premier closing rural hospitals?

**Mr. Chomiak:** The preamble to the member's question contained a whole series of conjecture and some inaccuracies, which I will endeavour to outline to the member.

As I understand it, the RHA had two physicians who they recruited to the region who actually went to another region in the province. The Member for Russell seems to think he knows the reason why.

\* (15:20)

**Mr. Chairperson:** Order, please.

**Mr. Chomiak:** Mr. Chairperson, can the member not restrain himself and allow me to answer the question?

**Mr. Chairperson:** Honourable minister, continue, please.

**Mr. Chomiak:** One of the problems that has been identified and has been very clear both in Erickson and other small hospitals is the one-two rota that is a concern. It is very difficult for doctors to be on 24-hour call all the time. That has been a difficulty that has been identified.

But I might point out to the member, the member himself knows that we have indicated that we want and we have desired for the region to hire a second physician, and when that occurs the ER would be reinstated. The member knows that. So I do not know why the member goes on and on putting these facts on the record.

**Mr. Derkach:** I put facts on the record because they are true. The minister talks about the difficulty of a rota. This is another excuse that the health region is using. Prior to the doctor giving his resignation who lived in Erickson, there were two doctors. If the doctor team that were interested in coming to Erickson had actually settled in Erickson there would have been three doctors. One of the two doctors

would have agreed to go on rota in Erickson. But they were not allowed to. They said if you were going to go on an on-call basis, you would have to go to Minnedosa, and that is what the doctor who is currently in Erickson has been told, that if he wants to go on on-call, he has to go to Minnedosa.

Once again the minister does not know what he is talking about. He does not know his own RHA's directive that has been given to this community. The minister says that they will recruit actively for Erickson, yet Erickson community has been told that they are not a priority, that their hospital will be run as a pilot project, as a northern nursing station.

The minister got that information from the RHA. It was circulated in the community, and he got a copy of it. He can stand up and say, well, my intentions and my policy, but his actions are different. Rural hospitals are an important link to the life of the community. Maybe the minister does not understand it because he lives in the city, but rural people understand it. There is a fear amongst the rural people in these communities because their services are being taken away.

The other thing is that we have insured services now being replaced by fee-for-service. This is a two-tier system in health care in this province that is being forced upon the people by this Government, this minister and his administration.

If an ambulance is required to take a person from their home to the Erickson Hospital, that is at the cost of the patient. Because there is no on-call, because there is no emergency service or acute care in Erickson, that patient has to be moved to Minnedosa or to Brandon. That comes at the patient's cost. They have been told in the Erickson community that when that person has had their initial emergency needs looked after, they will be moved back to their community hospital once again at the cost of that patient. If there is a complication and that patient has to go back to a facility that has acute care, that will be done at the cost of the patient.

So, Mr. Chair, the health system is saving dollars on the backs of patients in these small

communities. I wonder how much money will actually be saved by the department or the RHA by the closure of these rural facilities compared to the total budget of the department, when you consider the emotional impact, the stress, the services that are actually being taken away from rural people.

I know that there are some realities that we have to face with regard to rural facilities, but no plan, no consultation has ever taken place with the people in Erickson, in Rosburn, and in Birtle—those are three of my communities—no consultation where people have sat down and said: How are we going to deal with the issues of not being able to provide some of these services right here at home? Instead there has been an autocratic directive given to the community that this is the way it is going to be, and you can explain it. They said to the councils: You can explain it to your people, we do not have time to do this.

Now, who has responsibility for the delivery? Is that not why we went to regional health? Is that not why we said we needed regional health boards, so that services could actually be closer to the people that need them? And what are we doing today? We are forcing these people to go to communities like Brandon to get their health needs met.

I ask you: How much more can the facility in Brandon absorb of the rural needs that are out there before we cannot deal with the situations that we have there?

Now the minister can point to the fact that, oh, we have trouble getting doctors, recruiting doctors. I can tell you of a case where a nurse moved into the area, went to the RHA, asked if there were vacancies—she was looking for full-time work—was told, no, there are no vacancies here.

She was turned away. She got a job in Brandon, and yet we are told that we cannot recruit nurses for rural facilities. Well, no wonder we cannot recruit them, when there is an attitude and a concerted effort without any discussion, without any planning, without laying out any plans for rural facilities to close rural facilities. I can understand why the minister

wants to close them out in my area, because he and his Government desperately tried to win a seat in that area, could not, and so this area does not mean much to this minister and it does not mean much to his Government. This is punishment politics of the finest kind.

**Mr. Chairperson:** Order, please. We will not continue if we have several speakers speaking at once.

**Mr. Derkach:** Now, Mr. Chair—

**Mr. Chairperson:** Excuse me, I have not completed my statement here. We can only have one person speaking. Let us just respect the person who is speaking, all right?

**Mr. Derkach:** Thank you, Mr. Chair. I apologize to this body if I seem a little bit emotional about this issue, but if you were to deal with the people in these communities who have located, whose families are there, you would understand. When I have a man who comes into the Erickson facility with a blood clot and is then sent home because he was misdiagnosed, not by a doctor, he was misdiagnosed by an emergency services worker, and then ends up in Brandon with the threat of losing his leg because he was misdiagnosed because his rural facility was not able to provide the doctor's services that are required, then that is the kind of trauma and emotion that families just cannot deal with. There is no need to have second-class citizens in this province. There should be equal access to medicine and to medical services throughout this province.

Yes, I have sympathy for the people in northern Manitoba as well, but we have swung the pendulum too far. I today appeal to this minister to not just state what his policy and his intentions are but to indeed take action and to give a directive to the RHA that this business of closure of hospitals is not acceptable and that we have to have a plan before we alter the services that are given to rural Manitobans. Thank you.

**Mr. Chomiak:** Mr. Chairperson, I thank the member for that speech. Let me just talk about a couple of examples in rural Manitoba that members opposite have raised before. Let us talk about Stonewall. Every time there is a physician

problem in Stonewall, and I sat down with the former Member for Lakeside and we looked at the situation in Stonewall, hanging on to the docs and keeping the ERs open, and we worked out an arrangement where Stonewall stayed open because there was movement of doctors and we were able to stabilize it.

When members opposite closed Gladstone ER in 1997 and then promised someday to open the ER, they did not do that when members were sitting around the Cabinet table. We have been trying to do that. In fact we are working on a pilot now to do the ER opening at Gladstone Hospital. When members opposite closed the ER at Gladstone Hospital, I did not see the Member for Roblin-Russell standing up in the Legislature and talking to the then-Health Minister and saying: Why are you doing this, why are you closing rural hospitals? The Member for Roblin-Russell was nowhere to be heard. He was a member of Cabinet that made that decision. We are a member of a government that are trying to reopen that ER in Gladstone and are attempting to do it.

I have talked to other members of this member's caucus who have different views on which hospital should stay open or not, and I understand that. It is a very important issue, and it is a very local issue, and it is a very province-wide issue. This Government has not closed any hospitals during the four years and it is not our intention—[interjection]—Erickson.

The member says we closed Erickson. Let me just point out a couple of points to the member. Erickson was closed on a temporary basis in '98; it was closed on a temporary basis in '99; it was closed on a temporary basis in 2000, and it was closed on a temporary basis in 2001. Each time, when we were government, we took steps to deal with this situation. I indicate to the member opposite, even though we have recruited more doctors in rural Manitoba and have more doctors than we did when that member left office, even though we have that, it continues to be a challenge.

**Mr. Chairperson:** Order, please. Please respect the speaker that has the floor. We have too many conversations going on across the table. If you wish to have your own debate, you can sit at the

chairs along the side or at the back so that we just have one conversation going on at one time.

**Mr. Chomiak:** Unfortunately, over the four years, despite increasing demands, we have managed to in fact enhance services in a number of centres, including Telehealth. Does the member recognize additional surgeries outside of Winnipeg for the first time? Does the member recognize that as not a commitment to rural Manitoba? Does the member not recognize the additional 15 family-residency positions as not a commitment to rural Manitoba? Does the member not recognize the Office of Rural and Northern Health? Does the member not recognize the bursary program? Does the member not recognize the IMG program? Does the member not recognize the rotating LPN program across the province? Does the member not recognize the new facilities in Brandon and in Beausejour and in Boundary Trails and under construction in Swan River?

Well, Mr. Chairperson, if the member does not recognize that, then we are not going to get anywhere in this conversation, because the member seems to be of the view that he has put on the record, and I have said before and I have said consistently what our position is, and I have indicated that to the member and I continue to indicate that to the member.

\* (15:30)

**Mr. Chairperson:** Before I recognize the Member for Russell, it is hard to hear the conversation if we have a conversation going on across the table.

**Mr. Derkach:** Mr. Chair, I recognize the fact that the minister has indeed moved ahead in some areas such as Telehealth. Certainly, that does not indicate in any way my not recognizing the fact that there are good things happening in some of our rural hospitals. I am talking about the closure of facilities like Erickson, Birtle and Rossburn. We are not talking about Stonewall; we are not talking about Gladstone. I can talk about Gladstone, because, as the member would know and should acknowledge, the reason Gladstone was closed—and the member from that area would know better than I do—was because of human resource shortages. They were told

that once those shortages were reversed, that, indeed, that facility would open.

That is a reality throughout the area, the reason Erickson was closed in '98, the reason it was closed in '99, for those same reasons. But those were temporary closings. Today they have been told in the Erickson community that their closure is permanent. The communities of Rossburn and Birtle, although they have not been told this, have been signalled that, by having the RHA go to the Russell community and tell them that indeed they would be getting the emergency calls from Rossburn and from Birtle.

So, Mr. Chair, what does that say to those communities? Does it say that their facilities are going to be open? Does it say that these are temporary closings? No. It says that their closings are permanent. When Erickson was told that their hospital would be run as a northern nursing unit, does that suggest a temporary closing? I do not think so.

Mr. Chair, we can go all over the map. We can talk about Telehealth and we can talk about all of those wonderful services that Manitobans are indeed worthy of and deserve and have a right to. That is a responsibility of the department, but, at the same time, when you have the closures of those kinds of facilities—I want to make the minister aware that the hospital in Erickson, during the summer months, would serve a population of approximately 45 000 people. That is as many people in that region as you have in the city of Brandon. That is not to be disputed. That population is there. It is in Clear Lake. It is in Onanole. It is in Lake Audy. It is in those lakes surrounding that community. So that is a very important facility to the people in that region.

Now, staff and the minister can stand here and sit here and think that we are just talking through our hats, but we are not. These communities are resolved to making sure that they have services accessible to them that any other Manitoban has, and to date that is not the case.

The minister made reference to more ambulances in our province. I want to tell the minister about a personal experience I had with more

ambulances in our province. There happened to be a rodeo in Onanole, Manitoba. The ambulance personnel there were supposed to be from Erickson. When I arrived at the rodeo, I noticed that the ambulance personnel were not from Erickson; indeed they were from Shoal Lake. So I asked why Shoal Lake ambulance personnel were at the rodeo in Onanole, a long way away from the Erickson hospital or even Minnedosa, I said, because Erickson just got a new ambulance or two. They said, sure, ambulances are fine, but you need people to run them. We do not have any staff to run these ambulances.

So, although the minister can talk about new ambulances, when you do not have the staff to run them, you are not providing the services that people need. The ambulances sitting in garages do not serve Manitobans. At the same time, if someone had had a heart attack in a community like Horod—nobody here knows where Horod is, do you? *[interjection]* Oh, the Member for Dauphin (Mr. Struthers) does. There was no ambulance to respond to the needs of that community unless it came out of Minnedosa, and that is over an hour away. You are too late to save that person's life. The Member for Dauphin can smile at that if he likes, but that is not a very happy situation for the people in that surrounding area, and I know he does not mean that.

All I am asking is that the people around this table, the legislators around this table, who have a responsibility to make the decisions, consider the difficulties of rural life and consider the fact that these people deserve access to the services that all other Manitobans receive, and that is just not happening.

So, Mr. Chair, I direct my comments back to the Minister of Health in asking him why he and his Premier (Mr. Doer) are allowing the Erickson hospital, the Rosburn hospital and the Birtle hospital to close.

**Mr. Chomiak:** I think the member made the point very clear when he talked about Gladstone and the decisions that he made when he was in Cabinet with his colleagues with respect to Gladstone. *[interjection]* The member said he did not make the decision; his Government made the decision.

Regardless of the point, the fact was he was a member of Executive Council that made the decision based on human resources, and he admitted it here. It is a challenge. It is a challenge across the province of Manitoba. That is why we have expanded training right across the province. That is why we have more doctors; that is why we have more nurses; that is why we have more lab techs; that is why we expanded the training in every single area to deal with the situations.

Several years ago, when Erickson closed, it was because of a nursing difficulty. Before that it was a doctor difficulty, and before that it was a doctor difficulty. It continues to be a challenge in all places of Manitoba, Mr. Chairperson. That is why we have taken so many steps to deal with human resources, and that is why we continue to adopt the policies that we have. We continue to work to ensure, as I said before, that there have not been any closures during our tenure in office and it is not our intention to have any closures during our tenure in office of hospitals.

\* (15:40)

**Mr. Derkach:** Mr. Chairman, I ask the minister very straightforwardly: Will you commit to the community of Erickson, Rosburn and Birtle that their hospital, and I am talking about their hospital, will not close and that there will be an active recruitment for physicians and nurses as required for those facilities to keep them open, offering emergency services and on-call in those facilities?

**Mr. Chomiak:** The member knows full well that the RHA has been directed to recruit for Erickson and will continue to do so.

**Mr. Derkach:** Mr. Chairman, I will ask the minister again. So is he prepared to guarantee to the citizens of Erickson, Rosburn and Birtle that his directive to the RHA will stand in that recruitment of physicians and personnel to keep emergency services and on-call, as it was before, open in those facilities?

**Mr. Chomiak:** Mr. Chairperson, the member's side of the Gladstone example is a perfect example of the members closing an ER and indicating the ER would open when the

personnel were there and we are in the process of doing that.

**Mr. Derkach:** I do not know, Mr. Chair. The minister seems somewhat delusionary. I am asking about Erickson, Rosssburn and Birtle, Manitoba. Is the minister prepared to commit today to those communities that indeed there will be an active recruitment for physicians to ensure that those facilities will remain as hospitals offering emergency and on-call services for the citizens of those communities?

**Mr. Chomiak:** Mr. Chairperson, I will go one further and I will read from a letter from the chief administrative officer of the Town of Erickson where he quotes the member saying: We understand from conversation with Len Derkach—that is the member from Roblin-Russell—that you have said that when we have a second doctor that our emergency and doctor on-call will be reinstated at the Erickson Hospital.

**Mr. Derkach:** Mr. Chair, if that is indeed the minister's commitment that there will be an active recruitment by the RHA for the Erickson, Rosssburn and Birtle hospitals, then I will take the minister at his word. But I want him to clear up the contradiction that is out there between the Health Department and the RHA because the RHA had indicated to the community of Erickson that they will not be recruiting for that community as a community that will have emergency and on-call services. If the minister is telling me today that that is a reversal, that indeed the RHA will be directed to recruit actively, then I congratulate the minister and I certainly support him.

**Mr. Chomiak:** I will again go back to the statement that was made from the Member for Roblin-Russell and from the chief administrative officer of the Town of Erickson: We understand from conversations with Len Derkach that you have said that when we have a second doctor that our emergency doctor on-call will be reinstated at the Erickson Hospital—quoting the Member for Roblin-Russell.

**Mr. Derkach:** Mr. Chair, I do not want to leave this topic without being very clear about what that means. Does that mean that the minister and his department are committed to reinstating

emergency and on-call services in Erickson, Rosssburn and Birtle when, in Erickson's case, the second doctor is recruited and, in Rosssburn's case and Birtle's case, doctors are recruited.

**Mr. Chomiak:** I stand by the commitment that was made, and was made in the member's own words, to the Town of Erickson.

**Mr. Derkach:** Mr. Chair, I will paraphrase the commitment made by the minister. My understanding is that when a second doctor is recruited for the community of Erickson, on-call and emergency services in Erickson will be reinstated, and when the doctors who have now given resignations in Rosssburn and in Birtle are replaced, then those full services that those communities have at the present time will also be reinstated.

I understand that is the commitment of the minister, and I expect that the minister will give that directive to the RHA. I want to say, if that is indeed the minister's commitment today, I not only support him, I congratulate him for taking that stand. Thank you.

**Mrs. Leanne Rowat (Minnedosa):** Health care is seen as a fundamental need in the growth and maintenance of life in rural Manitoba and in the communities it represents. It is part of the quality of life that citizens enjoy in their homes and communities, away from the larger towns and cities of Manitoba. This thought was reinforced by the Premier (Mr. Doer) when he made an election stop in Rivers mere days before the provincial election. This community is very concerned with the uncertainty they are presently facing with their facility. They have indicated that the status of their health facility is at risk, and the replacement or renovation of the facility is unknown. They have raised over \$410,000 over three years and this process started with the encouragement of the previous RHA before the amalgamation.

Can the Minister of Health confirm that the Riverdale health centre will be maintained as a 16-bed acute care hospital with the full services that have been historically provided?

**Mr. Chomiak:** I believe that when the Premier attended at Rivers, he gave a commitment to the maintaining of the facility at Rivers.

**Mrs. Rowat:** There have been a number of communities in the western area that have had their medical staff resign and leave the communities and one of the communities is Wawanesa which has had a family there for 30-some years, which is exceptional. Communities like Wawanesa feel vulnerable in their role for retaining the health care facilities, and they feel threatened by the things that are happening at this present time. Changes are being made in these facilities which will diminish their role in the communities.

My question to the minister would be: What proactive measures are you taking to ensure that there will be no loss of services in these communities and that you are going to show some leadership with the RHA and ensure that the physicians are recruited for this facility?

**Mr. Chomiak:** In a highly unusual situation, Mr. Chairperson, three members of one family are the practising physicians in that particular community, and the parents and the son have tendered their resignations. We have already recruited a replacement doctor for Wawanesa.

**Mrs. Rowat:** One doctor in Wawanesa. They are still short at least one, one and a half [*interjection*]. Well, they will be at the end of this month. On October 31 they are done, and we need to have another physician in there to maintain conditions and the facility.

**Mr. Chomiak:** As I have indicated earlier, the physicians have not even left, and already there has been a recruitment made to that particular region, and there is ongoing recruitment.

That is one of the difficulties, Mr. Chairperson. There is a significant turnover in the entire region, as the member would know as a former board member. Recruiting and maintaining is a priority and continues to be a priority. It is a priority in every community, and it is a priority in the region.

It is sometimes difficult to separate which is the higher priority. How do you prioritize? You do it based on need and the best ability that you have. The fact is we have recruited more doctors. We continue to recruit more doctors. While there has been the resignation of this one family with respect to this particular centre, we have

recruited another physician, and we are confident we will be recruiting more.

\* (15:50)

**Mrs. Rowat:** Back to the commitment. You are indicating that you will work with the RHA to ensure that the emergency and on-call services will be retained in the community of Rivers and in Wawanesa with their shortages.

**Mr. Chomiak:** Mr. Chairperson, I have indicated that the Premier (Mr. Doer) made a commitment when he was in Rivers, and I have also indicated that there is ongoing recruitment with respect to Wawanesa.

**Mrs. Rowat:** In discussions with the community of Wawanesa, they would really like to be a part of the recruitment process and have received little or no direction or assistance from the RHA to be a part of that process. This concerns them greatly. I think that if the department can assist in that area, it would be greatly appreciated. They are very concerned.

The community is struggling with several issues. This is something that is very crucial to them.

**Mr. Chomiak:** Mr. Chairperson, I am aware of several of the issues affecting the community. I appreciate the comments and will pass those on to the appropriate authorities at the RHA.

**Mrs. Rowat:** Rivers has asked repeatedly to have representation on the RHA. The Premier had indicated that that would be a promise kept. I would just like to put on the record that the request is very important to the community, especially with the project that they are trying to see happen within the community.

The Assiniboine RHA has doubled in size and in doing so is not really representing the grassroots of the community without some type of representation. So can I get an assurance from the minister that he will be looking at appointments?

**Mr. Chomiak:** Mr. Chairperson, the commitment made by the Premier when he was in Rivers will be fulfilled as indicated.

**Mrs. Rowat:** Can you indicate to me when that will be, sir?

**Mr. Chomiak:** Mr. Chairperson, we are following the normal processes that have a cycle of appointments. As the member can appreciate, there are diverse needs and diverse requirements for representation from a variety of factors.

But I can assure the member that we will fulfil the commitment of the Premier.

**Mrs. Rowat:** The time frame?

**Mr. Chomiak:** Mr. Chairperson, we are in mid-season with respect to the appointment process. I can certainly assure the member that it will be no later than the next appointment year.

**Mrs. Rowat:** Is it common practice to have a board member who does not live within the regional health authority?

**Mr. Chomiak:** It is not common practice, but it has occurred on occasion for a period of time.

**Mr. Chairperson:** I will just remind the Member for Minnedosa (Mrs. Rowat), who is a new member here, direct your questions through the Chair.

**Mrs. Rowat:** Mr. Chair, this would be an excellent opportunity for the minister to replace the individual who lives outside of the community, outside of the region, with somebody from the Rivers area.

**Mr. Chomiak:** Mr. Chairperson, I will take note of the member's comments.

**Mrs. Rowat:** Mr. Chair, what would be the cost of operating the facility of Wawanesa on a yearly basis?

**Mr. Chomiak:** I am sorry. Could you repeat the question?

**Mrs. Rowat:** Could you indicate to me what the cost of operating the Wawanesa facility would be on a yearly basis?

**Mr. Chomiak:** Mr. Chairperson, I do not have that specific information right at my finger tips, but I will provide it to the member.

**Mrs. Rowat:** I guess I would also like to know what would be saved in the downgrading, if that should take place, of that facility.

**Mr. Chomiak:** Mr. Chairperson, I will provide the information in terms of the operating costs to the member.

**Mrs. Rowat:** I think that would be it.

**Mrs. Driedger:** Can the minister please clarify some of the conflicting statements that have been made about the closure of hospitals in the Assiniboine Regional Health Authority, because, certainly, when one of the doctors in Wawanesa was coming back to the area, he had been told by officials that the intent down the road was to close Wawanesa and Baldur?

He was told that a couple of years ago, and that certainly seems to be contrary to a number of the statements that have been made by the minister and by the Premier (Mr. Doer) that no health care facilities, no hospitals in rural Manitoba will be closed, yet officials from that health authority are saying the opposite.

Where does the accountability lie? Who is responsible for making those decisions? It would seem to me to be a policy decision. I think here we get into some of these discretionary accountability, cloudy accountability issues that Paul Thomas was referring to in his report.

Where is the solid commitment by the minister that Wawanesa will not be closed?

**Mr. Chomiak:** Our record speaks for itself over the past four years.

**Mrs. Driedger:** I would like to ask the Minister of Health, he certainly talks about I am not going to close rural hospitals, but he talks about practice shifts in service. In fact, he was on CJOB talking about a practice of shifts in services or shifting services. Is this just double-speak for closing rural hospitals?

**Mr. Chomiak:** I seem to recall that the member in the last Estimates process accused me of not moving with the times and not making changes in the approach to health care and not closing beds. I seem to recall the member cited reports and said, get with the program, that is what you should be doing. I can cite that from last year's Estimates.

It is clear that health care is changing, Mr. Chairperson, and will continue to change, particularly with an emphasis on primary care. I do not know if the member is in favour of primary care reform and is looking for increased enhanced activity by nurses and nurse practitioners. If the member is not in favour of that then she should let us know on the record. We should probably debate that point.

**Mrs. Driedger:** The minister did not answer the question at all and totally avoided any reference to my question. He knows where I am on the record of primary health care reform because we have talked about that. I do recognize the value of a commitment to primary health care. I certainly look forward to more nurse practitioners working in the community.

What I am asking the minister, when he talks about practice shifts in services, is that his double-speak for hospital closures? Is that how he is going to try to sell this issue? Well, we are not really closing rural hospitals; what we are doing is shifting services. I do not think that is going to give any reassurances to rural Manitoba.

I think it is absolutely critical that the minister be very clear on his position because, a few years ago: There will be no deficits. Well, he has allowed deficits all the way through. Like the Member for Russell (Mr. Derkach) said, Roy Romanow went around saying there will not be any closure of hospitals. In the meantime he is planning the closure of 52 hospitals.

I am sure the minister is very aware that Roy Romanow then has said, after the fact, that he made a mistake. In fact, that is written in an article in a newspaper where Roy Romanow felt that his decision to close rural hospitals was a mistake to the services that people in rural Manitoba needed.

I would ask the minister to please explain what he means when he talks about shifting services.

**Mr. Chomiak:** First off, the member refers to double-speak. I do not know what reference the member is making to that.

The member has to realize that we have enhanced services in rural Manitoba. The member may not acknowledge it, but the fact that we have returned surgeries to rural Manitoba and to northern Manitoba.

**Mrs. Driedger:** You repatriated patients from there.

**Mr. Chomiak:** The member says you have repatriated. I note that there was a study in the 1990s that asked the Government to do that and there was a failure to do that for 11 years. We have done that. We have put in place Telehealth. We have expanded our primary care networks and will continue to do that. We have recruited more doctors. We have recruited more nurses. We are changing some of the practices. We will continue to evolve as the system evolves to get more care. We have expanded EMS, et cetera.

I have already gone through the litany of achievements that we have done, and I have said our record speaks for itself.

**Mr. Chairperson:** The Member for Turtle Mountain.

**Mr. Mervin Tweed (Turtle Mountain):** I defer to the Member for Ste. Rose, if he has a question.

**Mr. Glen Cummings (Ste. Rose):** During the election campaign, the Premier (Mr. Doer) made a very strong and forceful statement while in the Neepawa area regarding the refurbishment, in fact construction of a new chemotherapy area for the hospital. I just wondered, I see by the look on the minister's face that perhaps this is not right at the top of his agenda at the moment, but it was certainly at the top of the Premier's agenda during the election.

The people that he was talking to at the time have a sneaking suspicion, they did not vote for

me, but they were pretty happy to hear the Premier's comments. Regardless of how they vote, they are now asking when is something going to happen. The existing facility that is being used is cramped, and it might well be hazardous to the people who are working in there or certainly very difficult to work under. A very strong statement was made about it being moved on. The last time I checked, the stakes had not moved and it did not look like maybe there was anything about to happen. I would be interested to know if the minister can give me some encouraging words.

**Mr. Chomiak:** I am quite supportive of the movement toward expanded chemotherapy around the province. In fact, given the demographics and the numbers we are looking at with respect to cancer and cancer treatment, it is an area that is of high priority.

I will get the specifics just on the Neepawa situation. We are supportive of the expansion of the chemotherapy. I can assure the member of that. In fact, there are several other centres that we are looking at as well.

\* (16:00)

**Mr. Cummings:** I thank the minister. Just to give him a little bit of encouragement, I think this has been a program that has been successful and is much appreciated. The staff is becoming increasingly concerned that it might slip on the list somewhere along the way. In their eyes that would be entirely unacceptable because they believe that there is an increasing need for the service they are providing.

I know from, not personal experience, but from people that I have been personally involved with that it is not a pleasant environment for the patients or the staff at the moment. People have been willing to put up with that, but I think they feel the time has come, especially when design, I believe, has been indicated to have been undertaken, or should have been undertaken. Certainly stakes have been driven in the ground. I just do not want it to be like some highway projects where the stakes get replaced several times before construction starts.

I accept the minister's undertaking to provide current information and I want to put him

on notice that I will be checking regularly as to the progress, because the people locally have identified it as a very high priority.

**Mr. Chomiak:** I will provide the member that information. My experience is typically chemotherapy has been an adjunct to an existing facility and has been typically confined to the basement or a corner area. Our needs and our requirements and our volumes do just not justify that kind of arrangement. It is something that we are endeavouring to deal with. The member's point is well taken.

**Mr. Tweed:** I find it interesting that the minister talks about reviews and studies and challenges in the health care field, and yet we know that when the minister chose to amalgamate the health authorities in southwest—I forget what it is even called now, it is the Assiniboine health region, Marquette. We know that up until the last hour, the last minute that the plan was actually to amalgamate Brandon as well. Obviously from what we can gather and from what we can understand there was some political interference that caused that plan to change.

One of the things that we are hearing and I am sure that the minister is hearing, particularly from our part of the province, is the fact that many people in many of the communities are concerned that the regional health authority is acting either independently of the minister or with the minister's approval but are basically handcuffing our communities in their ability to recruit and attract professionals.

I know that I was not available when the minister was being asked about Wawanessa, but I can tell you that the message in that community, if you ask the people in that community, has been loud and clear for several years, that the RHA had a plan or a mission that the Wawanessa facility would no longer serve as a hospital.

I am told, from travelling and working in that community, that the regional health authority has made it almost impossible for the doctors to stay there. In fact, we have their resignation. I suspect somewhere in the future the truth will prevail. I understand that there are certain issues that cannot be discussed publicly because of other reasons, but I would think that the minister

has to be aware and has to be concerned that in southwestern Manitoba there is a real concern with the operation of the regional health authority. It is not just one facility that has a concern and it is not just one area or one part of the region that is suffering from again whether it is a managed plan or a plan that is being operated on a day-to-day basis, crisis-to-crisis management, but it is certainly a concern for a lot of people in the communities.

We have now in certain communities where we had four doctors, we have three; where they had two and were on call sharing with another community, have gone from four to three. We have lost three doctors in the community of Wawanesa. That is a big blow to that community and to the people that it serves, not only Wawanesa.

The minister, I think, if he were to pursue this and involve himself a little bit in the detail, he would find that there are a lot of people from Brandon utilizing the Wawanesa clinic. The doctors there have developed a very good reputation for service and specialties in certain areas through no help from the Government or from the regional health authority. They managed to recruit a young doctor, even against the RHA's recommendations that they did not want him in Wawanesa. They told him that point-blank.

It seems like it is a mixed message that we are getting from the department, the Province and the minister and the RHA. If it is the minister's intent to manage finances of RHAs by reducing the amount of funding that he provides to those facilities, forcing them, the RHA, to pass on those cost savings to the facilities, then I guess I suggest that his plan is working, because we are forcing doctors out. We are not actively recruiting.

A question was put to the RHA recently about what they have done to attract new professionals, meaning nurses and doctors, to the communities, and were told that, well, we do a little bit of advertising but we just do it within the region.

Well, I would suggest to you, Mr. Minister, that if you are trying to attract professionals that

you want to come into your region, you do not advertise in the same communities that there is a shortage. There are not many doctors sitting at home in Killarney or Wawanesa or Deloraine that are just waiting to be contacted by the RHA to see if they might want to fill a position. You have to go out and you have to actively recruit.

The minister mentioned the situation in Gladstone. It was the community that attracted those doctors. It was not the RHA. It was the community taking the bull by the horns and telling the RHA how it was going to be. I think that we have a real concern in our RHA.

I do not know if it is prevalent across the rest of the province, but it certainly is a strong indication in our area that there are some serious problems, and I wonder if the minister has, as he said before—and I would say and I think a lot of people in Manitoba in different areas would suggest that they might study things to death in this Government, but has there been any talk in the Government of doing a review of the RHAs, reviewing the mandate? Have they worked? Are they working to satisfy the communities they serve? Are we getting value for our dollar? Are there things that one RHA is doing better than another, and can we attach ourselves to that type of information?

Has the minister instituted any kind of a review to see after seven or eight years if the RHAs are functioning the way they should?

\* (16:10)

**Mr. Chomiak:** Mr. Chairperson, as I indicated to the member, I am sure the member will be happy to know that we have recruited more physicians, for example, into the region than in the past. I am sure the member will acknowledge that and that that has been a very positive contribution over the past several years. While it is a challenge in terms of—and I do not want to go into a long dissertation because it deals with a variety of factors. I just think suffice to say there are more doctors now than there were four years ago from information, I understand. So that is very positive for the region.

There have been ongoing efforts with the RHAs to both organize as a group through

RHAM to do evaluations and to do improvements and to do cross-referencing in terms of best practices. I think one of the more significant differences is now that we have performance deliverables, something members opposite might appreciate, with respect to deliverables between the Government and RHAs with specific guidelines and standards and outlines, now that we have begun that process, we are even further along the road of greater accountability.

**Mr. Tweed:** I guess once again I would have to suggest to the minister that he did not answer my question, but I would like to say that when he makes a comment that there are more doctors now in our part of the province than there were four years ago, and he qualifies it by saying "information as I understand it," I guess I believe it is not true, and I believe that the communities that are being serviced believe it to be not true.

I would like to ask the minister: Has he had any opportunity or any chance or any willingness to meet with the three doctors who resigned suddenly from the hospital in Wawanesa?

**Mr. Chomiak:** I think the member indicated earlier on that there were a variety of reasons, a variety of factors with respect to the resignation of the three doctors, the three members of one family in Wawanesa.

I do not think it is appropriate to debate that at this table, and I understand that they are still employed by the region as we speak.

**Mr. Tweed:** Has the minister then had any discussions with the CEO of the regional health authority regarding the resignations of these three doctors?

**Mr. Chomiak:** The director of human resources, the medical director has had numerous discussions in this regard. This has been an ongoing issue for some time, and I will leave it at that, Mr. Chairperson.

**Mr. Tweed:** So the minister who presents himself to the people of Manitoba as being the caring minister, the willing to meet with anybody, anytime, any place minister to help resolve health care issues in the province is refusing to meet with the doctors from Wawanesa, who I

would think could offer some insight into some of the difficulties and perhaps some of the solutions as might resolve the issue.

Is the minister aware that the Nurses' Union is grieving the closing of the Wawanesa hospital?

**Mr. Chairperson:** Before I recognize the Minister of Health, I would just like to remind everyone to please put off your cell phones. Thank you.

**Mr. Chomiak:** Mr. Chairperson, I am not aware of the grievance with respect to the closure of Wawanesa hospital.

**Mr. Tweed:** Mr. Chairman, I am astonished at the minister's comments. I suspect that he gets all of the news clippings regarding health care. The headline in the *Brandon Sun* yesterday says: Nurses clash with RHA and are grieving, 17 nurses that recently filed accusations to the Manitoba Labour Board.

I guess I am now starting to get a clearer picture of why things are the way they are in our particular part of the province if the minister responsible for the health care of the people does not have an interest or does not seem to have an interest in talking to the doctors, in talking to the CEO, in talking to the nurses in a community where there is a lot of speculation and suggestion.

I would think that any minister would want to get to the bottom of this and find out, and I guess I would ask the minister again: Is he telling us today that he is not aware of the nurses' grievance filed with the Wawanesa hospital to the RHA?

**Mr. Chomiak:** I do not think it is appropriate for me to comment on personnel issues with respect to both the employment of the doctors or the nurses at this point.

**Mr. Tweed:** So the minister is saying: I am responsible for the health care in the province of Manitoba, but I am not going to get involved in any of the issues that come up in the health care field.

Yet we have examples where the minister has taken the issue to heart. He has instructed his department to get to the bottom of it, find solutions and come back to the Province with some suggestions.

Is the minister—and again I will give him a chance—saying today that he had no awareness of the situation with the nurses at the Wawanesa facility?

**Mr. Chomiak:** Mr. Chairperson, the member in one of his initial questions indicated that there are personnel matters that are not appropriate to refer to, and I am not going to refer to that.

There is no intention on the part of the Government to close the Wawanesa hospital, so I am not going to comment any further on personnel issues.

**Mr. Tweed:** Is the minister then prepared to, in writing, inform the CEO of the regional health authority that the hospital in Wawanesa will not be closed, because she is stating differently to the community, to the doctors and to the people employed in the health care facility.

**Mr. Chomiak:** Mr. Chairperson, as I understand it, we have recruited another physician for Wawanesa, and there is ongoing recruitment.

**Mr. Tweed:** Well, Mr. Chairman, I would not see that as an answer when you have a regional health authority that has had a resignation from three doctors. How does replacing those three doctors, two of them having served the community for over 36 years—I mean, these people have committed their lives to this community. Obviously, there is a serious problem there, and I would think that the Minister of Health would be interested in finding out what that problem is, and the fact that three have resigned and the minister has hired one new physician starting, I believe, sometime in November offers no comfort to that community.

The community wants to know what the minister is doing to deal with the bigger problem, the bigger problem that seems to exist throughout that entire regional health authority.

**Mr. Chomiak:** Mr. Chairperson, as I indicated earlier in my comments, three members of one family, highly unusual, all working in one community as physicians all resigned. I do not think it is appropriate for me to discuss issues in this committee with respect to the various matters. The region and the Health Department have shown their response with respect to a variety of follow-ups, not the least of which is the fact that action was taken to hire another doctor, and ongoing recruitment action will take place.

**Mr. Tweed:** Well, the region's response, Mr. Chairperson, to the communities has been that it is their plan to close Wawanesa hospital and it is their plan to close the Baldur hospital. I would think again, as was previously stated by the Member for Russell (Mr. Derkach), you have a self-fulfilling prophecy. You are taking three professional doctors out of one facility and you are replacing them with one and saying that there is ongoing recruitment.

I can tell you, Mr. Minister, when that fails, the RHA is going to say we have done everything we can, and when that person who could have moved into an operation at least with one or two existing doctors says I cannot do this anymore, then you have realized what you really wanted to do and the RHA has realized what its goal was at the start which was to close that facility.

I would ask the minister: Would he be prepared to meet with the community of Wawanesa to discuss these issues in camera?

\*(16:20)

**Mr. Chomiak:** Mr. Chairperson, I am prepared to meet with the community of Wawanesa. But to discuss these issues, and those are the issues of the resignations of the doctors and the personnel matters, I do not think I can even legally do that with respect to that particular issue. I do not think I could even legally, whether it is in camera or not, be in a position where I could reveal information on either side of that issue nor could the member.

**Mr. Tweed:** I am asking the minister to meet with the community to discuss the serious issues that they have with the RHA that have caused

the resignations of three doctors, two of them who have been there for 36-plus years, and the seventeen nurses that have filed a grievance with the RHA and the Labour Board in regard to the practices used to close the facility. Will the minister not talk to the people in the community and at least find out, one, what the problem is; two, what the problem is regionally, and offer or find solutions to those problems?

**Mr. Chomiak:** Mr. Chairperson, I have indicated that we are willing to deal with those issues and to solve those problems. The implication in the member's question, to quote, the RHA caused the resignation of those physicians, I do not think is appropriate for us to speculate on.

**Mr. Tweed:** So, then, the minister is willing and prepared to accept any and all statements made from the RHA and the CEO of the RHA as gospel but unwilling to meet with the community to find out what they see as the truth in their communities and the causes that are happening. Again, I reiterate to the minister this is not a one-community problem. This is a problem throughout that entire region. Maybe a better question would be is the minister experiencing any of these types of problems in any of the other RHAs.

**Mr. Chomiak:** Mr. Chairperson, first off, the assertion of the member is inaccurate, his initial assertion. It is wrong and it is not true, and he is attempting to construe a conclusion from comments, and that is not accurate.

Secondly, I will note that the member, when he was a member of Cabinet, undertook a study when they were government to review small hospitals, particularly in that region, and had a report done prior to our forming government, Mr. Chairperson, to deal with small hospitals. I remember quite vividly the member and other members of the Opposition then waving that report in the Legislature and saying you are going to close these small hospitals; you are going to close these small hospitals, not realizing at the time that the very report they were referring to was a report commissioned while they were government.

I might add as well that the most extensive review undertaken of small and rural hospitals in Manitoba was undertaken by the member's government, the Filmon report on small and rural hospitals, Mr. Chairperson. They did a review of small and rural hospitals, frequency, utilization et cetera. That was undertaken by the member's government with respect to all rural centres in Manitoba.

**Mr. Tweed:** Well, yes, it was, Mr. Minister, and I have asked you today, after seven years or eight years of the operation of the RHA, are you prepared to instruct your department to do a review of the RHAs because the people, the public of Manitoba, are suggesting to me that they are not working or functioning in the way that they thought they were originally set up to do. I implore you, Mr. Minister, to take control of this issue. You are going to have an extreme case of fall-out in rural Manitoba. If you are pleading that you are unwilling to talk to the RHA and you are unwilling to talk to the communities that are being impacted by this, I find it is going to be very difficult for you to understand the situation and offer any solutions. So, again, I would ask the minister: Is he prepared to do a review, which happens many times in government and in business? After a program has been implemented, a review is done to see if it is working in the intent that it was originally set up to be and if there are any improvements, that could be utilized from other RHAs in the province or even from the minister's department.

**Mr. Chomiak:** The member can appreciate that the RHAs have evolved from the time of first being established. In fact, they have evolved in terms of legislation and legislation has in fact been enacted that has changed some of the roles and functions of RHAs since their initial inception.

As well, there have been ongoing processes to put in place. I note that a member should and ought to pay some attention to the performance contracts that have been put in place with respect to the RHAs that are methods of accountability and methods that have not been in place before with respect to RHAs delivering services, delivering follow-up with respect to programs and services.

I am quite happy that we have embarked on this course of action. Our first set of performance deliverables were announced several months ago. Some of the deliverables become due and we have a process that is in place, in fact, to rate and to establish some kind of standards, again, in line with recommendations of accountability as recommended by the Thomas report, which we take very seriously, dealing with issues of governance, safety and other related matters.

**Mr. Tweed:** When the minister chose to amalgamate the two districts, one, I do not think he did any study to suggest that it was a doable thing. I would hope that if he did he would be prepared to table that so that we could all see it. Again, my understanding is that there was not any study. I think that is one of the problems that he has created. He has created a huge mass, a land mass and forced an organization to manage it.

We have not seen the cost savings that the minister talked about. We still have two full complemented offices, one in Souris and one in Shoal Lake. Other than having just one CEO, which the minister touted as the savings of the day, I think if you look at that office and administration now you will see that those costs have continued to climb, although the minister may want to refute that.

I think the fact that the minister has taken the two RHAs and amalgamated them into one without any mandate or any organizational chart or any degree of accountability as to how it would operate—and I have talked to the managers of this RHA. They are frustrated too. They are frustrated at the fact that they spend half their bloody time driving. They are not serving the RHA. They are on the road. In fact, I would suggest to you that their mileage costs are costing us more than our salaries in some instances because of the amount of travel that they have to do.

We no longer have community representation, which I believe in RHAs, if we can build a bigger picture for people to understand how health care is delivered, that is a good thing, but we no longer have health facility managers that have any connection to the community, they

have no responsibilities to anybody in their communities, and they are acting based on the direction of the chair or the CEO, and, I would believe, the Minister of Health.

Therefore, I am asking you to be accountable to the people of that region. It is a huge area. I could not even guess what the land mass is, but it runs from the U.S. border north. I am sure the minister has been out there and travelled it, and if he was not flying he would find it extremely tenuous and arduous to travel that constituency or that RHA territory.

I would ask, again, if the minister would be prepared to conduct a review, particularly after the amalgamation, the amalgamation that was not talked about, the amalgamation that was not made public, the amalgamation which many people believe that the two members for Brandon convinced the minister to withdraw Brandon from that plan. I think you owe it to the people out there to ask for a review.

Is it working? Is it working properly? Is it functioning? Are we getting value for our money? I do not know why the minister is afraid to do that. It may even give him the fodder that he needs to further the goal that the people believe is happening out there in the fact that this minister wants to close rural hospitals. Now, he can say he does not, but his actions are saying that they will, and the people are very concerned. I would ask the minister again: Would he be prepared to conduct a review of regional health authorities, or even the amalgamated regional health authorities to see if they are serving the purpose and the need that they were designated for and serving the people that they are there to take care of?

**Mr. Chomiak:** Again, the record of four years speaks for itself with respect to the accusations of the member. As I indicated, one of the new, important innovations that we put in place is unprecedented in Manitoba, and that is the performance contracts. The performance indicators that are in line have been a new process put in place to deal with accountability, to deal with some of the issues that have evolved with respect to regions. I am looking forward to the return of some of that information and data as we evolve and continue to develop the regional system.

\* (16:30)

**Mr. Tweed:** I thank the minister. He may think that it is me that is saying these things, and I can assure him that it is not my words that I am saying. I am saying this on behalf of the people that I represent because I hear it in every community that I represent. The Minister of Health is saying one thing, the RHA is doing another.

I am asking the minister to get a grip on this, to make some clarity, to go out and meet with some of these communities and let them and help them understand that the minister is actually in control. If he is not, he should say so, and then we would deal directly with the RHA. But the people of these communities are beyond that.

Again, that is why I am asking the minister, the minister responsible for the health of Manitobans, to take an active role in this. It is not something that he should let lie and trust to other people to look after. I think he has to take an active role and become involved.

Performance indicators, I think, are not a bad thing. I think every industry in North America lives by those types of judgments. My fear, and I have seen it in communities, is once you start acting on performance indicators, then we all start being measured at the same level, and that is again a reason for the RHA to withdraw services. They do it very, very quietly. They come to your community and they say, well, it is no longer safe. We have only got three and a half doctors on a rotation where we should have four and therefore it becomes easy for them to close the services down.

Again, I am not asking this as a question, I am making it as a suggestion. I would ask the minister to consider that a review, a review particularly of the RHA, the Assiniboine Regional Health Authority—which was amalgamated, and they were not prepared to be amalgamated, I am guessing that there was very little discussion with them about amalgamation and how it would take place—who have struggled. I would ask the minister to take seriously the request to conduct a review, a review that will help all RHAs, a review that will help all Manitobans understand their health

care providers and perhaps clear the air in some of these communities that are really struggling.

Mr. Minister, you have got a lot of communities out there with little fires lit under them right now. They are all going to be coming to your desk and they are all going to be coming at once. Whether I should be doing this or not, I would advise you to get hold of the situations and the positions of the communities and the people out there and be prepared, because it is no less than a small spark, but if it starts to spread across that corner of the province, Mr. Minister, I am afraid that you will be overwhelmed by the community's commitments to their health care and to their health care facilities. I would ask you again to consider doing a study of RHAs, the amalgamation of our RHA in particular, and whether it is working or not.

**Mr. Chomiak:** That is why our record over the past few years, I think, speaks for itself and bodes for the future with respect to the actions that we have taken.

**Mr. Cummings:** Briefly, how much importance does the minister put on board governance of the RHAs? There was obviously debate. At one time he was in support of elected boards, but does he believe that the board governance structure he has in place is important and should be continued?

**Mr. Chomiak:** The structure that is in place now, we have had this debate. I know I have had this debate with the Member for Ste. Rose and he has given me advice in this regard on numerous occasions. The present structure we are working with, we are going to see if there are any improvements that could be made. If the member has suggestions, I am quite happy and willing to take them.

**Mr. Cummings:** I am assuming then that the minister supports the structure that is in place. I do have a beef with the way this RHA is currently structured, relative to the board. Over the last three years, the representation on the boards have changed dramatically. There is now I would suggest a clustering of the board members.

*Mr. Gerard Jennissen, Acting Chairperson, in the Chair*

I recognize change in government, the way the structure is allows for change to occur, but in the north and the east side of this Assiniboine RHA we have gone from having at least three representatives in the area to now very nearly not having any. There was one resignation, which I do not believe has been replaced. It is my understanding that the current representative is in the process of relocating, and that area, the Neepawa-Carberry area, will not be represented at all by anybody in that government structure.

I would simply ask the minister if he would undertake to review the appointments on that board and make sure, because it is one of the largest hospitals in the region, they would consider that general area between Neepawa and Carberry should be appropriately represented.

**Mr. Chomiak:** I appreciate the member's comment and I will undertake to do that. If the member looked at the complexity of the map that we have of the regions and the various coloured pins, it is a very complex process. I do appreciate the member's concern and will undertake to look at that.

**Mrs. Driedger:** Just a comment more than a question. I have in the past asked the minister on two separate occasions, two other occasions, to seriously consider evaluating regionalization. It was a very complicated thing to achieve. Whenever one makes changes like that I think it is imperative that we evaluate them. I just repeat again that I support that, as the Member for Turtle Mountain (Mr. Tweed) has indicated today as well, and as I have indicated on two other occasions. I think it is very, very important that regionalization be evaluated.

**Hon. Jon Gerrard (River Heights):** My question to the minister concerns the Health Reform Fund, of which there is noted in the Government's Budget papers and revenue statements that this fund has \$36,400,000 in the fund for the current year.

I would ask the minister what his plans are for spending those monies and what his plans are for reforming the health care system.

**Mr. Chomiak:** Of course the ongoing changes in the health care system I think are reflected in some of the changes and some of the developments that have been realized in the province. Some of the rankings and some of the improvements that have taken place, notwithstanding the comments of the Member for River Heights, I think it has been recognized across the system that there have been some significant improvements and significant achievements.

The funding in the Health Reform Fund is divided into three areas: primary care, home care, and catastrophic drugs, and has to be allocated on that basis in those three areas. I just returned from a federal-provincial minister's conference, as I indicated yesterday during the course of these Estimates, wherein there was some disagreement between the various participants in the conference, as to how the funding would be allocated between those three areas. The money will be spent in those areas by Manitoba and will be allocated in those areas.

There is some disagreement at this point with respect to how that will be invoiced and cross referenced, et cetera, and that is still pending, pending some federal-provincial discussion. I do not want to overcomplicate this, and maybe it is just because I have come back from the federal-provincial conference where Manitoba was in the middle of trying to resolve this issue amongst all of the parties, but essentially that money will be spent in those three areas as dictated in the February '03 agreement.

\* (16:40)

**Mr. Gerrard:** Do you have, for example, an approximate division of expenditures for this \$36,400,000 at this point, even ballpark proportions?

**Mr. Chomiak:** I provided that information in Hansard, but there are some outstanding issues. The first tranche of the money that was supposed to be allocated, for example, to home care was supposed to be allocated by the end of September, meeting particular minimum standards. The minimum standards have yet to be established, so we are not entirely certain, for example, whether or not Manitoba will have the

ability to move funds from one area to the other based on what those minimum standards are.

We are assuming that Manitoba has the highest standards with respect to home care, and we will have flexibility, but we are not entirely sure at this juncture. So, while I did give estimates, they are estimates, and they will be finalized according to the agreement based on invoices at the end of the year.

**Mr. Chairperson:** The honourable Member for River Heights. [*interjection*] Sorry. Mr. Minister.

**Mr. Chomiak:** Just a correction, not on invoices. They will be evaluated based on a report-back structure in line with the accord in '03. That is a correction. This one is an invoice.

**Mr. Gerrard:** Can you provide for us a brief statement of your goals for reform in the three areas?

**Mr. Chomiak:** In line with the accord that was signed on '03, we obviously want to enhance our short-term acute home care, particularly in the area of mental health. We want to utilize, again we are the only jurisdiction that offers the comprehensive palliative care program. We have to see what the minimum standards in the national program are, and then we will have perhaps some capacity within that to reallocate or to move funds.

We want to continue to maintain our drug program on a catastrophic basis. Again, we are not entirely certain whether or not we have achieved minimum standards, and that would again depend upon the minimum standards to be set, as well as continuing to progress in primary reform in 24-7 access to services.

**Mr. Gerrard:** Can the minister expand a little bit on his approach in terms of primary care and goals in terms of 24-7 access to services and how the reforms will impact on this?

**Mr. Chomiak:** I think that the best way to illustrate that is to outline the approaches that have been taken already with respect to primary

care from the first phase of the primary care funding and some of the mandates we set up. First off, I would say, the expansion of Health Links to a 24-7 province-wide operation that permits real-time access across the province.

The second area was the enhancement of the training of professionals across the province to provide enhanced EMS services across the province. Additional money and funding was put into some of the primary care centres and some of the primary care development as well as some funding that went and goes into technological developments to enhance the capability of access to services across the province between clinics and various other centres.

In addition, some of the funding will go into access centres as well as some of the innovations we have made with respect to providing assistance to family physicians in providing primary care as well as nursing in providing primary care.

**Mr. Gerrard:** In terms of the catastrophic drug reform area, what are the minister's goals in terms of the choices and the priorities that would be made or put into how choices would be made as to where the dollars are going?

**Mr. Chomiak:** If one compares the basket of drugs that are offered in this jurisdiction vis-à-vis other jurisdictions, we think that we have achieved the base-line goal of the catastrophic drug coverage.

**Mr. Gerrard:** Now, you say you think you have achieved it. That is with these funds or after using these funds?

**Mr. Chomiak:** Let me illustrate one of the difficulties for the member. The federal-provincial task force on palliative care indicated that jurisdictions should provide cost benefits for palliative care drugs outside of acute care settings. All jurisdictions signed off on that. The only jurisdiction that I am aware of that actually does it is Manitoba, and I think Saskatchewan has a limited program. That would probably qualify within the area, so we have already achieved that goal with our own funding in that regard.

The goal of the accord is to, by the end of the year, come up with a number of minimum standards in a number of areas that all jurisdictions—the goal of the financing, and it is called health reform, is to achieve those minimum standards for an even playing field across the country. The standards and the goals are still being worked on. I am not trying to avoid the question or be overly circuitous on this one because we spent a good deal of time last week in Halifax debating this issue and the considerable work, the mountains of work that have been done by federal-provincial officials to try to allocate and determine what those particular minimum standards are.

**Mr. Gerrard:** Will the minister be tabling in the Legislature the list of minimum standards when they have been agreed to?

**Mr. Chomiak:** I think the accord provides that we have to make that information public regardless of whether we table it or not. I believe the accord indicates that we have to make that information public as part of the reporting process on the accord.

\* (16:50)

**Mr. Gerrard:** What I am asking is: Will the minister specifically table that information when it is available so that the Legislature can have access within the Legislature to it?

**Mr. Chomiak:** We will table the information that we have the ability to table vis-à-vis agreements that can be reached in this regard. Again, it is because there are differing interpretations amongst jurisdictions as to what the goals are. Those have yet to be sorted out, notwithstanding that Manitoba has taken a lead in trying to assist the provinces in developing minimal standards.

**Mr. Gerrard:** My next question has to do with one of the areas which I see there has been a significant change in, in terms of the governmental approach to. That is, this year the funding for one of the significant areas of research, Manitoba Health Research Council, has now been moved to the Energy, Science portfolio and away from Health.

The question that I would have to the Minister of Health is what role the minister sees in terms of health research, in terms of supporting change and improving conditions in health care for Manitobans.

**Mr. Chomiak:** It would be appropriate to pose the question to the minister responsible. Notwithstanding that, of course, we recognize not only the ability and the economic advantage of research but the tremendous health benefits that accrue from primary, secondary and related research on a variety of functions and have been actively involved in a number of areas. I note there has been recognition of some of the initiatives undertaken by the Government with respect to some of the initiatives taken regarding the heart program that had an impact with respect to Doctor Koshal's recommendations in the Koshal report.

**Mr. Gerrard:** Thank you. Just curious about the reference to questions going to the other departments. My question here really is related to what the minister sees as the role of research in health care and its role in terms of improving the quality and delivery of health care in Manitoba and whether this new arrangement is going to work in a reasonable way in terms of achieving those goals.

**Mr. Chomiak:** It is my opinion that that will serve to enhance the ability to achieve those goals. In fact, one only needs to look at some of the developments that have occurred at Cancer-Care Manitoba or other institutions to understand the value and the integration and the need for research and expanded research capacity.

**Mr. Gerrard:** One of the areas of research which is important is that carried out through organizations like the Manitoba Centre for Health Policy and Evaluation and the research which is carried out by the Manitoba Centre for Health Policy and Evaluation can be important at times at setting policy decisions. I would like to ask the minister what is his view here

**Mr. Chomiak:** We have and we continue to fund and to work quite closely with the Manitoba Centre for Health Policy.

**Mr. Gerrard:** One of the areas, of course, of important research and standard setting, has to do, at the moment, with an area of major change and that is in hospitals, health centres, primary care in small rural communities. What I would ask at this point is: What is the minister's view in terms of using the research done by the Manitoba Centre for Health Prevention and Evaluation in setting standards for how health centres, hospitals, primary care in small rural communities should be going on and how the standards and various other things should be set and how things should be managed?

**Mr. Chomiak:** As I have already referenced the publication assessing the performance of rural northern hospitals in Manitoba by the Centre for Health Policy and Evaluation has been recognized as a document providing valuable information to all individuals in the health care sector vis-à-vis the performance and the function of settings across Manitoba. There was an initial review and evaluation done of urban centres by the Centre for Health Policy and Evaluation, and then subsequently they turned their attention to rural and northern Manitoba in terms of their evaluation.

**Mr. Gerrard:** That helps, but in terms of a specific translation, I see that document when looked at in terms of bed occupancy, for example, that there is a range from probably 20 percent to 80 or 90 percent. Is that range of bed occupancy going to be used in terms of making decisions as to where hospitals should go and whether some should be converted to health centres and whether certain hospitals are very important to maintain in a fully functional state and so on?

**Mr. Chomiak:** A full reading of the report indicates that one indicator or even a combination of indicators alone, and the report does suggest, do not form a basis for making a policy decision, but it is a variety of factors based on a whole range of indicators across a wide variety of functions. For example, the reference to certain hospitals in remote areas has a different effect on a rural and remote area in the North, for example, than it would in a rural area closer to a large urban centre, so the report is very careful in terms of how one should use the menu

as it relates to the various indicators in that report.

**Mr. Gerrard:** Do I interpret the minister's statement to indicate that he is not using this information at all because he cannot figure out how to do it, or can the minister in fact provide an example of how the menu is put together to provide an approach that could provide performance standards and so on?

**Mr. Chomiak:** The report itself indicates that it is a tool but only one tool to be utilized in terms of decision-making processes.

**Mr. Gerrard:** Can I ask the minister, consistent with the role of the minister in setting province-wide standards, whether he has indicated to the RHAs that there should be certain province-wide standards with respect to health centres and hospitals?

**Mr. Chomiak:** One of the more useful clear indications from the report is the deficiency of health services in northern Manitoba and First Nations. It certainly is a useful tool in discussions with the federal government vis-à-vis their system and their responsibility in this regard.

One of the more significant developments that has occurred with respect to RHAs and respect to performance has been the fact that for the first time in Manitoba we have performance standards that we have set with the RHAs. For the first time, performance indicators and standards that are now in place with the RHAs that are going to evolve over the next few years to help monitor and measure priority areas and performance across a variety of factors and areas.

These documents were made public and communicated several months ago as part of the Government's ongoing effort to enhance accountability in all of the regions.

**Mr. Gerrard:** Has the Government tabled these performance standards in the Legislature?

**Mr. Chomiak:** The performance documents are public information.

**Mr. Gerrard:** They are available where? The performance documents are available where?

**Mr. Chomiak:** They are available, as I understand it, at every RHA site.

**Mr. Gerrard:** Would they be available from the minister's office also?

**Mr. Chomiak:** Yes, I think that we could provide that information.

**Mr. Gerrard:** Thank you. Now, can the minister just tell us a little bit about the performance standards, are for performance in what areas?

**Mr. Chomiak:** I am working from memory here, Mr. Chairperson, but the performance agreements deal with all of the RHAs in a whole series of areas. This is the first process of its kind, and as I recall, there are 11 or 12 categories that are first categorized for all areas and then there are several performance deliverables with respect to specific RHAs. In general, they deal with issues of public health, they deal with issues of diabetes control, they deal with issues of Aboriginal matters, they deal with issues of mental health, they deal with issues of evaluation of board performance and a number of other categories which will become evident to the member when he receives copies of those performance deliverables.

\* (17:00)

**Mr. Gerrard:** Thank you. Has the minister, in fact, set certain goals and targets with respect to the prevention and early treatment of diabetes?

**Mr. Chomiak:** The first round of performance deliverables is to ensure that there is consistency amongst all regions with respect to approach to various areas such as diabetes, and to ensure that there is consistency with the overall provincial goals with respect to something like diabetes, which will then be followed by specific standards in the next round that will be established for each region provincewide.

**Mr. Gerrard:** One of the things guiding change in small rural communities, and I note, for example, that there seems to be considerable change going on at the moment in places like

Erickson. I may come back to Erickson, but let me start with MacGregor, because my understanding is that MacGregor was told quite some time ago that there would be conversion from what they had as a hospital to a health centre. Yet what has happened is that this conversion has never occurred, and you have a lot of unhappy people.

Clearly, it seems to me that if you are going to promise change and a vision of what it is going to be like, it is pretty important to be able to deliver it if you are going to have some credibility in terms of managing change.

So let me start out by asking in terms of the situation at MacGregor which used to have a hospital and now has a health centre but that full conversion has never been made, so people are sitting in limbo and wondering what is happening and what is going to happen.

**Mr. Chomiak:** Mr. Chairperson, if the member wants to go on, I will return to that question in a few moments.

**Mr. Gerrard:** I will go on. My recollection is that I raised this about two years ago in Estimates, and my understanding is that there has not been much changed in the interim, and, clearly, if you are leaving people in limbo without a clear plan and without a follow-through, it makes things difficult.

That is where I would come to a community like Erickson where there is a lot of turmoil at the moment, a lot of change. Can the minister communicate to us here what the plan is?

**Mr. Chomiak:** Mr. Chairperson, as I indicated earlier during this Estimates process, there has been a lot of flux and change in Erickson. Erickson was forced to close temporarily in '98, '99, 2000, 2001 and presently with the resignation of a physician are unable to operate the existing ER, although the facility is, of course, still up and functioning, and the region has indicated that it is actively recruiting in that area to have a physician in that area.

**Mr. Gerrard:** So your long-run view is that there will be another physician recruited, and what will the status of the hospital or health

centre be, and what will it be several years from now?

**Mr. Chomiak:** Mr. Chairperson, in terms of the long-run view, it has been our belief that we ought to strengthen rural centres, and we have paid a lot of attention to enhancing services in rural Manitoba.

For example, we have repatriated surgery into Steinbach, into Ste. Anne and into Thompson in order to provide services outside of Winnipeg. For the first time in history, there will be an MRI outside of Winnipeg in Brandon. We have expanded and enhanced hospital construction in a number of areas, most notably Brandon where we have redeveloped a major regional centre with respect to Brandon.

As it relates to the core of smaller rural facilities, we have attempted to maintain both the human and physical infrastructure of all these facilities and provide services, and in conjunction with that we have also developed some primary care centres independent of the hospital institutions.

**Mr. Gerrard:** I think that people would like to know sort of where things are going. Is the view in Erickson that it will continue with emergency room and on-call services and a full complement of physicians in the hospital, or is it a view that this will change?

If it will change, what will it change into? Can the minister give us a goal here, an objective, an end result that we should be working towards?

**Mr. Chomiak:** The end goal is to provide the best health care services in the most appropriate fashion to all residents of Manitoba. That continues to be our goal, notwithstanding that there are several centres around Manitoba that have had difficulty in the past and will probably have difficulty in the future dealing with personnel issues. We have maintained the core and will continue to maintain the core. With respect to Erickson it has been a challenge. It continues to be a challenge to keep the centre open, but that continues to be our goal.

**Mr. Gerrard:** In terms of the types of, you talk about the best care and the services which are

appropriate. Can the minister provide an indication of what he sees as appropriate services for Erickson?

**Mr. Chomiak:** The goal in Erickson and in other centres is to provide the most appropriate care to both Erickson and surrounding districts. That is the most medically and otherwise acceptable from both a primary care standpoint and a medical standpoint.

\* (17:10)

**Mr. Gerrard:** What I would ask here is, one of the issues of the smoking task force is the need for potentially provincial health inspectors. Some of the small communities have said that they cannot afford to have health inspectors. What is the minister's approach or recommended approach here?

**Mr. Chomiak:** At present, as I understand it, the only by-laws that require enforcement are in Winnipeg and in Brandon. We are pending the results of the work of the all-party task force.

**Mr. Gerrard:** The real question is if the all-party task force recommends there be a province-wide ban, do you think that there should be province-wide health inspectors?

**Mr. Chomiak:** I will look to approve the recommendations and the jurisdiction of the committee with respect to that recommendation.

**Mr. Gerrard:** Seeing as how the chairman is here, he has been so advised that that has to be part of the report.

Now, my last question actually has to do with the Koshal report. What is your time frame for implementing the changes in the Koshal report?

**Mr. Chomiak:** As I indicated previously in Estimates, there are some very specific criteria in the Koshal report for implementation. We are being very precise with respect to those issues. The Koshal report calls for a number of immediate actions which have been undertaken. I have gone through all 42 recommendations in that regard. I just point out to the member that the Koshal report requires an implementation

review after one year in order to review the status of the various recommendations. Without repeating my comments vis a vis the 42 recommendations that I made yesterday in Hansard I can indicate the implementation team as recommended by Koshal was immediately established and has taken immediate action in those areas as recommended by Doctor Koshal.

**Mr. Gerrard:** I think my colleague from Inkster has several questions for you.

**Mr. Kevin Lamoureux (Inkster):** I do, indeed, have a few questions that I would like to ask the minister. I was hoping that the minister would enlighten me and get a better sense in terms of the type of nursing shortage that we have in the province. If the minister could give some sort of an indication, I am looking in particular for R.N.s, LPNs. Does he have a sense of just some, his best numbers that he might have at hand?

**Mr. Chomiak:** I can give that information to the member. Suffice to say that we have expanded not only the training and the recruitment of all three areas, but there has been enhanced capacity in all those areas. If one looks at the most recent CIHI report with respect to nursing, one will note that in terms of per capita levels Manitoba has amongst the highest, if not the highest, R.N. ratio, and this is CIHI province-wide, all provinces data, one of the higher levels of LPNs. Not all provinces have RPNs, but vis-à-vis other provinces on a per capita basis we have amongst the highest on an individual basis. I will get that information to the member.

**Mr. Lamoureux:** Is it a fair assessment on my part then to say that there is, indeed, a shortage of nurses then in the province?

**Mr. Chomiak:** If one were to review the two most recent reports that were done in this regard, there is a prediction that within three to four years there will be more of a problem in rural Manitoba. The most recent report indicated more of a problem in rural Manitoba and a, quote, relative stability in Winnipeg. What we are finding is in terms of specialty areas there are still some shortages in some specialty areas. Overall, the member might note that when we last served together in the Legislature we were

graduating about 200 nurses. We are now graduating upwards of 600 nurses per year.

That will have some impact, but it has to be countermanded by two factors. The first is the demographic of nurses is 47-plus. So we are expecting a major shift in demographics. Firstly and secondly we have undertaken with the Manitoba Nurses' Union to launch an initiative to move towards a higher ratio of full-time, part-time practitioners. We are setting as a goal a 65 percent full-time ratio for next spring. It is a very lofty goal. We intend to try to achieve that by working with the nurses, part of an agreement obtained with the Nurses' Union during the last round of collective bargaining.

**Mr. Lamoureux:** In the spring of '99, the then-Minister of Health and I had an interesting discussion in terms of the shortage of nurses. I had conveyed to him at that point that my concern was that we can look abroad, but we also need to look within the province. There are many immigrants that live in this province that, in fact, were practising nursing outside of Canada that are arguably quite capable of practising nursing. There was a program that was established by the then-Minister Stefanson to try to go out, search out, find where this might be the case and see what could be done in terms of some form of certification. I am wondering if this current administration is in fact interested in trying to locate where there might exist individuals that were nurses from outside of Canada and prepare to go to bat in terms of getting them where it is possible to bring them into our health care system.

**Mr. Chomiak:** We have further developed some of those programs and have put in place some programs to assist foreign trained immigrant nurses in terms of qualifying either for LPN or R.N. status. We continue to do that as I understand it. The RHA provides those levels of support.

We also continue to work with the various colleges of nursing with respect to dealing with issues of certification as it were. We have achieved a fairly sophisticated first-of-its-kind program in Canada with medical doctors where medical doctors who are foreign trained can take an evaluation course over a weekend. It is a

three-day course. If they pass, they qualify for conditional licensure. If they do not, they get to take—for lack of a better word—a year's assistance in order to qualify for conditional licensure. In return, they get to practise in Manitoba under a conditional licence.

We do not have that sophisticated a program in nursing. To achieve it in medicine was a very, very difficult task. It would be a goal that would be useful to look at with respect to nursing, although there are some different factors that play into that.

**Mr. Lamoureux:** So, if I have someone who approaches me and says, look, I served in an emergency ward back in the Philippines or back in India as a nurse, what would you recommend I tell that person? Where do they phone? How do they go about getting their credentials recognized?

**Mr. Chomiak:** Mr. Chairperson, the most appropriate vehicle—you could pass your name on to our office—would be the Nurses Recruitment and Retention program who would then channel that nurse or those nurses into the appropriate course of action.

\* (17:20)

**Mr. Lamoureux:** I am sure the Minister of Health is familiar with the Provincial Nominee Program. I understand that there was even some exception that was made where there was accreditation that was given from abroad. A good number of nurses were able to come. Unfortunately it is not on the high demand list, and it is not there because of a multitude of reasons.

The essence, at least being used, is that, even though they might be a nurse for 10 years or 15 years in a country, unless they can be evaluated, unless they can get the approval from here in Manitoba, they are not going to be able to get the licence that would be required for them to be able to use it as a high skill to come through the Provincial Nominee Program.

It seems to me that if in fact there is a shortage, and I do believe that there is a shortage—I am wondering why it is. The Minister of Health points out the excellent program of the

weekend evaluation for doctors. It would seem to me it would be no more difficult to evaluate a nurse than it would be to evaluate a doctor. Now politically it might be more difficult because of associations and unions and so forth, but is it fair to say that this Government is prepared to aggressively put the weight of the Government on trying to move forward with this issue? I do believe that there are health care professionals that if in fact they could qualify, we would even be able to get more coming into the province which helps out tremendously not only for the short need but it also helps out in other indirect ways such as family unification to better quality care and so forth.

**Mr. Chomiak:** Mr. Chairperson, I am not averse to that solution. We have been relatively aggressive on this area, hence the Provincial Nominee Program. There are a variety of issues that I am prepared to talk to the member about.

Again, in the interest of time, I do not know how long the member wants to talk about this particular issue, but I am prepared to sit down with the member and in fact talk about the complexity and some of the ramifications of this issue and any suggestions he might have. I am quite prepared to do that.

**Mr. Lamoureux:** Mr. Chairperson, I appreciate that. We will make some arrangements, maybe after September 30 when we have risen or something of that nature.

**An Honourable Member:** Even before.

**Mr. Lamoureux:** Or before. I will definitely make that contact.

The other issue that I was hoping to touch base on—and I am not too sure whether or not the Official Opposition was wanting to pass this department today, so I am just going to take until 5:30, and then I will let them determine whether they want to pass it for tomorrow.

Having said that, the Health Links line is a line which I have been a very strong advocate of. I think it just has phenomenal potential. I often thought that the number itself is not the easiest to recollect or even just the promotion, how Health Links is promoted.

I am wondering if the Minister of Health would be open to not spending a great deal of resources but at least open to having some sort of—whether it is an internal discussion or ideas submitted on how it is that we can make the Health Links program even operate better than it is today. It is doing a wonderful job. I have had a couple of concerns that were raised in regard to it, but all in all I think it is just a fabulous program that we need to really put some more marbles into.

**Mr. Chomiak:** Mr. Chairperson, I think that is an excellent suggestion. I am willing to listen. Actually, that is an interesting suggestion in terms of actually changing the number, for example, to make it more recognizable. I think that is a very excellent suggestion. I am sure the member knows that the plans in the next couple of months are for it to be a province-wide operational major expansion with the assistance of the federal government primary fund. We have gone to 35 seats, I believe, from the present level enhanced, so the program within the next two to three months will be enhanced dramatically across the province and will be utilized even more than we already utilize it now.

Any suggestions the member has for Health Links we are quite happy to listen to, or any advice in that regard, and his suggestion about even the numbers is a new one to me, and I think is a very good suggestion.

**Mr. Lamoureux:** One other very small issue, but the other point—I make mention of the number—another one is I do not know what the actual numbers are for the Health Links of people calling in. I suspect it will be increasing. The idea of having, whether it is a nurse practitioner or some sort of even a doctor, it might be able to prevent individuals from having the need to go to a hospital facility or another form of a care facility so, as I say, I appreciate the Minister of Health's comments.

Over the weekend, I had a disturbing call from someone who indicated that they have someone who is out in the Brandon area and the individual had to get a CAT scan out in Brandon, and I was told that, and again, the minister might not know himself, was the CAT scan broken in Brandon that they had to bring

the person in? Does Brandon only have one CAT scan? If the minister can comment on that.

**Mr. Chomiak:** We do have just one in Brandon. I am not sure of the time, date and nature of the CAT scan in Brandon. I will look into that and get back to the member with respect to that. What we have done is taken the average date of CAT scans in Manitoba, if memory serves me correctly, from eight to ten years down to about two years with the replacements and the expansions. I will get back to the member specifically on the Brandon situation. If the member has particulars about the Brandon situation as well, I would appreciate if he would pass it on to me.

**Mr. Lamoureux:** The only specific thing that I have on it is just someone that apparently, I believe it was over the weekend, was needing to get some sort of a CAT scan. I am not too sure if they were ultimately brought to Winnipeg. I am a little bit hazy on that, but they were not able to get it in Brandon, I am told, because the CAT scan was down. So the natural question that follows is that if there is one CAT scan in Brandon, is this a frequent thing that occurs? It is that sort of thing, so I would appreciate the minister getting back to me at some point.

**Mr. Chomiak:** My experience with CAT scans over the years has been as the CAT scan is being utilized and the age increases, the amount of breakdowns increases proportionately, and we have encountered that at Victoria, St. Boniface, Misericordia, Seven Oaks and in some of the other centres. It has usually been because of time-related matters, which would suggest to me that if it is a constant feature, then clearly we are going to have to take a look at the CAT scan in terms of Brandon renewal, but I will do follow-up, and I will get back specifically to the member on that issue.

**Mr. Lamoureux:** It is almost like beating the clock here. The last area I guess it would be in regard to obstetrics. I can recall at one time where the Government was centralizing obstetric services, and there was always the belief, at least from my perspective, that there are a certain number of deliveries in any given year that could, in fact, justify having obstetric services being provided in some of our community hospitals. Of course, I was advocating at the

time for the Seven Oaks Hospital facility. I wonder if the Minister of Health can give any sort of indication whether or not there is merit to the argument that if you hit x number of births in any given year, it in fact can be brought into a hospital in a very efficient fashion.

**Mr. Chomiak:** There are varying points of view with respect to whether or not obstetrics is offered in a non-tertiary facility. We have supported the option of having obstetrics in the remaining community hospital that still provides obstetrics, which is the Victoria Hospital. We also have enhanced, obviously, the capacity of midwifery pretty dramatically in the last three years to provide that option as well.

There is, quite candidly, a difference of opinion with respect to those who view all deliveries should take place in tertiary care facilities and those who believe there should be a community option. It is not just talking about the city of Winnipeg, there are also options outside of Winnipeg as well with respect to obstetrics, but we have maintained the Victoria community option.

**Mr. Lamoureux:** I would ultimately state that if it is not a financial argument that is being used for having it in the tertiary hospitals, the Government needs to be more sympathetic to the communities, much like Victoria. Maybe Seven Oaks should also get obstetrics, and I realize we have run out of time. Thank you.

**Mr. Chairperson:** The hour being 5:30 p.m., committee rise.

## AGRICULTURE AND FOOD

\* (15:40)

**Madam Chairperson (Bonnie Korzeniowski):** Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply, meeting in Room 255, will continue with consideration of the Estimates of the Department of Agriculture and Food.

When the committee last met, there had been agreement to skip ahead and consider the items contained in Resolution 3.3. Manitoba Agricultural Credit Corporation on page 36 of

the main Estimates. Is this still the will of the committee? *[Agreed]*

The floor is now open for questions.

**Mr. Jack Penner (Emerson):** Madam Chairperson, when we left here yesterday, we were talking about the loans program and the requirements and how, I believe, some of the assistance would be provided to cattle producers and what amounts would have been paid through the feeder program. The discussion, I think, ended—if I remember correctly—on where we were in regard to the signing up on the APF. I asked some questions about some of the terms of the APF program and the requirements.

Could the minister today tell me what assurance she has received from Ottawa that Ottawa will set aside the conditions of the agreement and/or the requirement of the signing on of the sixth province, and/or 50 percent of the producers before any money could even attempt to be flowed to the cattle producers?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Madam Chairperson, we had the discussion with the federal minister. The federal minister indicated that he was prepared to start flowing funds to provinces that had signed on to the APF. He put out a news release, I believe it was on August 12, where he indicated he would be making arrangements with those provinces that—yes, on August 12, the press release indicated that forms would be available in September with payments expected to reach producers by early October.

What they are going to do is sign a mirror agreement with the provinces that would see some funds flow from this risk management portion of it until such time as other provinces sign the agreement. So he has told us that, and he put it in a news release. Alberta and B.C. have authorities in place to sign once the federal government receives the authority from his Cabinet or Treasury Board. Manitoba is also having discussions with the federal government on this and has received the first draft of our agreement.

**Mr. Penner:** Are you telling me then that the requirements for the 50% sign-up by producers

is going to be set aside and/or even the signing of the APF agreement, and that money will flow out of the APF before those required provinces have signed on or the number of producers have signed on?

**Ms. Wowchuk:** What the mirror agreement says is that funds will flow to those provinces that have signed the agreement, but it will be dollars, and then when the APF agreement is signed, then it will be credited to the APF agreement. It is not the actual dollars that come out of the agreement. The federal minister has funds that he will be able to use and then credit the agreement when all provinces have signed on. He is looking for a way to start some funds flowing to provinces, and that is why he has developed this process of a mirror agreement with those provinces that are signing on.

**Mr. Penner:** But can the minister then tell me what conditions would have to be met by the producers in order for the producer, any given producer, to qualify for any of the so-called cash flow out of the APF funds? What are the terms and conditions that these cattle producers would have to meet in order to get any money out of this program?

**Ms. Wowchuk:** Madam Chairperson, the producers that are wanting to take advantage of this to get an advanced payment will be required to fill out an application. They will be signing on that they are agreeing to participate in CAIS and agreeing that they will make their payment to the program—that is the third of their payment, whatever it is, that they will make that payment by the end of March. I am not sure of the exact date in March. The program will do an evaluation estimation of what that individual's payment will be, and they will be forwarded about, I think, 50 percent of their payment. So there will be an application process that they will go through, and those application forms are being prepared right now.

**Mr. Penner:** Does this minister not feel like a person that is hanging at the end of their rope and saying, here, we will cut you loose if you promise to be beholden to me forever and a day? Does it not feel that way? You know, if I have ever seen or heard of a bribe, this is probably the

epitome of being bribed into a situation by governments of their producers.

Can you imagine somebody who is totally destitute, is cash strapped, and some government has the audacity to come along and say, here, here is some money, but in order for you to get this amount of money that will see you through the next six months or three months, you are going to have to sign this agreement that will require you to pay \$22,000 to get \$100,000 worth of coverage under the CAIS program; and if you want \$200,000, you are going to have to pay \$44,000; and if you want \$300,000, it is \$66,000.

\* (15:50)

Now, I do not know how a minister or a government would dare subject people who are absolutely destitute to that kind of a scenario, of sign-on into any program; how our minister would even attempt to subject her producers to that kind of a bribe. It cannot be described in any other way than a bribe.

### Point of Order

**Madam Chairperson:** We have a point of order from the Member for Gimli.

**Mr. Peter Bjornson (Gimli):** Could the Member for Emerson (Mr. Penner) please clarify exactly what your party position is on the APF? During the election I was taking criticism from one of your candidates who suggested that we were doing our farmers a disservice by not signing the APF, and, now, apparently, you have decided that we should not sign on.

I would like to know exactly what is your position and why it has changed as such when the—

**Madam Chairperson:** Order, please. This is clearly not a point of order. This is a debate.

\* \* \*

**Mr. Penner:** Our position has been very clear. We are absolutely in support of—*[interjection]*

**An Honourable Member:** He said very clear. This one today, this one tomorrow—both equally

clear. Very clear, Jack. It has changed, but it has been clear.

**Madam Chairperson:** Order, please. Can we please, all members, respect the person who has the floor? The Member for Emerson, please continue.

**Mr. Penner:** Madam Chairperson, I apologize for the member opposite. I mean, he has never been able to hold his tongue yet, and he is still not able to. He has been around here for a long time, but he does not wear his hat very well.

Let me say this, that we have been very clear. We are in support of designing a program, a federal-provincial program, and seeing it designed in such a way that it will benefit the producers that those programs must serve. We have seen two disasters being brought to the Legislature that the minister has highly touted.

One was the AIDA program, which did not work, and one was the CFIP program that has not served farmers well in this province. Now is the third one that the minister is allowing herself to be bribed into and is currently in the process of bribing her cattle producers to sign on to, when she herself does not even know what the criteria of the program are.

That is our concern. The incompetence of the person sitting in the minister's chair is what we are concerned about. She does not know what she is signing onto, nor does she realize the impact— whether it is positive or negative. My concern is that she does not know and that she allows herself and her producers to be bribed into a situation by the federal government and is now touting it as the saviour of the cattle industry, as the Premier (Mr. Doer) did today before the press outside of the Chamber, in interviews that he did with the press. This is going to be the big saviour of the cattle industry.

Well, let me ask you something, Madam Minister: \$22,000 up front to get \$100,000 out of the program. That nets out at about what? Could you tell me what that would net out at about? If the person actually qualified for the whole \$100,000, how much would that net that person?

**Ms. Wowchuk:** I guess the member refuses to listen, or to try to understand the program. He always tries to portray himself as holier-than-

thou, and knows everything about every program, but in reality he really does not understand either.

The member talks about \$100,000 coverage and having to put \$22,000 in. The member ignores the fact that I told him yesterday producers would be required to put up one-third of that money, and it was over three years that they could reach their maximum amount of payment. So, in order to get \$100,000 in coverage, the individual would have to put up around \$7,000. I think that producers would see that certainly for \$100,000 coverage to put down \$7,000, I think that producers would see that as a good investment.

I can tell the member that I have had a lot of discussion and staff has worked very hard to make improvements to the program. I have had discussion with the industry and people have said: You know you have worked hard on this, we have got some changes, we may not have everything that we want in this program, but it is time to move forward on it and make changes in the program as we have in the past when there were programs that were introduced.

I think some of us will remember a program called GRIP that was a very good program for producers and put a lot of revenue into producers' hands. The member should be reminded that it was his Government that ended GRIP and ended a program that flowed money into producers' hands and other provinces like Ontario still had their GRIP program.

We should all remember that it was this member that said elimination of the Crow was a good thing; it was a good thing to eliminate the Crow. He forgot to remember, and I want to remind him, about how much money Manitobans lost because of his support for the elimination of the Crow.

No program is perfect, and I do not try to imply that the CAIS program will be perfect. But the federal government has given us their assurance that they are going to flow money into the cattle producers' hands, and I am surprised that the member is saying this is not a good thing. But of course he would have us drain the rainy day fund and not have any cautions for the next disaster that might come along.

Our Government has decided that we are signing on to this program and we will continue to work with the producers as we have to make changes to the program.

**Mr. Penner:** Well, again, I think the minister demonstrates her incompetence when she talks about us wanting to drain the rainy day fund. I think the minister clearly knows that what we have said: that it should be a repayable cash advance which could cause the rainy day fund actually to become the bank account for that, and money would be paid out and come back in as soon as the sale of cattle were made.

If the minister does not know that, then she demonstrates again her incompetence of the understanding of the program and how cash advances work. There could be a system developed that would cause no cost to government, but she obviously does not want to hear that because she does not want to make sure that her producers survive. It is obvious that this minister and her Government are embarked upon the same process the Schreyer administration was and the Pawley administration when they eliminated the processing industry in this province. The people of Manitoba have suffered the consequences of that. The people in Alberta were the beneficiaries of that process. We know that as well, too.

If the minister would be serious in her wishes to ensure the survival of our young producers such as the Coulsons that I spoke to just the other day, this morning as a matter of fact, from close to Brandon, who said, we do not qualify, who have begged the Premier to give them a call. The heartlessness with which this Premier has dealt with those people and the heartlessness with which this minister has dealt with those people are almost unbelievable.

\* (16:00)

Those are the kinds of people that are suffering the consequences. Their children: are they going to be dressed properly for school? Not if they can not get a hold of any money. This minister is now going to require them to pay \$7,000 up front when they do not have any money even to buy groceries. Where is the \$7000 going to come from?

Can the minister explain what the process would be next year out of whatever funds they would get? Regardless of whether there is \$10,000 or whether there is \$1,000, that comes out of the fund that they would qualify for. They would still have to next year pay back the \$14,000 that would be taken out of the fund this year and then paid back next year.

It has to be paid back next year. Surely the minister understands that. Or can the minister explain to me whether that has been set aside as well?

**Ms. Wowchuk:** I think what the member has to be reminded of here is that we have been working with the producer groups from the beginning of this process. We have a safety net committee and we have had many discussions with them and presentations. We have heard their concerns. We have lobbied the federal government to make changes to the program.

Some changes have been made that are addressing the issues that producers have wanted. The producer groups have now said, sign the program. You have to remember that it is the producer groups that we have worked with and consulted with in the design of the program, and they have now said move forward and sign the agreement. They are aware of how the interim program will work. They are aware of the arrangements that the federal government is making in order to have cash flow for producers.

**Mr. Penner:** So is the minister telling me that it is the farm organizations that have encouraged her to be allowed to be bribed to sign into this agreement? Is she now saying that they are encouraging her to virtually bribe the cattle producers into signing on to this agreement? What individual is going to want to sign on to an agreement that requires first of all a payment up front of \$7,000 to get in when they have no money—I am talking about the destitute producers. When they have no money, how can they get in, even with \$7,000?

Where are they going to get the \$7,000 from? Why would the minister not use her common sense and adopt the proposal that we have put before her, and put in place a cash advance program that would guarantee that people out

there who can not sell their cattle could in fact pay their bills? Then maybe they would have enough money left over to sign into the APF agreement. Maybe that would work. But she is obviously not able to comprehend that people need money, need \$7,000 before they can sign in, before anyone could benefit a dollar.

**Ms. Wowchuk:** I am afraid that it is the member who cannot comprehend the fact that we have had ongoing discussions with all sectors of the industry and listened to them and worked with them to make changes to the program. I want the member to recognize again that it is the industry that has now said, the farm groups that have now said: Move forward; it is time to sign this agreement.

The member is also not understanding that I have said that there will be an interim payment, that producers will sign on to the agreement, there will be an interim payment, and the producer will start to make payments in March. There is a one-third payment, one-third of the money that has to be put up, and there are discussions about how that money can be paid.

So the member has to understand that this is always in discussion with the producers.

**Mr. Penner:** Can the minister explain to me what changes exactly have been made that the producers have recommended? Tell me specifically what changes to the program have been made that Manitoba producers and organizations have been recommending.

**Ms. Wowchuk:** One of the issues that was of continual discussion was affordability. There was at the beginning of the discussions that there was going to have to be a lot larger payment put up front. We were able to negotiate and get into the program that it would be a one-third, one-third, one-third payment.

There was also the issue of interim payments as well. As we discussed yesterday, an important issue for Manitoba was the linkage to crop insurance. As well, we were able to get some improvements to items under the other pillars of the agreement besides the business risk management.

**Mr. Penner:** Could the minister be more explicit and tell me exactly what the improve-

ments were? But before she does that, could the minister tell me, even under the interim payment program, has she been apprised of how much value per head of cattle would be extended through this new proposal that she obviously has worked out with the federal minister?

Through the APF, how many dollars per head would be extended to the cattle producers through this program, or is this all fluff and bluff?

**Ms. Wowchuk:** The numbers that the member is referring to that we talked about are still in discussion, but what it is based on is on the margin drop that each individual has experienced. This is what the application form will cover.

There is an estimate of what the margin losses are if it is a cow-calf operator; that cow-calf operator would figure out what their margin was and then the BSE compensation would work accordingly. That margin drop could vary whether it is on a cow-calf operation or a feedlot operation. Those would be worked out individually. The federal government is working out a plan and an application form that the producer will fill out.

As I indicated to the member, those applications are being prepared. The federal government has said that there will be an interim payment and they are preparing to process those.

\*(16:10)

**Mr. Penner:** What is the minister telling me? Is she telling me that she does not know what the value-per-head amount might be considering that the margin drops that we currently have could in fact be assumed that they would be probably 70%, 80% margin drop from where they were three months ago? So what is she saying? That they would qualify for 70 percent or 80 percent of what the animal would have been worth three months ago.

**Ms. Wowchuk:** Madam Chairperson, what I am trying to explain to the member is that this will be based on the farms margin. It is not a payment per animal. It is based on what the losses were and that loss is used to calculate the payment that the farmer will receive. Of course,

on the interim payment, the interim payment will be 50 percent and then the balance will come later.

**Mr. Penner:** Madam Chairperson, it sounds to me as if the minister is explaining to me that most of the farmers might get 50 percent of nothing. Fifty percent of nothing is still nothing. That is really what she is describing. When I look at the margins, and negative margins are not going to be recognized in this and there are going to be dramatic negative margins in many of the cattle producers' accounts; they will not qualify, those negative margins.

How in the deuce does the minister expect that these farmers are going to receive any measurable compensation before the snow flies that they can acquire their hay supplies? How can the minister justify that? She tells me now that it could be six weeks before applications are even available to be signed. The snow will fly before that.

**Ms. Wowchuk:** What I want to tell the member is that is why we put the hundred million dollars in loan authority in place. That is why we are making cash available for producers where they can have some cash, up to \$50,000, that they can use to make decisions on buying hay, on moving feed, to get them through to the point where the federal-provincial money will flow. That is the purpose of the loan program.

I would hope that this member will be out talking to people about how they should use that loan program to have a cash flow until such time as the money through the CAIS program flows, and until such time as the federal government flows their money through the \$600 million that the federal government is holding. We know that those payments are going to be made. Just as other people take loans to carry them through difficult times when they know that there are other funds coming forward, we have put in place—really it is a cash advance against the cattle that are being held on the farm.

We are flowing money to producers, and that is what producers should be using until such time as the money from this program starts to flow and until such time as the other monies that the federal government has available started to flow to the producer.

**Mr. Penner:** Madam Chairperson, so what does the minister say to a person that had expected to market 2000 or 3000 head of cattle this fall, and this is a nice young farm family that I am talking about, and has not yet found a market for them. What does that person say, because these people were not expecting to have to overwinter 4500 head of cattle which they might have to now? What does the minister say when that person comes up to her and wants to borrow \$50,000 to buy how many bales to feed 4500 cattle over the winter? What does she say to that person?

**Ms. Wowchuk:** If a person came to the Agricultural Credit Corporation, or came to me personally, and said that they needed money to feed their cattle—I know that there are going to be many producers in this province and across Canada who are going to be wintering more cattle than they anticipated; there are lots of them, all of those producers that I talked to say that the most important issue that we can address is to try to get the border open. That is what producers are telling us: Try to get the border open.

For that individual who would need a cash flow, I would say: Go to your MACC rep and fill out your application and get the \$50,000. Use that money to bridge until such time as the other money flows. Of course that individual also has a bank and if they have a herd that size they probably have financial arrangements made with the bank as well. We know that there are some banks that are telling us they are staying with their producers because they know this situation is going to turn around and they really cannot walk away from the producers when they are facing this kind of situation where there is no market for the cattle.

**Mr. Penner:** I cannot believe, Madam Chairperson, what the minister just told this committee, that \$50,000 would buy enough hay to overwinter a herd of 4500 head of cattle. I mean, it just demonstrates how naive this minister is and I think it demonstrates what kind of mentality she took to the negotiation table when she negotiated with Ottawa. It does not surprise me that we are ending up with the situation where we are right now. I am really, really saddened by the lack of understanding by this minister of how serious the problem really is. It does not surprise me that I get letters from

young couples like the Coulsons that I got a couple or three weeks ago that had written directly to the Premier (Mr. Doer) and begged the Premier to at least give them a phone call.

I phoned them again this morning and said: Has the Premier called you yet? These are people who voted NDP all their life, young people, and they said they were having second thoughts about that. It does not surprise me at all because they did not know where to get the money from to even get into the program if they could. Even if they would want to get into the program they would not be able to because they had no money to get into it.

Secondly, the APF does not give them any assurance that they will qualify for any payment. Their revenues into this year could have been significantly high until June, July, even into August. Their revenues could have been significantly high. Yet if they would fill out an application form to be able to acquire enough income to go buy feed to overwinter their herds since the border was closed. They have not been able to derive income since then. The income under the APF might be such that they would never qualify for a dollar, even under the special provisions that the minister is talking about. So I do not understand how we can sit here and portray the signing on to an APF agreement to be the saviour of the cattle industry, because there are incomes that are going to be, I believe, if memory serves me correctly, calculated on a calendar year basis. The incomes. Is that not correct? At the end of the year you are going to fill out your application forms, same as in CFIP or AIDA. Fill out your application forms. The calculations are done based on total income of the year. Every dollar of income is rolled into it. Not all expenses qualify for calculation under the APF agreement. Is that correct? Not all expenses can be calculated as expenses under the APF program.

\* (16:20)

**Ms. Wowchuk:** You know, as I listen to members speak, it sounds to me that when they were in government they made decisions on policy on who voted for them and who did not vote for them. I can tell him that that is not the

case here. We do not make the decision on who voted for us or did not vote for us. We make the decision in the best interests of Manitobans. You had started to talk about an individual case here. I think that if there is an individual case that this member wants to talk about, then there is a place to talk about an individual case, and I would be quite happy to look at it and see what is happening. He has not indicated whether they have made application, or they have not made application. I cannot respond if we have not had a chance to look at whether they have made application. He says that these people are not going to experience any negative margins, they are not going to experience any losses. Well, I am not sure what he is trying to say when he is making those comments.

He talks about not all expenses being allowed. Well, that is one thing that the farm groups asked us to take out. They did not want all expenses to be included. That is one of the changes that was made at the request of the producers, that some of the expenses would not be covered. The reason they did not want all of those included was because when you start to include all expenses then that reduces their margin. So that is one of the other areas where producers had concern, farm groups had concern. That was a change that was made so that not all of those expenses would be included.

We are working with all producers in this province. We are working to ensure that there is a cash flow. As I said, there is the bridge money that we put in place, there is the banking community that has indicated that they are continuing to work with their clients. I can tell you as well that the other programs under the Agricultural Credit Corporation are available. Now, if this individual is keeping another year of calves, he then qualifies for the Stocker Loan Program. You might say, well, we do not want to take another loan out. Well, that is how farming works. If you are going to keep cattle and you do not have the cash you take out a loan. The Stocker Loan Program has been a successful program. The activity is up in it and there are many options for this individual. I would rather get the individual's name, get some information about this case and then work through it rather than discuss personal matters around this table.

**Mr. Penner:** I have to leave for a few minutes, but Mr. Maguire will take over in my spot. However, I want to say this to the minister that the people in the Red River Valley in 1997 should feel very fortunate that they had a Progressive Conservative government in 1997 to take care of the disaster and how they dealt with that disaster. The people in the southwest part of the province and even the southeast corner of the province feel very fortunate that there was a Progressive Conservative government in power when they had flooding in their areas and how we dealt with that.

I would suspect that the minister should take a real look at the chances that the Province took at the time and were able to negotiate agreements with the federal government that were meaningful. I would suspect that the minister should also make very sure that she knew every aspect of this agreement and how the cattle producers will be dealt with under the APF or any side agreements that are drawn here, because it will require a side agreement, as I understand it, in order for money to be able to flow from the federal government, because under the provision of the agreement six provinces are required, as the minister said yesterday, and 50 percent of the producers are required to sign on. I agree with that.

I believe that unless the agreement is broken there will have to be a sidebar agreement done with Ottawa on this. I would be very, very careful if I was the minister to ensure that our cattle producers would at least receive proper compensation, that they could carry on their business through the winter months. I do not care what you call the program but I would say this before I leave: Do yourself a favour. Extend that cash advance program and you will see the economy in rural Manitoba turn around again. It is in dire straits right now. You will see it turn around and you will see businesses start regenerating economies of scale again and you will see dealerships selling equipment again and you will see feed companies want to do business with farmers and other areas as well. You will see an economy start building again if you do that.

If you do not, I think the economic impact of what you might face has only just begun. I would suspect that the minister will not want to see the kind of downturn in our economy that this cattle industry will bring upon this province. We are a cow-calf province in general, dependent largely on young stock moving at this time of year at decent, competitive prices. The way we are dealing with our cattle producers now in this province relegates them non-competitive because other provinces outside of this area are supporting and paying support mechanisms over and above the current market price. I think this minister should take that into consideration.

**Ms. Wowchuk:** The member's last few words were very important. He said it depends on the market and he is forgetting in all of this that there still is not a market. The border has not opened. The cattle industry in this province is not going to be active again to a very large degree until that border opens. We have more beef in this province and across Canada than we can consume, and that is the real issue.

But he talked about the producers being happy in 1997 with his government. I think the producers in 1997 would have been really happy with our program. We are lending them \$50,000 at low interest rates. They lent producers money in 1995 at the prevailing interest rates, and they were 10-year agreements that they put there as well. So I think that the producers of the Red River Valley would have been happy to have the NDP government in place, because we would have put in place—our loan is much more reasonable than the loan that his government put in place. It is at a lower interest rate and the program is there.

He talks about getting money into the producers' hands. We put a program in place long before they started to talk about it, although I should retract that. Their leader did talk about it. He sent a letter out to the Interlake to people where he said the Government should implement a low interest rate program or a cash advance, either/or. He did not say both. He said either/or. We put in place a low-interest rate program and money is flowing to the producers.

\* (16:30)

Again, I would encourage the member to think about that and talk to people that he is having discussions with and tell them that there is cash there. Make the application. Talk to the field rep. Work through it and get cash in your hands until other programs kick in or until the border opens up. But ultimately the most important thing that can happen is having those borders open to live animals. That is where we really, really have to go.

He talks about other things that people did. I had a phone call the other day where people reminded me about the beef income assurance program that would be very helpful for producers now, were it in place, but it was a program that stabilized the price of beef for producers in this province. It was put in place somewhere in the eighties. When the Conservatives came into power, they eliminated the beef income stabilization program.

Those are some of the things. When you talk about who was there to stand up for producers, I think we can put our record up as an NDP government against his administration's government anytime, Madam Chairperson.

**Mr. Penner:** I just want to set the record straight on one account. During the 1997 flood, the flood rehabilitation program had no interest cost attached to it. So I think the minister needs to be careful.

**Mr. Larry Maguire (Arthur-Virden):** I would just like to ask the minister a few questions on some of these issues. I have had the opportunity of listening to some of the comments over the last short while here. I guess I would just like to remind the minister that absolutely under normal conditions, and she is clear about the market on her terms, she is stating that under normal circumstances cattle producers would go out and take more stocker loans. They would, absolutely, in normal conditions, but they have been backed against the wall, having to put all of their credit arrangements against the wall, or already into the institutions that they have traditionally been borrowing from for the first half, at least two-thirds of this catastrophe, the worst catastrophe that the cattle industry has ever seen in Canadian

history. It certainly is even more encumbering on the producers of Manitoba because of our dependence upon exporting in the area of 90 percent of the cattle that we raise out of the province, in terms of backgrounding and culling in the dairy industry and other sectors.

So, Madam Minister, I guess I am just going to ask the question that you can give me the assurance that all of the other programs that are presently being run by the provincial government or that were in place prior to May 20 are still in place.

**Ms. Wowchuk:** Yes, indeed, along with the \$100 million that we put into the loan program, all of the other programs are in place, and, in fact, the activity on the Stocker Loan has increased over last year.

**Mr. Maguire:** I assume that, on page 42 of the Estimates, the Supplementary book, is the hundred million dollars under Special Farm Assistance that the minister just referred to, or is that another package?

**Ms. Wowchuk:** The hundred million dollars was a new program, after the Budget was printed. It is not part of the print Estimates.

**Mr. Maguire:** The flood that we went through in 1999 in western Manitoba has certainly left—when the minister talks about how the packages have been effective for all regions of the province, and since her Government has come into power, I can certainly acknowledge that she would like us to believe that. But that is not what we are receiving from the letters and e-mails that we have been getting on a daily basis.

As this crisis has developed, they are comparing it back to the support of 1999, and farmers have thrown up their hands. I mean, in a perfect world everybody would be able to sell off some of the culled cows and that sort of thing that they have had, or some of their stock, and would have been able to open up some of the loan capabilities that they might have had with the present borrowing structures that they have put in place.

But because they cannot, they have had to continue, as you well know, to back up

expenses, top out operating loans that they would not otherwise have had to do, and there is no room on many of those. They are general securities agreements that have either been completely filled, or they have been feeding cattle on lease or cattle that they do not own, but they are still young farmers, and as a way to get going without having to capitalize in this industry, they have made the effort to do that.

Yet we are penalizing them as far as these kinds of loans that are presently being made available through Manitoba Agricultural Credit Corporation, and that might be obviously under the present cash advance program or a cash advance program. I am very familiar with the one at the Wheat Board, having spent eight years on the advisory committee in that area and actually helping to change the direction of that particular loan, making the \$50,000 interest-free available to some of those producers and in those areas.

I guess one of the concerns that the farmers have is apprehension. That is why they are saying why would we even bother making our presentation or making our issue known, because we did not get any help in 1999. We have seen dollars dropped on AIDA programs and we did not see anything in negative margins when we were forced into those positions in earlier years under this Government, so why today would we expect to see anything more than a program where the Government is basically trying to make money on the backs of the farmers in the hundred-million program that has been put out there.

I would just like to ask the minister that.

**Ms. Wowchuk:** When you talk about the loan program and the farmers fully extended, I guess one of the questions that I would throw back at the member is if the GSA that they already have covers everything, he knows that there has to be security put when you are taking a cash advance. He just indicated that he is very familiar with how the cash advance program works. You have to put security. If everything is secured already, it will be the same thing whether it is a loan program or whether it is a cash advance.

I think under the loan program, there is far more flexibility for us to address that issue rather than on a cash advance. The Conservatives continue to talk about cash advance as if that is going to be free money that is just going to flow to the farmer.

Whether an individual is applying for cash advance or whether the individual is applying for a loan, there has to be security. So I think that it is a bit misleading to say that anybody is going to give cash advance without security.

With respect to what our Government has done and the supports we have put in place for agriculture, I want to remind this member that in 1999 the problem was caused by excess moisture, a lot of rain, and they could not seed. His government had the opportunity to put in excess moisture insurance under crop insurance. They refused to do it. They did not think that was a valuable program.

We came into power. We recognized the importance of putting in place that kind of insurance, and we did it. Had that program been in place under the previous administration, there would have been \$50 an acre for those producers when they were not able to seed that year. They did not address it. We did.

\* (16:40)

When there was a cash flow problem for producers in the grain sector, it was this Government that led a delegation to Ottawa and called on the federal government to put additional money into the hands of farmers, and we did negotiate money in 2001 where the Province put in close to \$50 million in each of those years to create a cash flow for producers, and a fair amount of money went into the southwest part of the province from that program.

So with respect to the loans, I would say that what we have to start doing is thinking about the producers instead of thinking about political gain here. We have to start standing together, and this is what I have said at all the meetings that we have been at. This is not just a producer's problem or a municipal problem, a provincial problem or a federal problem. It is all of us together and we have to work with the producers and put in place the supports that we can.

That is why we put in the loan program. A hundred million dollars is a lot of money, and that money is starting to flow. That is why we participated in the slaughter program and then changed it to the feed program. That is why we put \$2 million into trying to increase the slaughter capacity in this province, an area that has been sadly neglected for many, many years and, in fact, continued to decline over the past 15 years.

We are starting to take steps. No one is looking to slaughter all the animals that we have in this province, but we want to increase the slaughter capacity so that we are not caught in the kind of situation we are in now.

We all hope that we never have another case as we have right now, but should it happen again, and even if it does not happen, I think Manitobans are recognizing how much beef we are importing into this province, and they are being supportive. Manitobans want to consume more Manitoba products, and to do that we have to increase our slaughter capacity. We are taking the first steps.

It is not something that happened under the previous administration. There was no leadership in that area from them.

**Mr. Maguire:** Madam Chairperson, of course I would take exception with the minister in some of her analogies, and I will outline a couple of them to her. I was one of the new members who, the minister will certainly remember, went to Ottawa with her in regard to trying to get some package down the road.

She is coming back now and talking about the packages that she was able to put on the table in 2000-2001 and the programs that were there for Manitoba that were generally available to all farmers in the province, and I will correct her. There was nothing done for the flooded regions, particularly in those times, and there is nothing being done for the drought regions now.

So there was no disaster money used by this Government in either situation, and I think I want it on the record to correct the minister in regard to where she was at with that.

She is saying that cash advances must be secured, and, absolutely, they have been under the Wheat Board and they would be under this program. I am going to say as well that I certainly would not be on the record as having the minister twist the comments that I made before into saying that we are not in favour of securing those loans, but at a time when you are looking at a situation, through no fault of their own, a disaster that these farmers have been—my point about the GSAs or their operating loans, they are topped out through no fault of their own, not in a normal business transaction. They have had to feed extra cattle through the summer. They did not get any support from this Government in a green feed program that could have been put in place early on.

I know you were totally enthralled by the situation caused by BSE, and not as attentive to the drought, as differentiating the two. That was the first mistake because there is a great differentiation between the issue of BSE and not being able to sell your cattle and the drought.

Now certainly BSE has compounded the drought situation. It has compounded it immensely in the fact that these people have had to haul cattle to where pasture is, start using up winter feed at the end of July, as many farmers have in the area that I know the minister toured on the 23rd of July with me in my own constituency with the federal member and the Member for Emerson (Mr. Penner) here as well. I commend her for changing her idea of what was required at that time from a slaughter program to a \$2 per head feed program. I know that she was there when the number of \$2 was talked about and generally accepted by the group that were there that day. It took her some time to realize the fault of the first program and make the change, and I commend her for making it.

That, of course, helped the slaughter industry and the feeder industry in Manitoba, but it did nothing for the cow-calf industry. In fact, it put a greater separation between the cow-calf industry and the feeding industry in this province by giving the feeding industry the money to actually go out and buy the feed that was required also by the cow-calf industry. So it was disparaging to many of the young farmers who have looked at the fact that we are in the highest

freight zone in Canada and North America between Vancouver, Montréal and New Orleans, who recognize that they are shifting into new crop varieties as well as expanded their cow numbers on their farms and more cow-calf sector. Many of them made very sound business decisions. Of course, no one knew that a wall was going to come up in front of them with the BSE issue on May 20.

Because of that, as I go back to saying, many of them have used up any other capabilities. As far as borrowing power, they may even have used up some of their parents' capacity in that regard to support them as well, and maybe even grandparents in some cases. This is what I mean by a family farm tradition. It does not end when you leave the farming operation. One generation to another, you are very concerned about the younger sector of the industry that is out there. All of us, I am sure, are on a daily basis.

For the record, let us make it clear that there was \$72 million of cash put on the table by the Conservative government in the 1999 year, and it was directed at the area where there was flooding, put in place, and a negotiation took place with the federal government after the fact, but it did save many farms and saved many communities at that time. Yes, there was some disaster assistance for road replacement, culvert replacement, some of those immediate things that did qualify under the Emergency Measures situation from the federal government's program.

As we are finding now, these municipalities, over 30 of them, have declared—and I received another letter today from another one that has indicated that they have declared themselves a disaster area, that they are seeking funds to transport feed now as well as secure feed for the winter. These are things that could have been done by the minister to alleviate the complete call for that process now, if she had acted quickly in July and put a green feed program in place.

So I want to ask the minister: Why was a green feed program for the cattle of the drought-stricken areas of Manitoba not put in place?

**Ms. Wowchuk:** I will answer the last question that the member put forward, first of all, and he is asking why we did not put a green feed program in place. There is a green feed program in place under crop insurance. It is up to the farmer to decide whether or not they want to take the option of the green feed program. When I was in southwest Manitoba, some people said that the adjusters were not coming out fast enough and we addressed that issue. But really, the green feed program is a regular part of crop insurance, and those people who are carrying crop insurance have the ability to access that program.

\* (16:50)

With respect to the slaughter program and the feed program, you talked about my recognizing that the slaughter program was not working and changing it to a feed program. I want to remind you that the slaughter program was put in place in consultation with the cattle producers. When we were at the Western Premiers' Conference, Alberta brought this program forward on behalf of the Canadian Cattlemen's Association and had agreement of cattle associations.

The Premier (Mr. Doer) tells a story, and I will tell the story about how he stopped the Western Premiers' Conference and said: Be sure you call back to your provinces, call back to Manitoba and see whether our cattle producers are in sync with this. In fact, it was Dr. Allan Preston who called back to the Manitoba Cattle Producers office and checked with them and, in fact, they were supportive of the program. A few days later when I was going to the Agriculture ministers' meeting, I called Betty Green, who is the president of the cattle association, and talked to her about the program. On follow-up occasions, I said to the Cattle Producers, is this the right program? And they were in agreement that the slaughter program was the right program.

I can tell this committee that when Manitoba was at the table, there were two things we wanted. We wanted assurances that we would have access to market because we do not have the slaughter capacity in this province, we wanted assurance that we would have access to the slaughter capacity in Alberta or Ontario and,

in particular, Alberta because that is our closest market. The U.S. market was closed to us. We were told we would have access to market. We were guaranteed that we would have access to market.

We also asked for a floor price to be put in the program because we were concerned that once you started to put money in, the price would fall out of the market. We were told, oh, no, the slaughter industry will never do this to you. In fact, that is exactly what happened. As soon as the program came into place, the price dropped and the packers were buying cheaper product and government was topping it up.

So, when the slaughter program was not working for Manitoba, the cattle producers came to us and asked us if we would change it to a feed program and, in fact, that is what we did. We changed it to a feed program and the money that was in the program, some of it has been used in the slaughter program and the balance of it has been used for the feed program. One payment has been made and there will be further payments made on the program.

With respect to the younger sector, there is no doubt that there is a tremendous pressure on all people that are in the cattle industry right now. But it is not only the cattle industry, it is all ruminants. The sheep industry, all of them are facing real difficulty because the border is not open. That is why when we were putting in our loan program, we recognized the difficulties for the younger people and put their loan in at a lower interest rate.

I can tell you that since we have taken office, we have also put in the program called Bridging Generations, which is a very successful program in helping young people take over family farms. I certainly hope the whole agriculture economy turns around, that this beef industry turns around, because I know that it is creating a lot of hardship for farmers and that is why we have been working so hard. That is why we put in place the \$100 million in loan programs to enable producers with cash flow.

I can tell all of you at this table, when I was in southwestern Manitoba, there were two issues that stand out in my mind, and they were: How can you help out the young farmer, and how can

you help us with cash flow? At that meeting in Hartney that the member was at, there was a presentation made by the Manitoba Cattle Producers and they had been in discussion with our department. One of the suggestions that was made at that meeting was that we should be looking at a program similar to the producer recovery loan. In fact, we enhanced that because we reduced the interest on that.

We talk about having gone to Ottawa when we were lobbying the federal government for additional support for southwestern Manitoba. I think that all of us have to stand united and offer our support to the farming community and encourage them to use the cash flow that is there to bridge them until further monies flow from the federal government through the APF and through the \$600 million that the federal government also has available that will flow to the provinces very soon I hope.

**Mr. Maguire:** There is no doubt that there is concern there. I would like to ask the minister that obviously, in regard to a green feed program, it has always been there under the crop insurance. The green feed program that I am talking about is something that could have been put in place as part of a disaster program that the minister knew when she was there that day was going to be required for those people if they were going to make it through this winter. The green feed program could have been a part of allowing them to go out and purchase grain that was still standing in neighbouring fields that could have been silaged or put up in bales as opposed to being harvested by a combine for the grain, and it was not done. There was no realization or no incentive to top this program up when the minister knew full well now that she is going out and having to put money in place, use up valuable resources for the transportation of product a much further distance than would have been required at that time.

I guess I look at the fact that the minister has now said we have signed on to an Agricultural Policy Framework. Can she share with me what her share of the APF will be in the province of Manitoba?

**Ms. Wowchuk:** With respect to a green feed program, when I was in the southwest part of the

province I recall there were people that talked about the green feed program. We talked about the program that is there now. In reality anyone could make arrangements to cut crop and then the adjustments would be made.

One of the issues that was raised at the time was that the adjusters were not coming out quick enough and the crops were turning too ripe and they were losing the window for green feed. That was the issue that was raised with me. There may have been another question about top-up. I can say to this committee that I do not remember that. I positively remember them talking about the window to put green feed down was very narrow. They were concerned about crop insurance adjusters coming up quick enough. We addressed that issue as soon as we came back for people that were waiting to have their crop adjusted. But the opportunity was there to put any crops down.

Given the yields that some people have seen right now, I am not sure what is happening in that part of the province, but there have been some very good yields on some of these crops. I do not know whether people would have made the decision to put that crop down for green feed when they recognized that there were high yields there. The people did talk about the distance that they had to go to bring in feed supplies. Some of them were having to go greater distances than they previously had.

I can tell this committee that we have given notice to the federal government that we are prepared to sign the agreement and we are waiting for the federal minister to let us know whether he is coming or whether he wants us to sign it via courier. We are still in discussion on that.

*Mr. Tom Nevakshonoff, Acting Chairperson, in the Chair*

With respect to the Budget, in this year's Budget we have \$41 million that is in place for what we anticipate will be our share of the program—I am sorry. I said \$41 million, I meant to say \$43 million that is in place, but one of the things that we also know, this is a demand driven program and the costs could be higher.

\* (17:00)

**Mr. Maguire:** Having acknowledged that there is \$43 million worth of funds that will come to the Province of Manitoba, or that will be the Province's share that they will have to put in, as I understand the minister correctly, in regard to the Agricultural Policy Framework that she has just signed.

I would like to say in regard to the time when the minister was out and first-hand saw the disaster in the southwest region of Manitoba, that it would have been more important to have responded quickly and provided leadership to take some of that risk by the Province instead of hanging it all with the farmers as they are presently still bearing it.

We missed an opportunity to provide a bit of an incentive to take grain land that did have, as the minister has pointed out, some fairly good yields in some of the areas even close to the drought-stricken area. Any kind of an advantage to some of those areas would have quite satisfactorily put feed for the whole winter coming up on many, many of those farms. I am talking about oats and barley in particular that could have been cut for green feed in those programs, baled. There are various ways of determining the yield of a field and one of them is not to wait and combine the grain off of it. We measure corn in a silage process. That can also be done on these other grains as well. It can be measured and done after the fact by any kind of an inspector.

There need to be an incentive and a direction and some leadership from government to allow those drought-stricken farmers, in an exacerbated position from the BSE dilemma that they were already faced with, to give them the signal to go ahead and do that.

My question to the minister is, now that that is behind us and it is too late to do that, how much of that \$43-million share does she expect that the livestock sector will get out of this process? Because these are, as I understand it, dollars that will have to cover all of the sectors.

**Ms. Wowchuk:** I want to again go back to the issue where the member indicates that we missed an opportunity on a green feed program. I have to remind you again that opportunity is always

there. There is a green feed program and that is a decision that farmers made. I know that some farmers did make the decision to put green feed up. That is one of the options. That was one of the issues that producers talked to me about was the fact that adjustments were not being made quickly enough. They could not do it. When that issue was raised, we addressed it as quickly as possible.

With respect to the amount of money that will go to the cattle producers, as you look at history, cattle producers over the past 10 or so years have had pretty good margins. With the drop in their margin this year, it is anticipated that they will be able to access this program. That is why the federal government is saying that they will be able to make an interim payment to the cattle industry, because of the significant drop in their margin.

**Mr. Maguire:** Can the minister put any value to that?

**Ms. Wowchuk:** As a percentage?

**Mr. Maguire:** Percentage or a dollar value of the \$43 million. We know there is \$43 million there.

**Ms. Wowchuk:** Again, that is very difficult to determine. There is \$43 million, the provincial share and then there is the federal share which takes us over \$100 million. The program is demand driven so the number could change. The number could go higher than the amount that we have budgeted.

You have to remember that we put this budget in place long before the BSE issue came about. So we based it on what the traditional amount of money is available. The cattle industry is about 50 percent of the agriculture industry, give or take a little bit, so we could anticipate, given that they have had the higher margin drops, that they will collect more than 50 percent, given that the grain sector also had some reasonable production. It will depend but we know that it is a demand driven program and that there will be some significant declines of margins for the cattle producers.

**Mr. Maguire:** I would like to ask the minister then if she can give us, from my cohort from

Emerson's previous questions I take it that the minister answered that the illustrious or illusioning transportation package that the Premier (Mr. Doer) referred to the other day that any transportation program or any transportation subsidy will come out of this \$43 million, as far as the Province's share, or is this a top-up to those programs?

**Ms. Wowchuk:** The \$43 million is what we have budgeted for CAIS. This is not money that can be moved toward other programs. You were asking about how much money would go to commodities. This is a farm program. It is not targeted at specific commodities. It is also a demand driven program.

**Mr. Maguire:** Yes, I am very well aware of the program, Madam Minister. I guess my question was directed because of the requests. I have a whole pile of them here that have come in from the over 30 municipalities in Manitoba that have already declared themselves disasters. I have received another one today. I contend to the minister that if this Government would have had a more quick response in July that they would not have needed to have done some of the things that they need to do now.

One of those that has been called for, apart from the cash advance program, to cover the broad concerns of the BSE is a transportation of feed program that will help move feed into those deficient regions caused by drought and grasshopper infestations.

Can the minister tell me then, because the Premier alluded to it, how much money and how that program will work?

I thought she alluded that they had to wait for the federal government to make its decision before they could announce how that program was going to work, but if those dollars were already targeted then can she tell me how she is going to design that program and when it will be announced?

**Ms. Wowchuk:** The \$43 million that is in the Budget is budgeted for the CAIS program. That is where that money is budgeted for. We have had meetings with municipalities, and we continue to meet with municipalities and

producers to talk about various options. The Premier indicated that we were looking at some other options.

We also indicated that, if we put any programs in place, we want the federal government to be part of these programs. I have raised the issue with the federal minister to participate with us in our feed program which they are not participating in. We have asked them to participate in our loan program because if they did participate with us they could absorb some of that interest as well because that was one of the areas. We have also reminded them about the drought situation in this province and the need for the federal government to participate with us in any program we develop.

\* (17:10)

**Mr. Maguire:** I would like to ask the minister then if she has any plans to provide a feed-security program for this winter.

**Ms. Wowchuk:** Mr. Chair, we have been working with producers for some time now. It has been recognized that there is a feed deficiency in a few parts of the province, and we have put in place the hay and straw line where we connect people who have feed supply with those who are in need of feed supply.

I want to pay tribute to the Mennonite Central Committee and many people in the Red River Valley because it was many people in the Red River Valley who called the hay and straw line and said, we have straw here, come and get it. Although some have been charging for this straw, many in the Red River Valley have been donating the straw. I can tell you that, as people build up this feed supply of straw and grain, there will be different issues for producers because it is different feeding hay and different feeding straw and grain. Staff and our livestock specialists are working with producers on how they should work out these rations to ensure that there is the proper balance so that indeed they do not run into bigger problems.

So there are a variety of projects going on. I guess I would share with the member another project that is going on that is quite unique and it is happening in my part of the province where

there is some testing going on of feeding chips to cattle. It happened in Alberta, and this last year we did a project in the area and I have just learned of other producers who are using wood chips and bark from poplar that is coming from the Louisiana-Pacific plant to feed some of their cattle. So people are being very creative and looking at ways that they can add to their feed stock, and our department is working very closely with them with the hay and straw line, working with rations and also putting in place other supports that are needed within the communities.

**Mr. Maguire:** Mr. Chair, there are a couple of points that I would just like to make. I always agree that government has to evaluate the number, the situations they are faced with, and they have to look at it and it is up to leadership to make decisions on how the people of Manitoba are going to survive in some of these crisis situations that we are faced with, and they have not just been in the agricultural industry. Some of them have been in other sectors as well.

But the one that is before us today that is predominant across this country, but, as I said, more exacerbated in Manitoba because we export about 90 percent of our cattle as opposed to feeding them out is simply this that the farmers of Manitoba today cannot make payments on their bills. Many equipment companies, through the grace of their head offices, have foregone payments of principal amounts already this year since May 20. Many banks have foregone the payment of principal payments on land and inventory that they would have otherwise had to have collected. These people have made a decision that they want to help these farmers stay in business, mainly because they obviously have an investment with these people. They do not want all of that machinery back. They certainly do not want all the cattle back. They want these people to continue to manage their operations and do business on a daily basis so that they can have an industry here in the future.

*Madam Chairperson in the Chair*

These drought-stricken areas—there are hopper-infested areas that are in even a worse position. I want to outline to the minister that the

parallel is exactly the same in my region as it was in 1999, and in some other areas of the province. Only in 1999, it was caused by flooding. As the minister knows full well, those people could not pay their bills either. They could not access funds. They could not get a crop on the ground. They were looking at 18 more months before they would have harvested anything at the fall of 2000, if something had not been done for them in the summer of 1999.

The government of the day, in its wisdom, took the bull by the horns, literally put cash in those farmers' hands, and this Government has failed to recognize the severity of it. Why would the farmers today continue, and municipalities continue, to send us letters as they have of concerns and e-mails that are continuously stacking up daily?

I want to go back to what the minister was saying earlier about the kinds of programs that she has tried to put on the table and the kinds of support that she is trying to lead the province of Manitoba to believe that the NDP have tried to have had in agriculture. I will go back to the first time I sat down with this minister in Estimates in the spring of 2000, when we were dealing with these issues and on several of the trips that I went to Ottawa with her to try and seek support.

The farmers are sceptical in Manitoba today and the public, of this Government and dealing with these crises because two major issues that I can go back to many, many decades ago. One of them was the program that was put in place in the industry in the seventies, whereby, when we did have a developing feeding industry, the only way that you could get support for an industry was that the government of the day, the NDP government of the day, would give you money if you dropped the calf on the ground and fed it right through. You had to have the sales receipt for that fully fed-out animal on your operation and proof that it came from the cow that you had on your operation before you could get any kind of support.

You turned the whole industry into a cow-calf feeder finishing industry in all parts of the province, which, if I can remind the minister to go back to those days, meant that the feedlot industry and the feed grain industry that was

developing in leaps and bounds around that particular time in that sector could not even buy calves from the province of Manitoba. They had to go outside the province to get them; of course, every other province knew that the only way those feedlots could survive in Manitoba was if they came out of the province to get their animals. Of course, the price of them went up. It exacerbated the feedlot industry in this province at that time.

I want to remind the minister that those kinds of programs are why people do not trust the NDP when it comes to rural issues and why they are very, very nervous about the lack of immediacy and the lack of understanding that you have by not putting funds in their hands in at least an interest-free manner in the program that you are trying to put out there.

"Why are we kicking these people when they are down?" is what I continue to hear out there on a daily basis.

The second reason is because of the packing industry that literally left this province in the seventies. The majority of it certainly left at that time; there was very little of it left by the time the Conservative government came into power. I want to remind the minister that, if you are putting programs in place today to try and bring back something that left this province because of the programs that were put in place by your government in those days, then it is no wonder that farmers are sceptical over this Government's evaluation of the situation today and this Government's ability to respond by putting any kind of dollars in their hands.

**Ms. Wowchuk:** Those are pretty interesting comments. I cannot let them pass by without responding. You talk about how are people going to survive when the banks and the companies want their money. The banks and the companies were—

#### **Point of Order**

**Madam Chairperson:** On a point of order, the Member for Arthur-Virden.

**Mr. Maguire:** Yes, just on a point of order, Madam Chair, I did not say that the banks were

demanding the money from the farmers. I said that the banks have been in co-operation with them, and so with most of the financial institutions, to defer the principal payments that they have had to make. They have been, I think, as co-operative as we could possibly ask of them. All I am asking is that the Government be as co-operative.

**Madam Chairperson:** On the point of order, this is clearly not a point of order. It is a dispute over the facts.

\* \* \*

\* (17:20)

**Ms. Wowchuk:** If the member was saying that the banks are co-operating, then I would have to agree with him because this was what I was going to raise, that there are some banks that have been co-operating and there are some companies that are co-operating because they really do not want to take over the cattle, and they should co-operate. They have been with the cattle industry through the good times and they should stick with them through the tough times.

The Manitoba Agricultural Credit Corporation, in cases where we have loans, is doing the same thing. We are deferring in some cases but working on an individual basis with producers to help them through this difficult situation, as are the other lending institutes.

You talked about how people are going to survive without any money. That is exactly why we put in place the loan program, to help them with their cash flow.

The member may not support this, but I tabled a letter in the House the other day where his Leader did. This letter was distributed throughout the Interlake. He said in that letter that, to address cash flow, the Province should consider low interest loans or cash advances. He did not say both; he said low interest rates or cash advances, and we have put in a low interest rate program that is helping with cash flow. As I said to other people at this table, we should be encouraging people to take that money to bridge them through until such time as the border opens or until such time as federal money flows.

I have indicated that the federal government has \$600 million. That money is going to flow shortly. There is CAIS money, where the federal government said they are going to advance money to the cattle producers.

When you talk about 1999, the situation was different in 1999. In 1999 there was no excess moisture insurance. We have put that program in place. We have improved crop insurance as well from what was there in 1999. There have been some improvements made.

With respect to the packing industry and the member's rant about how the NDP government drove the packing industry out of this province, I will bring forward numbers to this table tomorrow and show clearly that, indeed, under the Filmon years, that is when we lost a good part of our packing industry in this province.

The Conservative government, during their tenure, did nothing to encourage the packing or slaughtering industry in this province. There was no effort to help the small facilities. There was no effort made to attract a packing industry to this province. There has been growth in the cattle industry. I am very pleased with the growth we have had in this, because as our number of cattle grow that gives greater opportunity for increased slaughter in this province.

We have to start somewhere and we have to start with the facilities that are in place right now. That is why we have put money in. The package that was put in place for the packing industry, processing industry, was put together in consultation and in discussion with the 22 packing plants that are in place in this province. Just as the package for the slaughter program that was put together in this province, it was put together in consultation with the industry. It is in consultation with the industry that we made changes to the crop insurance program that could have been made.

One of the changes that we have made since we have come into office with crop insurance is that we do consultations. In fact the Manitoba Cattle Producers had not been invited to make presentations to Manitoba Crop Insurance to talk about what their needs were until we took office and the present board is in place, and under that—

*[interjection]* It is true. Manitoba Cattle Producers were not invited to participate and give suggestions. Since that time, there has been discussion and we have been developing programs.

We have been developing programs in consultation, and that is where the changes have been made, some changes to hay insurance, that is where the pilot project came out in discussion with the industry, and various other discussions. But I can say that we have made changes, we have listened to producers, and there are things that are different since 1999. That is the fact that we do now have insurance, excess moisture insurance that was not in place.

But ultimately the biggest issue facing all of us is the fact that the border is closed. There is some hope. The Member for Emerson (Mr. Penner) says that the border closed under the NDP. The border closed under the Conservatives in Alberta, under the Liberals in British Columbia and all stripes of government. The border has closed right across the country, and the most important issue that we can focus on is how we can the border open. The fact that some boxed meat is starting to move is a very good signal, because that means that the U.S. has confidence that our beef supply is safe. There are still issues there that are being worked at. It is my hope that very soon we will start to see live animals under 30 months moving, but if it is under 30 months the animals start to move, we have another issue to deal with, and that is the older cows that are over 30 months or the cull cows that normally used to go to the U.S. and will not go the U.S. anymore.

There are a lot of issues out there. I think that it would be important that we all stand together just as we stood together in 1999 when we had to go to Ottawa and we took chambers of commerce and municipalities, opposition parties. We stood together to try to address the issue in the southwest part of the province. I think it is important that we stand together on the cattle industry and come up with reasonable suggestions on how we can deal with this issue and how we can get that border open so that our industry can come back to what it used to be, because it is a very important industry in this province, and one that I would certainly like to

see grow, but that will be a challenge for us until the border is open and until we know what age level animals are going to be going across the border or what other countries are going to take our product. We do have a challenge ahead of us with this industry. That is why we are working so diligently and in such close consultation with the industry.

**Mr. Maguire:** Well, I would like to just make another comment that the minister has a much bigger issue if the border does open to live cattle than just culled cows. And I would also like to set the record straight that I did work in Canada Packers during the days when the NDP were in power and it closed, that the major packing industry in Manitoba obviously closed in those years. There is Canada Packers, there is Swift, and Burns were virtually decimated by the time that the Conservative Party came into power in the late eighties as well.

But the bigger issue that you have got in regard to the border opening and the reason that we are calling for a cash advance to be put in these farmers' hands so that they have some cash in their hands before the border opens, is so that the Americans, who have had excellent cattle prices all summer, do not completely suck the complete feeder calf industry that we have here, all of the feeders off grass in Manitoba, to the U.S. Our farmers will not be able to compete with the dollars coming forward for their product and have to take a much less price than they might otherwise have to unless they have an alternative. Many of them with their backs completely against the wall right now will not have an alternative. They will have to take dollars from the first person or the first company that offers them any kind of value for those animals. Some might be able to hold out, some might not.

If we are prepared to devastate our feedlot industry by not keeping and allowing them to be able to compete on as close to a level playing field as we can by having some of those dollars put in place for them, then I submit to the minister that we will have failed that sector of the industry as well, and we will have a much bigger dilemma because the only thing left will be cows to cull.

That becomes part of the reason why we need to have a cash advance program put in place now, and that some of the dollars, whether it is a part of the \$43 million that you know you are going to have to pay as a minister under the federal program or whether it is a complete \$350 million that it would take if every farmer in Manitoba, if every cattle producer in Manitoba tried to access the request that has come forward from the cattle producers, which I doubt they would because some would not need to, some in better standing would not need to, then if this Government is not prepared to put the \$18 million to \$20 million up that would be required over a full year's interest at some of the lowest interest rates that Canadian industry has ever seen, then when are they willing to help any sector of an industry, or particularly the cattle industry in this case, because of the lowest interest rates out there. Why will you not provide an interest-free cash advance program to those farmers in dire need today?

**Ms. Wowchuk:** I would remind the member about the letter that his leader wrote. His leader wrote a letter saying that government should put in low-interest loans or cash advances. I am sorry to learn that there has been another flip-flop in that party. Once they wanted low-interest rate loans, then they changed their minds and they want cash advances. We had discussion. We took your Leader's advice. You suggested interest-free loans—

**Madam Chairperson:** The hour being 5:30, committee rise.

#### EXECUTIVE COUNCIL

\* (15:00)

**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 Executive Council. Will the minister's staff please enter the Chamber.

We are on page 21 of the Estimates book, Resolution 2.

**Mr. Stuart Murray (Leader of the Official Opposition):** I wonder, Mr. Premier, we

understand that I believe it is Mr. Mark Stobbe—I am not sure if I am pronouncing his name right; it is Stobbe—is no longer on your staff.

I just wonder if you could tell us when he left the employ of the Government of Manitoba?

**Hon. Gary Doer (Premier):** I will have to take the question as notice. I do not believe he was ever on the Executive Council staff. I will take the question as notice, but he was never on the Executive Council staff.

**Mr. Murray:** If that is the case, if he was on staff, I wonder if you could just also elicit us to the circumstances of why he left.

**Mr. Doer:** He was not on the staff of Executive Council, so I was not the employing authority on the Executive Council, in the Executive Council lines.

**Mr. Murray:** I wonder if the Premier could explain to the taxpayers of Manitoba, we certainly have had numerous comments from the Premier that talks about taxpayers' money not being his money or my money but it belongs to the taxpayers.

I just wonder if he could explain to the people, and particularly I think this would be a question that rural Manitobans would be interested in hearing, the reason that he has added a new position to Cabinet Communications.

**Mr. Doer:** The staffing levels are comparable to Mr. Filmon's levels. I am just trying to recall, but I think if you look through the list of—when we came into office: Bonnie Staples-Lyon, Michelle Bailey-Picard, James O'Connor. I thought you might ask this question: Rob Godin, Tish Best, and then notwithstanding the administrative staff, we have maintained obviously, Sonia and equal administrative staff.

You will find that you will have Riva Harrison, with the equivalency of Bonnie Staples-Lyon, Michelle Bailey-Picard, I think both of them have gone over to MTS, if I am not mistaken, I think kind of the Senate for former staff, I suppose. But that position is the one being filled, I believe. I will double check. James

O'Connor, we have Jackie Friesen, Roger Matas's position, Jonathon Hildebrand, Rob Godin, Ronuk Modha, Tish Best, Peter Dalla-Vicenza. You would know him from the former editorial head of the *Brandon Sun*. So there is comparable staff there. One of the positions is actually \$40,000 less in salary, so there is actually a savings, but in terms of staff years it is the same.

**Mr. Murray:** So, just to clarify, the Premier is suggesting that prior to this new position in Cabinet Communications there was one, two, three, four, five members on staff and the additional person is six.

**Mr. Doer:** The Communications people, as I mentioned before, Bonnie Staples-Lyon, Picard, O'Connor, Matas, Godin and Best worked out to six and when we fill this position, it was in the media, it works out to six.

**Mr. Murray:** You suggest that there is an overall savings. Are you suggesting that there is a difference between the six members including the new person that was hired and the former six members of \$40,000?

**Mr. Doer:** There was one position that was a \$40,000 difference but the other positions, for example Ms. Harrison, Ms. Ryan are comparable salaries, comparable classifications, incomparable skills for the people of Manitoba when they serve that capacity.

**Mr. Murray:** I was waiting for the Premier to make one of his incomparable looks, but I guess we do not want to go there, absolutely.

I am making my notes here and so I just want to clarify that what the Premier is suggesting is that there were currently, prior to this new person being hired, five people in Cabinet Communications. This additional person makes a total of six in Cabinet Communications and that one staff salary position was \$40,000 less. Is he suggesting the addition of the sixth person now that there is still the equivalent of close to \$40,000 savings, even though you have the same number of staff complement in Cabinet Communications?

**Mr. Doer:** Well, first of all, one of the positions is less than the classification when we came into office. Having said that, the other people have started at increment levels that I am not sure where they are. People, for example, leave; people are replaced on maternity leave. But, just in terms of classifications, there is one that was lower than when we came into office but having said that I think it is fair to say it is comparable staff levels through—and I mention the names because I think they will be people that the member opposite would know probably personally and so do I know some of them personally, and I just mention their names just for the consistency of what I have said.

**Mr. Murray:** I understand the word "comparable," but I just want to maybe get something a little bit more specific than comparable. I just want to understand that the additional person that has been hired in Cabinet Communications, that the total salary level of those six people is—understanding that there is a \$40,000 difference in one level, is the total of those six, the compensation, less than what the six were with the previous administration? I just wanted clarification. When you say "comparable," I am just trying to get a sense if it is less, or more.

**Mr. Doer:** It was an ADO 11 position that Michelle Bailey-Picard had, and we are filling that position with the individual. It, obviously, has had some other people in it, but I wanted a reference point. It is the same classification.

**Mr. Murray:** I appreciate the Premier putting the names forward, because I think there is familiarity there. I am not as much concerned about the individual names as I am about the total. Again, my question is that the current six, with the additional, the former five, but now there is one, according to the Premier, that makes six: Of those six individuals, is their salary total more, or is it less, than what the current six were under the previous administration?

**Mr. Doer:** I would have to look at the numbers, but the classifications are comparable, save one position, which is lower. Secondly, the individuals have all received annual increases, consistent, as they did before. If you were to compare Bonnie Staples-Lyon with Cliff Scotten

*[phonetic]*, you would find, 11 years later, probably, Bonnie Staples-Lyon received more than Barbara Biggar. Probably, Barbara Biggar is receiving more in the private sector now. Obviously, they were both entitled to, and received, the wage increases, as Ms. Harrison does.

**Mr. Murray:** I do want to move on to other matters, but what I understand is, that the Premier is leading me to believe, and I just want to understand the accuracy, is that there were five members of Cabinet Communications. He points out that one of them, specifically, was in a classification that was \$40,000 less. Now that he has got a full complement of six, with the addition of the new individual, again not trying to concentrate on the names, just looking at the bottom line, the people that you referenced from the previous administration, as you acknowledge, had been there for some number of years, more years overall than the current staff. I am just getting a sense: Would the total number, under current Cabinet Communications, be in excess of what the previous six members of Cabinet Communications were earning, or would it be less?

**Mr. Doer:** In terms of classification, less. I would have to go back and look at the combination of increments. I imagine most of the people there were there for a number of years, as the member indicated. I would have to look at the increments. In terms of classifications, all positions are the same, except one. In terms of increments and annual wage increases, they would be built in. I cannot give the member the total of that, but the bottom line is, the staff levels are comparable. They are not less than the former government, and not more than.

**Mr. Murray:** I hope that the First Minister, at some point, does not find himself in a situation where he is a broker, because trying to get a sense of what is not quite less than, but not necessarily more than, but is comparable, is a very interesting approach. Obviously, at this point, we will move on to other things, but I would then just ask the First Minister if he could supply me with a list of all the staff members, their position titles, and their remuneration, please.

**Mr. Doer:** I would point out that both Sonia and Gisele are in the administrative support staff and Sonia, members opposite would know, worked for the former government as well. Both Gisele and Sonia are on the front lines of hostile media and friendly media and they both performed through the Filmon government and our Government in a very, very credible way. So I just want to pay tribute to them.

**Mr. Murray:** I just wanted to clarify in terms of the staff members, just if you could include the principal secretary, the chief of staff and Mr. Kostyra, if you could just include that as part of that request, I would appreciate it.

\* (15:10)

**Mr. Doer:** Yes, we did increase the salary of Mr. Kostyra which did gather some comment from members opposite I believe in January. I quite frankly did not know at what level he was being paid, but that was increased. He does work, of course, across departments through the Department of Industry, Trade and Mines, but certainly on things like the Premier's advisory council and many other items across government, he—*[interjection]* He is working on it. The Member for Ste. Rose (Mr. Cummings) will know that we have been working on Springhill all summer and notwithstanding the fact he said: Well, if it was MCI you would have it right away, but we have been working all summer on it and he has been working on a solution, hopefully. It is close, but close does not count in this business. It is either there to open or not.

He does work across governments. I still remember when he was with the transition team and Jim Downey bumped into him on his way in and out of the Legislative Building and said: Is this what you mean by Today's NDP? You cannot lose your sense of humour here, but he is a very competent, very bright individual. *[interjection]* You guys dined out on it for a long time. With that money he did so well he had to create a Fiscal Stabilization Fund to throw the surplus into it, as Mr. Fred Jackson commented. I have his document and I have the page. It was pretty clever. I digress.

I will give you those positions. You must have had a good chuckle in Cabinet when you took an NDP surplus and created a deficit out of it. I could imagine. I would like to be a fly on the wall when that happened.

**Mr. Murray:** I would ask for a date when the Premier could supply me with the list of staff members positions, titles, remuneration, including Mr. Kostyra. Could he just give me a date when he could supply that?

**Mr. Doer:** I can certainly supply that within a week.

**Mr. Murray:** Could the Premier provide me with the new name of the former information resources division reporting to Cabinet Communications? *[interjection]*

**Mr. Chairperson:** It is being taken as notice. *[interjection]* The honourable member has not the floor.

**Mr. Murray:** Thank you for bringing order to this Assembly, Mr. Chairman.

I wondered if the Premier could provide me with a list of all suppliers contracted by the former IRD, Information Resources Division, complete with the total dollar amount of these contracts, and for each supplier.

**Mr. Doer:** The member can get that directly from Culture in the Estimates, but I will endeavour to make sure he gets it through the department. I will give the Culture Department the heads up that that will be provided.

Of course, there is a policy in government for any untendered contracts to be listed in the Department of Finance, and I believe that tendered contracts are public information over a certain level through the year. Those are all public documents, but we will gather them.

**Mr. Murray:** When the Premier is getting that information, if he could also just provide the current staffing level of the division.

**Mr. Doer:** I have no idea, but as I understand it, it is comparable—I hate to use that word again, "comparable"—to the former program.

I know this is an issue that as a former Opposition Leader, it is an area that—*[interjection]* Yeah, that is right. They are my questions. It is an area that you certainly go after.

I appreciate the sensitivity of that, but I will make sure they have not snuck anybody in there that I did not know about. I am sure they have them.

**Mr. Murray:** Could the Premier indicate how many contracts have been awarded to now Communications?

**Mr. Doer:** None from the Executive Council, I believe. We will get the total. I do know that they have received some.

The bottom line is they have to bid. They have to receive the tendering process. We have kept it pretty arm's length on items like tourism and other things that—I can give you a history right back to Biggar associates on the tourism contract. *[interjection]* Biggar Ideas, okay.

So I will go right back to Biggar Ideas and give you the tourism contract. I do not think now it is part of that which is considered to be desirable, I understand, in the advertising industry, but they have competed for some contracts in the tendering process. We will give you that.

**Mr. Murray:** I appreciate that, Mr. Chairman, coming from the Premier, and, again, just asking for the number of contracts that were awarded and the dollar value, obviously, at the same time.

**Mr. Doer:** We will go through the departments and get that.

**Mr. Murray:** I think we are probably getting close to the end of our discussions. Of course, we know we have concurrence but just so I have something for the record, just a date that we might expect that.

**Mr. Doer:** We will contact the departments and see the contract list from them. I am sure on that one certainly within two weeks or maybe less.

**Mr. Murray:** I just wondered if the First Minister could make a comment on the Capital Commission report that Mr. Paul Thomas has been involved in. Could he just update the status of that report?

\* (15:20)

**Mr. Doer:** I believe there was a draft report provided to the municipalities. I think they provided advice on the draft report to capital municipalities. He and his committee have taken back that advice.

I do not know where the report is at, to be perfectly honest. It has not come back. Well, it did not go to Cabinet to begin with, I do not believe. I know that is something I am not supposed to say. Jim Eldridge will immediately chastise me on breaking all the rules of parliamentary protocol.

I will check and see where it is. I know it went out. It had some controversy about the taxation implications of it. I know the majority of the decisions that are contained within it deal with land use and some of the land use policies that would allow us to be a more sustainable Capital Region, but I know that most of the publicity was drawn around tax issues.

Those items have been commented upon, and I am not sure where the reports are. I will find out and let the member know verbally the expected timing of it. Sometimes these documents end up being in the public arena before I have read them. Sometimes, in fact, the leaders of the Opposition leak them. No, I would not suggest that.

**Mr. Murray:** I think that hearing the Premier's comments, I know that there was some discussion with certain reeves that had said that they had seen a document. Whether it was considered to be a final document, a draft document, I think there was some uncertainty over that.

The Premier, I believe, I would think through Executive Council, I would assume—and if I am not correct, please correct it for the record—it would have appointed that group. So I just wonder have you instructed them on a time

line with finishing this second phase or second draft, or whatever, of this final report?

**Mr. Doer:** No, I think we wanted to make sure that the people most directly affected in the Capital Region governance positions had ample opportunity to comment on it. I think that was also the will of the Chair of the committee.

I will find out the status of the report because the Acting Minister of Intergovernmental Affairs (Ms. Wowchuk) is also the Minister of Agriculture, and she has had a few things on her plate since May 20.

**Mr. Murray:** Is it sort of the will, I guess, of the Premier, is that document going to go to the Capital Region for final approval before it becomes, if I could use the word "public"? What I mean by that is it is something that would be presented to the House.

I only raise that in the sense that there was a bit of confusion over the last—when I say the last release, again, I do not know if it was considered a draft document or a final, but I understand, to use words by the Premier, that there was some controversy.

I just want to get a sense, is that something that will go to the reeves, the Capital Region municipalities to get the final sign-off before it becomes a public document?

**Mr. Doer:** Again, the committee was established. It is chaired by Professor Thomas. He has had experience dealing with land use and planning issues before. I would have to review the terms of reference. I know his draft document was reviewed, and I am not sure how he did that, how it was presented to different elected representatives in the Capital Region. That happened, I think, in May, June or maybe before that, April, May, June of this year, '03.

I will find out what his terms of reference are. I am sure he is operating under the terms of reference he agreed to with the former Minister, Jean Friesen. So I will double-check that answer.

I am not sure whether the last document that is presented to government is public, government-public simultaneously, or government-

public after the reeves have got it and City Council has got it. It has been my experience that if anything goes into City Council, about a nanosecond later it is out in the media.

So I am not exactly sure where it will go, but I am sure he will operate under the terms of reference that he had and the understanding he had with the former minister. I am sure it is a process of integrity, and that is why he is consulting with people who are directly affected as we speak, even with the criticism of what is in the report before he has written a final.

**Mr. Murray:** What is the Premier's position on the existence of Internet pharmacies in Manitoba?

**Mr. Chairperson:** The honourable member may repeat the question.

**Mr. Murray:** What is the Premier's position on the existence of Internet pharmacies in Manitoba?

**Mr. Doer:** We like them. We think that some of the jurisdictional challenges were mediated with agreement from the stakeholders, the pharmacists and the Internet industry. It was narrowly defeated with a vote by all the pharmacists here, and I say narrowly defeated after the compromise resolution was prepared by Professor Fox-Decent.

We think that the industry is employing a lot of people in a lot of communities in Manitoba. Obviously, in Minnedosa, we have great growth there and in Niverville and in Winnipeg and some other communities. We think that some of the concerns raised by pharmacists were dealt with in the Fox-Decent report. There is obviously now a great concern in the United States and pressure on the drug companies who supply the Internet drug companies here in Canada. The issue, of course, was precipitated by a bill in the U.S. Congress to allow American companies to export drugs at the export price, not at the American price, and I am not sure this whole international issue is resolved yet, but there are certainly threats to the industry with the issue and, if he would have read *The Globe and Mail* business section today, on three companies here in Winnipeg as well.

There are certain challenges for the Internet industry here in Manitoba. They have succeeded on the basis of quality and price and the entrepreneurial initiatives that have been very, very positive. We would like to see the balance of professional standards that Professor Fox-Decent recommended and the efficiencies and price affordabilities that the Internet pharmacies can provide, we would like to see those continue, but they are under challenge because they are more affordable for U.S. consumers.

**Mr. Murray:** How does the Premier—how is he going to proceed with respect to the issue on Aboriginal casinos, and I reference the fact that when first elected they talked about putting five casinos into the province of Manitoba. I think it is a fair comment to say that there has been tremendous upheaval and a sense of, I will not use the word "mistrust," but I would get a sense that there is a lot of uncertainty as to the status of where that situation stands. I know there was a report that was put together, which I am aware of, but I would like the Premier's comments on where he sees the issue of Aboriginal casinos proceeding in the province of Manitoba.

\* (15:30)

**Mr. Doer:** Well, we promised to implement the Bostrom Report, which was up to five. We also promised to have an independent selection process that included vigorous due diligence on where the capital would be coming from, and we were never in a hurry to get something done just for the sake of getting it completed. We would rather have the proper economic plan, the proper community partnership and the proper employment strategy. The casino in The Pas, I believe the member was in that casino at the Trappers' Festival. I hope he left his money behind for the good people of—[interjection] At least he bought a cup of coffee, I hope, which I did. So I think that it is employing a lot of people. It has got some challenges, certainly.

There is the other proposal that has been approved and is looking for capitalization. One of the things we were warned about, on the one hand you get accused of not having more direct control of the timing and the decision making. On the other hand, you get very, very criticized and open to lawsuits if you have a process that is

perceived to be partisan. That is why Mr. Freedman and the second individual were part of the independent selection process. They got criticized by members opposite from their own constituents. We would prefer to have it go slow and sure than to have it undermine the credibility of what we believe to be a good program for the people of those communities.

Certainly, we still believe that more economic opportunities need to be available for Aboriginal communities. That is why we changed the mining, the mineral issues, the royalty issues, consistent with the Aboriginal Justice Inquiry. I can go on and on and on about resource issues and economic issues and training issues.

So I do not want to ever suggest that this is, quote, the only economic strategy we would propose for Aboriginal people. But it was felt that Minnesota went one way with the First Nations people, the Indian Gaming Commission in Minnesota, that we had gone to the benefit of the Government and the hotel and restaurant industry, and that there was not much left in terms of employment. There were machines and revenue, but not employment opportunities for First Nations. But we recognized that after this gaming started, I think in early 1992, the member who is more familiar with this is sitting on your left, knows more about this than I do in terms of the timing of it.

I would rather have a project that works than panic and get one that does not. We are not panicked by the assessments taking place right now. I hope it provides us with good recommendations and we will go from there.

**Mr. Murray:** I think it is fair comment to say, because I do not think it is me that is saying it, it has been said by others, I think that the process was quite disastrous, and I think that you look at specifics where you have communities that were sort of pitted against one another. I think the end result was most unfortunate, frankly.

I was just fascinated a bit by the comments made by the Premier that he would rather go slow and get something that works. How is it that you would then make a commitment or a promise when you were first elected that there

were going to be five Aboriginal casinos in Manitoba? You clearly either had some sort of a plan to put them in place or did not.

So, on one hand, you are saying we were going to proceed with five Aboriginal casinos, and now what you are saying is you would rather go slow and get something that works. I just think that those two statements, with respect, are not comparable.

**Mr. Doer:** The statements as you described them are not consistent, but if you will go back to the Bostrom Report, and I will table the page for the member, it says up to five. We committed ourselves to up to five. We did not commit ourselves to five. The selection committee recommended five. When those were recommended there was a proposal call. I think that is a much better system. I trust Martin Freedman. I think he is a man of great integrity and intelligence. We had to have a process that was not only free of politics, but perceived to be free of politics. I think we did that with Mr. Freedman, or I guess it is Justice Freedman now. I think that that was the best way to proceed. It was open to criticism.

This community did not get one with all its merits, such as—I have heard, the former minister of industry, trade and commerce has commented to me, as an advocate for one community. Thankfully, we did not have a number of proposals being decided in Cabinet without an independent proposal evaluation group that has—I think if you go back over the years, the two individuals who were selected to be co-chairing this process have a pretty good reputation for integrity and judgment.

We followed that advice. It did provide some limitations to government but the one advantage of this is it was not perceived to be political choices that were made of where the locations would be. The term was up to five. When I was campaigning in '99, I said we support the Bostrom Report up to five. I did not say it would be absolutely five, that we would force five casinos on the First Nations people and the people of Manitoba. That is why Bostrom recommends up to five not an absolute five, pretty sure that was the language. Again the Member for River East (Mrs. Mitchelson) would

recall that report. I do not know whether it reported to her or her successor, but it was up to five. She will remember the report. I know she will.

**Mr. Murray:** Could the Premier give his commitment that there will be no more casinos in Winnipeg?

**Mr. Doer:** Well, there are certainly no proposals that I am aware of that the Government has agreed to. I recall the commitment made by the former government. Then there was a proposal to build an arena without any capital requirements at a time the Fort Garry Hotel was closing down. So certainly I do not have the report back from the group and I am not going to make any comment until I get it. Certainly there is no intent to proceed but governments have to make judgments in the public interest and I will continue to make judgments in the public interest.

**Mr. Murray:** The report aside and once that is presented certainly the Premier will have a chance to read it, but my question is your personal belief whether there should be another casino in Winnipeg.

\* (15:40)

**Mr. Doer:** I am not allowed to govern on the basis of my personal beliefs. I have never put a nickel in a VLT machine. It sounds like the member opposite has not either. Personal beliefs are different than the issues that confront governments from time to time and the opportunities that confront government.

For example, we are dealing with the Assiniboia Downs. The member opposite has made great promises to them, as he should. We are dealing with the issue of his proposed smoking ban in Winnipeg and in rural Manitoba and all across the province. We are dealing with the issue of revenue loss. We are dealing with the challenges to, as I say, the Assiniboia Downs. I am just not going to say things that then get into gotcha politics.

We are dealing, for example, on the viability of the Assiniboia Downs. We are dealing with a report dealing with Aboriginal casinos. We are

dealing with the new True North Centre with an agreement that now the independent forensic auditors have said will not generate more. In fact it will generate less on the gaming provisions. They, too, have to now operate under the city of Winnipeg by-law. So there is a combination of things. People have argued that the Assiniboia Downs' first proposal of 150 machines was a de facto casino with all the money returned to the Downs.

Having said that, we are certainly looking, as the Leader of the Opposition is, to make that place viable. It is not exactly *Romper Room* over there. It is that people bet on horse races, so I do not want to make some statement—I mean, when Mr. Ernst, in his previous vocation, gave 150 machines to the Assiniboine Downs—the Leader of the Opposition talked about whatever it takes to improve that situation; he would know that they have asked for certain things comparable to other race tracks. He would also know—as I understand it, he is already committed to that, so I could say he has already committed to a casino in Winnipeg, but that would not be fair. It would not be fair for me either. So this is where it gets difficult to answer a question that he has posed, but I use the Assiniboine Downs as an example where I have to be careful.

**Mr. Murray:** Well, with that answer, it only sort of moves toward one conclusion, and that is that the First Minister is leaving the door open for another casino in Winnipeg.

**Mr. Doer:** Well, we have gone from three casinos in Winnipeg to two casinos in Winnipeg under our Government. So I think the former government went from zero to three to two, and if you count the Assiniboine Downs—I mean, I do not know what the definition of a casino is anymore because if you have gaming machines at Assiniboine Downs—the member from River East who has gone all over the world looking at casinos would know the definition better than I would, and I am jealous, of course—but I just say Assiniboine Downs as an example of we are looking at activity there to try to sustain their revenues through the smoking ban proposed by the Conservatives and the issue of the pari-mutuel betting. We are working on that, as the member is.

**Mr. Murray:** Yes, I think just to be fair for the record, and I think I heard the First Minister try to clarify that it was the previous government, I think, that made the decision to close the casino that was in the Fort Garry Hotel.

**Mr. Doer:** Yes, I clarified it. Yes, it was the former government that went from one week a month, that would make it a third of a casino to three casinos to two casinos, plus the Assiniboine Downs' 150 machines with an 80% return. I did not criticize it in opposition because it was good for the horse racing industry.

**Mr. Murray:** I just will ask one more time for the Premier to clarify whether he believes that Winnipeg needs another casino.

**Mr. Doer:** Well, the best predictor of future behaviour is past, and so far I think we have demonstrated that we have not proceeded with another casino. The report is going to come in to us, but certainly that was one of the terms and conditions when Aboriginal casinos were looking at establishing, to begin with.

**Mr. Murray:** So I think, then, just again for the record, the First Minister is saying that Winnipeg would not be, as part of the terms and conditions, one location.

**Mr. Doer:** You know, maybe we can get an NHL franchise back here. It is going to need a mixture of all kinds of things—*[interjection]*

What is that? There are no plans to have any more additional capital construction comparable to what the former members did on casino developments in the two suburbs of Winnipeg, one in Transcona and one in McPhillips. There is certainly no intent to build something comparable to the McPhillips Street Station and the Regent Avenue operation. I am sure the member from River East was the head of that initial capital for those massive casinos that we now have in Winnipeg, which also speaks to the case that there are already two large capital programs.

I was critical of the former government expanding McPhillips Street Station and the Regent Avenue casino, and we were told in the Legislature, and I have got the Hansard memorized, it was \$55 million to expand both casinos,

and that would be cheaper than building a replacement casino for the Fort Garry Hotel. I was critical of that, and I thought we should maintain three casinos, the smaller ones and have one downtown. The member will know that. That was recommended by the downtown business association. That was recommended by the Winnipeg tourism association. It was recommended by the hotel association. It was recommended by the Convention Centre. It was recommended by the Winnipeg Chamber of Commerce, and so I took a different view than the members opposite. That is the history I have shown. But there is certainly no secret intent.

Our next project in downtown Winnipeg is the new Hydro building, and we are continuing to return the endangered species of the building crane back to Manitoba.

**Mrs. Bonnie Mitchelson (River East):** Just a few questions and I am going to, again, welcome the Premier to my constituency, and given that we do live down the street from each other, I know that he does understand the nature of our community and some of the very pressing issues that face not only the constituents of River East but also, as we move out into the Transcona area, there are some significant traffic issues that we face.

We had an unfortunate incident in our community over last fall and spring where one residential road was closed by the councillor or the councillors in the area in their wisdom, which really pitted neighbour against neighbour, street against street, and it has not solved the traffic issue in our community. I understand the need for megaprojects and certainly downtown redevelopment, but it should not be at the expense of our suburban communities that have some very, very greatly needed infrastructure issues to deal with.

I know that the Premier, formerly the Minister of Urban Affairs in the previous Pawley administration, and I worked very closely together with the councillor out in the area at the time to get the Chief Peguis-Kildonan bridge named the Chief Peguis Bridge. I want to give the Premier credit for his thinking and his support. Even though he did not live in the community that he lives in now, he understood

the needs for traffic movement and worked hard and the working together across party lines. It was something that the community needed. The Premier, then Minister of Urban Affairs, understood the issue and certainly was prepared to work and support that initiative so I just want to say thank you, and I probably have never said that on the record.

I know the Premier does understand the issue, I know he probably has colleagues that sit around his caucus table. I know the Member for Radisson (Mr. Jha), probably the Member for Transcona (Mr. Reid), Member for Rossmere (Mr. Schellenberg), Member for Concordia (Mr. Doer) certainly understand the traffic issue and the traffic problem. And I know that there would be significant infrastructure dollars that would be required in order to either extend the Chief Peguis Bridge right through or to look at some other resolution to the traffic issues. I know that it cannot be at the expense of other infrastructure programs that are badly needed in some other suburban areas. I just was wondering whether the Premier might have any thoughts and any ideas on any time frame for the Province and the City to look at what might be a priority for the northeast quadrant of the city of Winnipeg.

\* (15:50)

**Mr. Doer:** I thank the member for the question, and I would want to be very careful as Premier not to prejudice the Government in an unfair way from the processes that judge projects on merit. I have been accused of being neglectful on the underpass because allegedly we did not do, quote, well politically in Whyte Ridge, but, you know, I point out that in Rosenort we built—I think we got two votes in Rosenort; some people say it was four—the major flood-protection system there because it was merited.

I do note I do track my MLA in terms of how she represents me in my community. I do note she went to the community meeting last year on the McIvor wall in our area, and I noticed that she was very careful not to take a position at the public meeting and listen to people either way on that issue. It was probably a wise position because I think it is a bit of a divided view in the community.

One thing I did have with the traffic studies with the Peguis Bridge that we did work together on was the assessment that the Charleswood Bridge would not do anything except move the traffic from Roblin to Portage earlier, but the Peguis Bridge would reduce traffic on Henderson, which is becoming more congested and dangerous, or the traffic volumes would reduce it by 18 percent to an artery like Main Street that was quite a bit less on its traffic volumes and therefore much more available to handle more traffic.

So there was not only an advantage of convenience but also an advantage of traffic. I do not know what the plans would be. There would be some opposition I know to a Peguis proposal. The difference between 1987 and year 2003 is that the three projects were on the City of Winnipeg's priority list for capital investment: the Charleswood Bridge, the Bishop Grandin, I am going by memory here, you can correct me if I am wrong, and the Chief Peguis Bridge. What we did was look over all three of them, and of course we did it on the basis of merit together, across the aisle, where the Chief Peguis Bridge had the higher merit and therefore the Province prioritized the money for the Peguis Bridge with the former deputy mayor Stefanson, in a way that allowed the priorities to proceed on merit, not on the basis of who had the most political pressure at City Hall.

So the first issue is, is it on the City Hall priority list? I am not aware if it is or is not. Then, how high is it? Then, I would be prepared to look at the projects on the basis of traffic flow merit and its impact on green spaces.

One of the areas that we did agree with the City on eventually on the Charleswood Bridge was the issue of the golf course, but the green space that was made available to the public adjacent to it when the extension of the Charleswood Bridge proceeded to Grant and required an amendment of the City of Winnipeg plan and Honourable Jean Friesen made those recommendations to complete, really, the history of those three projects. So I am not sure whether that project is on the list of projects. I would be very careful to be putting projects that would be not meritorious anywhere near the neighbourhood we jointly live in, but I would be interested

to know where it is on the priority list and I will take that as notice in terms of where it is in the City's priority list.

I also know the member opposite had proposals on the eastern by-pass on the Perimeter Highway and that, too, I would look at on the basis of safety, because the whole Perimeter Highway is the responsibility I think of the provincial government.

**Mrs. Mitchelson:** I want to thank the Premier for those comments. I guess it is important to look at where it might be on the City's priority list. I do know that it is fairly high on the radar screen in the community's eyes. The issues are on residential streets and safety, safety for our children and for our families.

The one other area where there is a real need I think for something to happen would be at the corner of Springfield Road and Lagimodière where we have had several fatal accidents. With the closure of McIvor, it has increased the traffic at that corner. I am not advocating that this be a political process. I am advocating that it be a safety issue. Certainly, we need to do the proper analysis and the proper studies to know what the traffic issues are, what the safety issues are. Then of course it would have to go into the queue based on priority projects.

I just wanted to make the point that I think it is important that our suburban communities are not ignored when we look at redevelopment of the city because we are certainly a very integral part of what our city is all about, too, so there needs to be the balance between downtown redevelopment and ensuring that we are one healthy city in every aspect.

**Mr. Doer:** One of the great advantages of the new ball park and the new proposed arena is that they are much closer to people of northeast Winnipeg, well, closer to every quadrant than where the other site is. Downtown is obviously closer for bus routes and other routes for the public.

On the issue of suburban transportation, it is not an either/or to us. We think there are issues in the suburban, just like the Chief Peguis

Bridge. We were able to get a traffic merits case for it, as opposed to just, on the political side it was on the bottom.

Some of us felt in our region that everything went to River Heights, nothing went to our area. That is just a feeling that we all live with in that quadrant of the city. You know that feeling, but you would not possibly comment with your leader sitting right beside you there, on that issue.

**Hon. Jon Gerrard (River Heights):** I would like to start with the Estimates of Operating Expenditures for the Government and on page 11 which provides a summary of the 2003-04 Estimates of Operating Expenditures, which lists expenditure by department and then provides a total which is \$7,341,127,000.

Then, in the 2003 Budget papers, there is a page B9 which describes the Operating Expenditures Estimates and the Operating Expenditures Estimates comes up with a lower total which is \$7,256,127,000. The difference is \$85 million, which is described as year-end lapse and end-year savings. In essence, what is being presented in the Estimates is not an accurate reflection of what the Government really expects to spend because the Government is planning to spend \$85 million less than that. They make that very clear in the Budget papers.

My first question would be: Where are you planning to cut to get the \$85 million?

\* (16:00)

**Mr. Doer:** I think all provincial governments have a lapse factor in their budget. We, I believe, budgeted \$65 million in last year's Budget for lapse. We were able to achieve that lapse factor. We were overexpended on the emergency side, but on the lapse factor, we were able to do it through various discretionary decisions throughout the year.

We were able to achieve it the last fiscal year. It is in the Budget, transparent. The old way of thinking is that if you had money in a budget, you would spend it all so you would not lose money in the next year's Budget.

The new way of thinking is, for example, if we are able to reduce the number of people on welfare, which we have been able to do over the last three or four years, you should not create, and I use that as an example, you should not create, just sort of go out and spend it. The member would know this in health care; the old way of dealing with things was spend money in the last month because you did not want to lose money in your next year's core Budget.

We are trying now to build in some incentives to be able to maintain surpluses in health care spending through proper management. I do not know whether the federal government did this or not, but hopefully with all our GST money, they did that. I would not want to see them expend too much money if they do not have to.

Lapse is always built in. I think it is safe to say it is about \$20 million more than usual, more than last year. We feel we can manage it because I think we had some end-year expenditure savings that we demonstrated last year as well.

**Mr. Gerrard:** In the Budget papers which were tabled, the Operating Expenditure Estimates, the forecast for 2002-2003 which was submitted at the time the Budget was put together, show an estimated forecast end-of-year lapse of \$20 million. You are saying today that it was about \$65 million. Can you give us an accurate figure for what that number is? Is that reported on a regular basis somewhere?

**Mr. Doer:** I believe it was in the documents. The summary statement on the fourth quarter statement indicated—I am just trying to think of the numbers. I think it was \$70 million overexpenditures or revenue changes and expenditures, I think there was a number of departments including, especially emergency measures, were slightly over and some departments slightly under.

The detail of that is certainly in the Department of Finance's Estimates. In general terms, the major expenditure we have made in the last three years out of four, has been out of the Fiscal Stabilization Fund. For example, it has been in emergency expenditures for Agriculture, 2000, 2001 for the federal-provincial programs

and then again, we are already starting on that with forest fires and BSE this year.

**Mr. Gerrard:** One of the things that concerns me is that we are discussing the Estimates of Expenditures, but in a variety of areas where there are estimated expenditures to be made, they are actually not being made. You have spoken about a 6% shortfall in terms of staff compared with what are actually listed as full-time staff, and that shortfall, of course, affects particular areas. One of the areas that concerns have been raised about is the assessment of protected areas. In protected areas policy, and the moving forward and establishing new protected areas, can you provide some reassurance that one is not going to end up in a situation where there are estimates to be able to do this, but you are not actually going to be able to deliver?

**Mr. Doer:** Well, we proceeded, I think, with a million hectares of land to be protected in our first term in office, the Manigotagan River, the St. Norbert site, the Caribou park, a provincial park, and in terms of protected areas, the Pembina Valley Provincial Park, which is supported by the Nature Conservancy of Canada, and I thank them for that. But the member can ask the specific questions to the department on the existing staffing levels. We certainly have the intent to protect spaces. The question of staffing is how we do it, but what we are going to do in the million hectares of land, I believe we are on track to do that. It took us a little longer in some places, like the Manigotagan. You know, in terms of protected areas, a lot of the work is actually outside of the Department of Conservation. For example, mining stakes, and these things, we have to trace back to the mining department. I recall the Manigotagan River, which I was personally interested in, we had to go back and get some mining stakes back to 1920 to make sure that we could have that expanded area that was more consistent with the Bloodvein, than had been what we inherited when we came into office. I am sure the members paddled that river, and probably enjoyed it just as much as I have, although the rapids are a lot tougher this year. I recommend care. There will be a lot more portages this year in both the Bloodvein and the Manigotagan because of the water conditions.

**Mr. Gerrard:** The concerns in being able to deliver are real, and I will follow up with the Minister of Conservation (Mr. Ashton) when he is indeed before Estimates. There are a number of people who would probably argue with you on the million hectares, but I think that this is not the place to debate that. I do not have the materials and so on. I think that there are real concerns in terms of areas, not only protected areas, but managing the fisheries well, and managing the wildlife well. What steps is the Premier taking to make sure that there are not areas which should be looked after well, which may be short of personnel, because of a policy of trying to ensure that there are spaces not filled as often as they might be?

**Mr. Doer:** This year, in the Department of Conservation, a lot of the issues we are dealing with, water quality issues; and monitoring through the Department of Public Health, they were also dealing with. The other side of that was that we were spending considerable amount of effort in fire suppression, which does have a direct impact on—and I have flown around the 292 fires just outside of Thompson, which do have a direct impact on wildlife, on species, on ecosystems, on the boreal forest, particularly because we have over 570 fires in the northeastern section of Manitoba. There is a certain agility necessary in government, especially in governments that do not have a lot of resources or an overabundance of resources. Our staffing levels are the third lowest per capita in Canada. We will continue to be agile. We have to sometimes deal with things as they are presented to us. I am sure the member will be asking his questions in the Conservation Department. I will warn the Minister of Conservation that you are coming, asking those questions.

\* (16:10)

**Mr. Gerrard:** I want to come back to the extra \$20 million which the Premier is anticipating to have in your cuts and end of your lapse this year, going from \$65 million last year to \$85 million this year. What measures is the Premier undertaking to reach that extra \$20-million goal?

**Mr. Doer:** Well, the Minister of Finance announced in his Budget his measures. Then he announced subsequent to that in his first quarter

statement that we talked about in your committee that is working on savings, and I noted that the members opposite in the election campaign were so convinced of the veracity of those figures that they used those very same figures for their own election promises, which included massive tax cuts in their programmes.

**Mr. Gerrard:** Yes, I think there could be significant changes in how the Government is run and run much better than it is being run at the moment, but an election is probably a better forum to debate that than here.

I would ask, noting the issue of Crown lands and the disposal of Crown assets and the problems around Hecla, the Premier set up in August 2002 I believe a review of Crown lands and an approach to making changes to the disposal of Crown lands and the handling of Crown lands. Can the Premier give us some sort of a progress report on what progress has been made since August of 2002?

**Mr. Doer:** Well, the internal review started before about Crown lands, I guess the first change I made on Crown lands was a change in personnel at the senior level. Obviously, we knew in opposition that there were difficulties in that division. We had an internal review. Then we proceeded with an external review with the Provincial Auditor. It took him two years to report, given the complexities of the issues there and about the lack of documentation or the questionable documentation. Some of these matters are before the police. Some of the matters of tendering are before an independent council. The issues of privacy have been communicated to the Civil Service Commission and the issue of the disposal of Crown lands.

We deal with a lot of public land and tendering decisions in a very transparent way right across government, whether it is Inter-governmental Affairs, whether it is Agriculture, whether it is in Highways in terms of that, and Government Services. We want to look at the strengths of what government does in terms of public land and the transparency and the accountability that they have that is working versus what obviously has not been working for a number of years in the Conservation Department. So we are looking at the option of using

our strength of tendering and transparency and accountability and bringing a weakness under the management of strength. We are still digesting all of the ramifications of the Auditor's report, as I am sure the member opposite is, and that is what we are looking at, using what has worked in government for accountability and transparency and applying that to what obviously was a much more informal and unacceptable practice in the Department of Conservation.

**Mr. Gerrard:** Can the Premier give us information about who was involved in this review and how it was constituted?

**Mr. Doer:** I will take that as notice. I personally do not have any difficulty with it. The person was hired by the minister responsible for Treasury Board, and he is a lawyer and a legal expert because, obviously, the Treasury Board Minister, and the ministers of Treasury Board, and I were all worried about—as we were in opposition. You can see questions going back to the purchase of Crown lands for Mr. Barrett, in 1997, in the Interlake area. You will see questions we raised in the House in opposition. The answer to your specific question is: I do not see any reason why not but I will check that with the minister. I do not want to undermine good people.

**Mr. Gerrard:** I take that, provided the minister is okay, you will let me know the answer?

**An Honourable Member:** Yes.

**Mr. Gerrard:** Okay. One of the issues that I know the Premier has been dealing with, and dealt with a little bit under the City of Winnipeg Act changes, is who does what issue, and we came up, in the summer, with an issue of health inspectors, that half the city is covered by city health inspectors, and half by provincial health inspectors. It seems quite a dysfunctional arrangement. Is the Premier going to continue with that sort of an arrangement or are there plans to change it?

**Mr. Doer:** We have discussed the issue with the City of Winnipeg. I think the status quo is not my preference, and we have had changes now in social services. We have had changes with a number of staff coming over to the provincial

government, that were formerly paid for under the City of Winnipeg urban affairs grants. Actually, the move was made just prior to us being elected, but it was made by the previous government to provide a more comprehensive approach. We are working on ambulances with them. I think this is another one that we have had discussions, but, certainly, our instruction is to try to find one seamless management system for the citizens of Winnipeg.

There are questions of salary. The City of Winnipeg pays more money and, generally, I am not talking about the specifics, and has different pension plans. So, if you are a person working in those positions, people here are joking about the salary levels of comparable positions at the City of Winnipeg as they comment here on their blackberries, while I am yapping away, but I would not say we are higher paid than the other jurisdiction.

**An Honourable Member:** Just comparable.

**Mr. Doer:** I would not say comparable, either. So the bottom line is, the existing system is not acceptable. We are trying to change it, but there are people involved. Our people may be more focussed in on, for example, there are different issues of water. The suburbs of Winnipeg have all, based on the kind of planning that Schreyer had, do not have a system where there are retention ponds, and the City has a different system in the old city area. So there are lots of these old historic issues, but it does not make sense to have two jurisdictions in the same urban centre dealing with public health inspections.

**Mr. Gerrard:** This issue has relevance to the all-party task force on smoking, because a number of the communities are saying, we do not even have health inspectors in small communities, and who is going to do the inspection, with regard to the smoking, and abiding, by a provincial smoking ban, if there was such a ban passed. I wonder if you want to comment, in the context of what we have just been talking about, in terms of Winnipeg: Would there be a provincial system of inspectors set up, or not?

**Mr. Doer:** We understand that the by-law that was first passed in Brandon has a high degree of compliance and has, generally, talking to Mayor

Burgess, the only charge that has been laid, actually, was dropped with the police force there. I am sure the task force will come in with a cost-neutral way to implement the report, given the member's concern about other priorities in government.

I expect he will come in with a cost-neutral recommendation, which would be the expectation we would have with any group dealing with public health. I look forward to his cost-neutral recommendations.

\* (16:20)

**Mr. Gerrard:** I think that decreasing smoking would have a significant benefit for the health system. It may even be a plus system, a plus in terms of overall long-term health expenditures. We will see how that works out.

But what I would say and the reason for asking that is just to get the Premier's advice for the task force in making recommendations, is whether you see as Premier that there should be a system of province-wide health inspectors or not.

**Mr. Doer:** In the mornings I get asked to hire more staff, and in the afternoons I get asked to cut more money for the farmers, so you can understand the joy of the position we are in.

But I look forward to the advice from the committee. I am sure the committee would know that water quality, water testing, water safety and some of the other issues that are near and dear to all of our hearts are equally important, and how much compliance can you get with—I mean, I would hate to see us wasting money on what the public will support through natural compliance.

But I will leave that to the committee. I am looking forward to their advice, as opposed to giving mine. I do not smoke, so I will have no problem going to any bar and having a beer which I enjoy, but whatever the committee recommends, whether they recommend the continuation of the practice, or if they are going to recommend a change in it. My big concern is that we have some respect for the capital investments. I have always believed if you do this in an orderly way, it is more manageable for

people. I have not been the one putting in new ventilation systems to just deal with this by-law or that by-law. So I leave that wisdom to the committee as well.

This is a tough issue. We created the all-party committee. People speculated we did it to get past the election campaign. I knew if any political leader wanted to go out there and say they wanted to have an all-party ban tomorrow, they would do that and would be accountable for it. So I never thought that this would take it away from a political debate. But I think where it is now with all-party representatives on the committee is a good place to have it, and I will look forward to their wisdom.

I think we should do more things with an all-party committee, quite frankly. I think we should fight in election campaigns for 30 days and then work together on a lot more issues. I personally believe that. Maybe I am naive, but I think we should have more bipartisan, tripartisan committees.

**Mr. Gerrard:** Just a question here which relates to inspection, because I have been getting a fair amount of e-mails and concern about inspections, right into garbage problems and trashed cars and all sorts of things from Jae Eadie and a variety of other people.

This is under the provincial inspection within the City of Winnipeg, and it is not being done. I mean, this is a problem, having unsightly garbage and old cars lying around where they should not be. What are your plans to address this?

**Mr. Doer:** Well, I did not know this was a debate at City Council. My plan is to not micromanage every municipal government in Manitoba.

That even gives more credence to the idea of amalgamating. It is even another reason why we should do that. Maybe that is another reason why the City does not want us to do it. So, thank you for the advice.

**Mr. Kevin Lamoureux (Inkster):** I had a number of questions that I would like to put forward to the Premier. First up is in regard to, I

am sure the Premier is aware of Dominion Tanners. It was a company that developed shoe leather technology, which employed a great deal of Manitobans. Unfortunately, things happened over the summer, and I am wondering if the Premier could give some sort of indication, or just comment, on the issue of Dominion Tanners, in general? *[interjection]* For clarification for the Premier, if he could give us to what degree the Premier was maybe involved, or was he aware of this particular plant closure?

**Mr. Doer:** I am aware of the situation. I certainly know the Minister of Industry, Trade and Mines (Ms. Mihychuk) is very aware of it, and I would encourage the member to ask about it with the minister.

**Mr. Lamoureux:** I guess, specifically to the Premier, was it an issue that was ever brought up in Cabinet, as an example? Did the Minister of Industry and Trade ever discuss it with the Premier? To what degree was the Premier even aware of what was happening?

**Mr. Doer:** I have known that they have had economic challenges for a number of years, based on the market. I will leave the more specific answers to the Minister of Industry and Trade. The issues that are discussed in Cabinet, of course, are confidential.

**Mr. Lamoureux:** Mr. Chairperson, I respect what it is that the Premier is saying. I must say I am somewhat disappointed, in the sense that it would appear, on the surface, that he has not had dialogue, as the Premier, with regard to a company that has employed anywhere from 50 to 200 Manitobans. It has been here for many years. In fact, over Folklorama—I am sure the Premier has been involved in Folklorama, visited pavilions—at one of the pavilions I visited, what I found was that one of the former workers was there. He raised the issue with myself, and he expressed disappointment with the New Democratic government for not taking any sort of action, or at least even wanting to listen. So I made the suggestion that I would be more than welcome to meet with this particular individual, and if he has a couple of people to meet with.

Members across should not make light of this serious issue. Members across should not

play light with these sorts of issues. BSE, MCI, all of these issues affect everyday Manitobans that need to be able to have income which contributes to the overall provincial GNP, and helps all of us. We need to be concerned and sensitive to the needs of all Manitobans, not to be selective.

The issue is, I am sorry for digressing, getting back to Dominion Tanners, with this particular individual, I made the suggestion that he come and meet with me at the constituency office. Shortly thereafter, I went to a meeting, and he called back and set up a time. Then I had, within a few hours, over 40 workers that showed up inside my constituency office, where we talked about what actually transpired. I was quite surprised and taken aback. There were some questions that I had asked. Very specific questions.

I was really disappointed. For a party that claims to represent labour, for a party that claims to represent the working person, it would appear as if they had absolutely nothing to do with this particular company in defending or meeting with these workers. I find it totally amazing. I indicated, through a show of hands, because of the numbers that were there, how many people present that were, in fact, employed at that company for over 20 years. Everyone put up their hand. I should not say everyone. There might have been one or two that maybe did not put up their hand.

These were jobs that people had, that had developed careers, that were working for many years at this company. Over the summer, it goes bankrupt. Where is the Premier? Where is this Government, in terms of what is it doing for those workers? In my constituency alone, I suspect that there are at least a dozen families that were directly impacted on this particular issue. They are not getting any feedback whatsoever from the Government.

\* (16:30)

It is interesting, when we are talking about the issues and the cattle producers we had today, the Official Opposition raised the issue of Motor Coach Industries and how the Government went out to try to assist these people and how the

Government is treating our cattle farmers today. As I am listening through Question Period, I am wondering well, what about these? Here is a company that had a long-standing tradition that employed good wages, good solid manufacturing jobs. They were providing leather coverings for steering wheels of vehicles. I think Ford was their big contract and just the way in which it came about. On July every year, I should not say every year, virtually I understand in most years, they have an annual plant shutdown. That shutdown would occur this year from July 11 to July 28. On July 24, this particular individual was contacted and told not to bother to come into work.

On July 25, I suspect when I canvassed the others to see how they were contacted, no one disputed the July 24 phone call. So I made the assumption that in fact, most of those employees that were there, were in fact contacted in and around that July 24 or just prior to July 24. On July 25, the company went into bankruptcy. Deloitte & Touche became the trustee. There was no severance for these people. There was no government coming forward. I always thought that there was legislation that the Government might have cared enough to try to inquire as to what was actually taking place. I would have thought that the Premier or the Minister of Industry, or the Minister of Labour for all that matter, would have had more of an interest in what was taking place at Dominion Tanners.

Mr. Chairperson, what I would ask the Premier, in reflection with hindsight, does the Premier believe that his Government let down the workers of Dominion Tanners?

**Mr. Doer:** I can give you, the member, a more detailed explanation what happened in the company. Any time a company lays off or closes down, it lets down people, families, et cetera. I believe some of the work has been relocated to Mexico. I will double-check that.

I do remember under general terms that we advised the federal government to be careful on the triple transformation clauses that were being amended in the fashion apparel and tanning industry that the Prime Minister was taking to an APEC meeting. I will just inquire on the impact

of that. Obviously, I know people that work there, and I know the organization that has worked with people there.

To try to suggest that any one member of this Legislature has a superior interest on people that are dislocated no matter where they work, I find a bit arrogant. I will take the question on the specifics, and I think you will know that we work as hard as we can. I assume that the member is saying that the company broke the law. I assume he has written the Employment Standards division. I will check and see whether there is correspondence there. If he has not, I will make sure that we inquire on his behalf.

**Mr. Lamoureux:** Mr. Chairperson, I can save the Premier from looking to see if I have written correspondences in the meeting that recently had taken place. I had indicated that there was going to be a very good opportunity for me to address this issue. Today is the opportunity, at least one of those opportunities. I do plan to pursue this issue.

Can the Premier indicate to this Chamber, Mr. Chairperson, when would this Government, whether it actually acknowledged knowing, when would it have known about it? Would there have been an obligation of the company to inform the Government before the closure?

**Mr. Doer:** This is seven weeks after the member dealt with this issue. If he has not written the Employment Standards Division in that seven weeks, I am a little disappointed in the member. I will get on it today and we will have an answer for the member forthwith on the Employment Standards, which are laws that companies must follow.

Sometimes if it is a bankruptcy situation, we have to fight for the workers in terms of where they are in the credit system. You will know and I am assuming, I am not going to assume anything, but I would suggest strongly that, as an MLA, if you have difficulty with any possible breach of the law, which you just described in your question, that you follow it up immediately in writing to the legal authorities to make sure the laws are followed. I will do that and I thank the member for the question.

**Mr. Lamoureux:** Mr. Chairperson, I appreciate the fact that the Premier is going to do that and he will probably do that this afternoon. If I had the resources that the Premier had, not only would I be doing that, I probably would have met with some of the workers or I would have got more directly involved like when he got more directly involved in other incidences.

When the Premier makes reference in terms of neglect, he says seven weeks. If the Premier was listening, he would have heard that I said during Folklorama is when I first found out from the workers, which I met with them after Folklorama, which means that the meeting likely did not happen that long ago. This is a much better, I suspect that there will be more of a look into now because the Premier has made that commitment than if I would have written a letter and put it into the Post Office. They might have actually received the letter and opened the letter and taken action today. So I would not be so quick to jump to the gun in terms of making accusations of myself being negligent.

I brought up the issue. I challenged the Government to tell me in terms of whether or not. It is a simple question, if a company, through bankruptcy or any form of closure, shuts down, is there an obligation for that company to confer with the Government prior? If so, to what degree? You do not even have to give me the great details. All I am really trying to get an understanding of, was this Government actually aware of it?

It is one thing if they put in a notice to the department and to the bureaucracy. Maybe there was a legal obligation and maybe they met that legal obligation, but maybe it did not get up to the appropriate minister, whether it was the Minister of Labour, Minister of Industry, or the Premier. Something possibly went wrong. When I started to ask the question, the Premier seemed to be surprised about it. Well, I think it is reasonable to ask: Did the Premier in fact have any idea whether or not this Government knew in advance of the plant's closure? I think it is a reasonable question. I would ask the Premier to answer it.

**Mr. Doer:** Well, first of all, I am going to deal with the legal questions raised by the member,

and I will follow that up from there. I will give him a written response on it.

**Mr. Lamoureux:** Mr. Chairperson, I know at the meeting there was concern in regard to payments of June and July pension contributions not in fact being made. Again, I would ask if maybe the Premier would do likewise and look into that aspect also or comment on it.

**Mr. Doer:** Yes, in some of these cases where people declare bankruptcy it is a real effort that is necessary. We will make it, from the Employment Standards Division and in some cases with unions that represent people. I believe the UFCW was involved in this, in the representation issue, to ensure that the workers get their fair share. I will not even spend time talking about NAFTA and other issues, but the specific people are affected.

I am aware of the plant and the situation and where they have taken their business. I am aware that we raised the issue with the federal government on the change on triple transformation clauses in the old NAFTA agreement and its impact on APEC nations for source of supply, which we thought would have an impact on a broader sector in the economy, the apparel industry, the tanning industry, in terms of offshore, the allowability of offshore natural product work. I will give him a specific answer.

The Minister of Industry, I know, was on this issue and I think the questions he raises are valid, but the assumption that people do not care I think is something I reject. I think all members of the Legislature care. Nobody here has a domain on caring over and above another member. That has always been my experience. People from all political parties in all constituencies have equal care to their neighbours or friends that are dislocated in these kinds of situations. I just would remind members that it is very important for us to remember that. The questions he raises are valid, and I will get back to him specific.

\* (16:40)

**Mr. Lamoureux:** I respect what the Premier is saying in terms of the caring. Maybe it is more of a sense of just general awareness, and we will find that out.

Mr. Chairperson, there is another component, of course. Whenever you have a layoff or a closure or perhaps I should say a permanent layoff is the issue of training, retraining, does the Government believe that there is a role for the Government to play when there is a shutdown of this sort of magnitude?

**Mr. Doer:** Well the member will know that the old EI fund had an ability for retraining, re-employment, used extensively community colleges and other resources. He will know that that fund now is basically a slush fund in Ottawa, and I hope he joins with me in objecting to that fund being used in Ottawa and not being used for retraining and re-employment and re-skilling.

Secondly, the issue of labour adjustment strategies, we have some resources in the Department of Labour and they are constantly working with workers to get them re-employed and that will be part of my specific answer.

**Mr. Lamoureux:** Mr. Chairperson, I am encouraged by the comments. I had circulated some names, a piece of paper for people to put out their names so that I would be able to get back in touch with them. Would the Premier be prepared at this point to at least acknowledge that there would be some benefit maybe if someone, whether it is from his office or someone from the Department of Labour, to sit down with representatives from the workers? One of his backbenchers is nodding in the affirmative as maybe a good idea. Would the Premier agree to do that? I would be more than happy to provide some names of these people.

**Mr. Doer:** Well, it is certainly an option to have a representative of the Government meet with the people. I am aware of the situation. All of us were. We heard other comments from members, so it is not as if we are not aware of it. I just want to make sure I get the facts straight first, what areas we are pursuing so that we can give, whether it is the Department of Labour that meets with them or the Department of Industry, we can give people specific answers to the specific questions he has raised in the House.

**Mr. Lamoureux:** Mr. Chairperson, I was going to actually be making some arrangements myself for it. It will likely be Saturday early afternoon,

but if that proves to be inconvenient I would be more than happy to welcome any, whether it is elected or non-elected individuals to come and give a government perspective, so I just wanted to give that an open invitation.

Another issue, and this is just more so one of a political nature in the sense that I understand that we have 16 Cabinet ministers today, and if memory serves me right, I know that the Howard Pawley Cabinet was a little bit larger and the Filmon Cabinet actually reduced. Then, I believe, when you were Leader of the Opposition, you had implied that you would be committed to reducing the number of Cabinet ministers and you did. I believe you reduced it; I do not know if it was 18 to 16 or whatever it is.

I am wondering if the Premier can indicate whether or not he is giving any thought to increasing the size of his Cabinet.

**Mr. Doer:** Well, I would like to thank the people of Manitoba for increasing the size of our caucus and I am still very grateful and thankful for that.

**Mr. Lamoureux:** I am wondering if the Premier would acknowledge, whether one has a 32-member caucus or a 34-member caucus, the actual ongoings of government in the administration of the bureaucracy really do not change. So the need to increase Cabinet, I suspect, would not really be there if fundamentally you believed that 16 was an appropriate number a number of years ago. Would the Premier not concur with that assessment?

**Mr. Doer:** First of all, we have a 35-member caucus. Secondly, I can guarantee the member that his recommendation to me to not add himself to the Cabinet. I will follow that advice.

**Mr. Lamoureux:** Mr. Chairperson, the Premier has nothing to fear. I have no ambition on being in Cabinet. Having said that, I guess that kind of rules out, in politics you are never supposed to say never. I have learned that first-hand, I must say.

I anxiously await as many anticipate that there will, in fact, be some sort of a Cabinet change. I hope that the Premier acknowledges

that there is no need. The only need that the Premier can actually justify is that of a political nature in order to accommodate as opposed to providing better government to Manitobans.

As we all hear about it, I am sure there are going to be a lot of comments that follow. I am hoping that I will not be commenting on a government that has decided that there is a need to politically accommodate more backbenchers and they are going to stick with the 16 members. If he wants to play around with responsibilities and so forth, that is totally another thing.

Many would suggest that the Minister of Agriculture (Ms. Wowchuk) probably could be replaced. I am sure he does not have any problems in terms of getting insights as to who could be a member of Cabinet. But that is for him to decide. That is all I have.

**Mr. Murray:** I wonder if the Premier could just for openers comment on the Koshal review. I know that there are discussions going on with the Health Minister in terms of Estimates, but I would like the Premier's comments on the Koshal review of cardiac surgery.

**Mr. Doer:** We are following the advice of the Koshal report.

**Mr. Murray:** In that case, when then will the new chief be hired?

**Mr. Doer:** Well, I do not want to say something that has been different than the Minister of Health (Mr. Chomiak) and when I do not have the exact answer to the exact question it is better for me not to answer it. I assume the Minister of Health will be reporting on the timing of this, but the general answer to this report is that we are following the advice. Unless I am advised differently because of some factor that we did not consider, we generally believe that the advice we received was very worthy and very important to the people of Manitoba. I think it was good advice and we are following it.

**Mr. Murray:** I wonder if the Premier would comment on whether or not the hospital at Rivers will be closed.

\* (16:50)

**Mr. Doer:** The two commitments I made to the people of Rivers were that they would have a facility, and they also asked for representation on the Assiniboia Health Authority, as I recall it. Those commitments I have discussed with the Minister of Health before I went to Rivers. I discussed it with the Minister of Health since I have been to Rivers. I am sure you have had questions in the other chamber on these issues.

**Mr. Murray:** What would the Premier's position be in the event that the RHA recommended a closure of the Rivers hospital?

**Mr. Doer:** We have had recommendations from the previous government on closure of rural hospitals. We have had recommendations to close rural hospitals from RHAs since we have been elected. I think the Minister of Health has taken a stand on that. We have converted hospital beds to outpatients, day surgery and some acute care beds, in some places.

I mentioned the Boissevain capital project that provided for greater clinic capacity. Even the Brandon General Hospital has less hospital beds but more outpatient and day surgery.

So, obviously, so far we have rejected the report we received to close 20 rural hospitals from the former government. The Minister of Health has worked with the communities. I think we also know that there are tremendous other issues in rural Manitoba at this point too, just as there always is, in terms of the agricultural economy. So we are very sensitive to that.

**Mr. Murray:** If the RHA recommended to the Health Minister, and ultimately I think the Premier would be involved in this, that they look at a closure in Rivers, would he support the RHA, or would he do as I believe he indicated when asked about the closure of rural hospitals, indicated that, I think his quote was: we are the ones that sign the cheques.

So I guess my question is just on specifically to Rivers, if the RHA were to agree to close that, would you overrule them?

**Mr. Doer:** I gave my commitment to the people of that community. The commitment, the Minister of Health (Mr. Chomiak) knows this, stands.

**Mr. Murray:** I just wanted to make sure that we are all very, very clear. I think we are all aware in this Chamber that the Premier made comments certainly during the election campaign. He may have made some prior to, I am not sure about that, but certainly during the election campaign. We know that there were comments that he made specifically about the hospital in Rivers.

I believe there was a meeting that was scheduled to take place shortly around the hospital in Rivers. To my understanding, the meeting has been, I will use the word "postponed." Somebody said it was cancelled, I will say it was postponed. Was the meeting postponed or cancelled? Does the Premier have any knowledge of that meeting being postponed or cancelled?

**Mr. Doer:** Not specifically, no. I know there are the general concerns in some of the communities. I know that was there when we were in opposition.

I think Mr. Wright [*phonetic*] wrote a report, I believe that is his name—on hospitals that should be closed in Manitoba. So we knew that was percolating when we came into office. We knew that members opposite asked questions about it when we got into office, on the report that we received from the former government.

We know how important health care services are to people, and the minister knows that.

**Mr. Murray:** Before I move on, just so we get it put right into the record, that the Premier will not close the hospital in Rivers.

**Mr. Doer:** I committed myself to a facility in Rivers, and I committed us to a representative, not instantly, but when the appointment is on the board of directors of the Assiniboia Health Authority. I did not get into all of the details of how much is acute, and personal, and all those other things. I know some of the challenges are there, but the Minister of Health (Mr. Chomiak) has sent recommendations before to close hospitals, and he has tried to find a different way to deliver the services. Nothing is absolute, but you get a situation, for example, like Leaf Rapids.

You have to make decisions, whether you like it or not. I mention Leaf Rapids to the member opposite because that is in another region of the province. You have to manage. What I said in Rivers stands.

**Mr. Murray:** When the Premier says he made a commitment to the people of Rivers, that they would have a facility, could he just explain what specifically he refers to when he talks about a facility? I always say that, on the basis that I am just trying to get a specific answer, one can argue down the road that a personal care home perhaps could be deemed to be a facility. So I just wanted to get specifics from the First Minister. When he said he made a commitment to the people of Rivers that they would have a facility, what specifically did he mean when he said facility?

**Mr. Doer:** There was a fear in the community, and it remains a fear in the community that challenges to maintain doctors—and I am not sure whether that is in Rivers, but I am talking generally—the patient numbers, and the new facility in Brandon would threaten the facility. I said that we would not, in the opening of the new Brandon hospital, eliminate a facility in Rivers. I did not make commitments on the composition of the beds. There were, especially, concerns about the new Brandon General Hospital and its proximity to Rivers, and what that would mean for that facility. I wanted to assure them, because they have had some other challenges with car dealerships and other things in the community, as I recall, that I thought needed some floor for the people.

**Mr. Murray:** Could the Premier just update us on where the Province of Manitoba stands with respect to Kyoto? I know that you supported it. I just wondered if you could, perhaps, let the House know where the Province of Manitoba stands. I think there were all sorts of discussion around this with credits and various areas. I am just looking for an update from the Premier on that file.

**Mr. Doer:** We support Kyoto. We not only have a plan in Manitoba to meet Kyoto requirements over the long haul, but to exceed them. They are subject to some issues that we are still working on, in terms of the viability of those projects, and

I think that the member opposite, given his great interest in Kyoto, will have a good discussion with the Minister of Energy, Science and Technology (Mr. Sale), who is dealing with the file. We remain committed to the Kyoto project.

*Mr. Jim Rondeau, Acting Chairperson, in the Chair*

**Mr. Doer:** I noted yesterday that the New England governors and the Atlantic Canadian premiers were critical of the backsliding in the United States on emissions with the coal plant as a solution to deal with the grid situation. I am pretty sure—I am looking at Assistant Deputy Minister Gray for a confirmation of this, but I am pretty sure, I just glanced at something on that. We will proceed accordingly.

\* (17:00)

The issue of Canada's ratification and its plan. We thought there was a partial plan out, ironically, two days before the lights went out in Ontario, but it is our view that reliable energy and the advantages of credits are there both for economic and environmental opportunity in Ontario given the number of coal plants. The large population is there, but it is not a condition precedent of us signing on to Kyoto, and it not the reason why we thought it was a good idea.

The member opposite probably has his own philosophy on Kyoto, but I am betting money that his kids are like mine in terms of wanting to do more about our earth. I would bet money on that. I remember meeting with an oil executive, and he was telling me, you should not sign it and giving me all the reasons. I said: What does your daughter think? He said: She thinks I am wrong. Kids tend to be a little bit ahead of us. Not kids—youth, smart, young adults.

**Mr. Murray:** I will have to canvass the Premier's kids more often just to see where some of the Government policy is going. My kids, they are the ones that taught me all about white stripes and strokes and all that sort of thing.

I just wonder, in light of the Premier's ongoing commitment to Kyoto, what is his view

on the fact that he drives an SUV? I know there has been some discussion in the papers about it, and I do not mean to personalize or trivialize because I do not think that gets anybody anywhere. I am just curious to see; I know that we have heard you say publicly, and I think you even said in the House here, that it is the former Premier's vehicle. I would be reluctant if I did not tell you that the former Premier has indicated that, as Premier, you can make a lot of decisions and you can make a lot of changes if you so desire. So the desire, I guess, is wondering as why you have not made a change in your vehicle.

**Mr. Doer:** I am happy to report—I do not want you to tell Bob Kozminski this, but I traded in our Ford Explorer for a Subaru on our family car. You should be aware of that.

*Mr. Chairperson in the Chair*

So, secondly, I have indicated there is a manual of administration that requires that after a certain amount of mileage or after a certain number of years you get the right to trade it in. The former Premier is correct. You can overrule those manuals of administration, but I actually thought that I should follow that because if I went through door No. 1 and broke the manual of administration, I would get criticized. If I go through door No. 2 and keep the car, I am going to get criticized on having an SUV. I thought dealing with our home practice should give me some credits, but I got no credits for reducing greenhouse gasses. It is interesting, the 10-item checklist of David Suzuki where you have to follow at least three of them to make a difference, I think I can do the three, but one of them is not being a vegetarian one day a week as the member opposite has said, but some of the other issues, for example, electric furnaces, et cetera, help. So, at home I feel reasonably competent that I could look David Suzuki in the eye and meet 3 out of 10 challenges. In the office, I feel reasonably comfortable I can deal with you on the manual of administration, but the car will be, the vehicle, rather, will be at the limit, traded in, tendered, and I am sure it will go through the political correctness prism that it is so important for climate change. Energy efficiency will be one criterion that I would ask Government Services to implement.

On the other hand, I also know that, and he will know as Leader of the Opposition, if you are out in blizzard situations across Manitoba late on a Saturday night, no matter if you are Leader of the Opposition or a Premier, very many Saturday nights, not Sunday afternoons as much, but Friday nights and Saturday nights, we are in a lot of blizzard conditions all across the province, so I am not going to wear a hair shirt on this issue, but I am going to follow the manual of administration and have a more energy efficient alternative. I am not sure exactly what that is yet. I defer to the member who has his experience in the energy sector to give me some advice on it. I know he has a Land Rover—Land? What do they call it?

**An Honourable Member:** Pathfinder?

**Mr. Doer:** Pathfinder, yes, which I understand, is a good car.

**An Honourable Member:** Reasonably good.

**Mr. Murray:** I think the Premier is right. I guess the one thing that there is no point in sort of getting caught up on is, is there something that is politically correct you should be driving? To me it is an issue of safety. You are absolutely right. I talk to reporters when they ask me the ten Suzuki things. I tell you, I do have a daughter who is a vegetarian. I have been doubling up on the beef, right? I mean, we have all been there. I mean, I have had to eat her share too, but I said to the reporters when they asked me, I said, there is nothing that is going to be politically correct about the vehicle you drive. It is safety. I mean, if you are going to be navigating the roads throughout Manitoba, and this is not a comment on the roads, it is a comment on the conditions that we face, and to do anything less than have a vehicle that makes sense, I just would never apologize for that because when you get home and you see your family at night, they are glad to have you home safe and sound.

I would also suggest that rather than a Subaru, I thought, maybe, that the First Minister might have bought a Suzuki because then that way you could really look David Suzuki in the eye and say, you are a tremendous supporter and—[interjection] Absolutely, for sure. I bring it back to Kyoto because I just wanted to get a

sense from the First Minister that I know that there has been a lot of discussion around and I think that even down south, I think the John McCain Centre, John McCain has been very aggressive on looking at caps and how that whole process is going to work. There may be great opportunities.

I am just not sure at the end of the day where it is all going to shake out. I just think that from time to time my concern about one of the things that your Minister of Science and Technology indicated was, and you know we debated this in the House, that the implementation costs were not an issue, that you had to do it at all costs. Of course, we take a different view on that. We think that there could be always, as we have referred to in the past and refer to in the future, a made-in-Manitoba solution that deals with emissions. That is all about, as you say, dealing with some of the things that our children learn in school and bring home in terms of taking care of the environment and being good, if I could use the word, stewards of the environment, taking a little licence there.

I think it is important. I think those signals are different. We were in a discussion, I think the other night, about how people used to litter and that does not happen. It still happens, but certainly not to the extent that it used to. I know that the Premier and I share, relatively, geographically close cottage areas, and you know the lakes that we have, and the rivers that are in—albeit they may be next door. But, regardless, I think of the amount of times that people used to dump stuff overboard in a boat, not even worried about what the ramifications were. I think that we have all been somewhat educated on that.

I would ask the Premier: Are there going to be issues around anything to do with this Budget that may have any implications on Kyoto? Again, I know what we have talked about in his Throne Speech in the past with respect to Kyoto. But I just wondered if there are any budgetary issues around Kyoto that the Premier could share with us at this time.

\* (17:10)

**Mr. Doer:** Well, certainly, the conservation issues that have produced the saving of 250

megawatts of power are positive. We think the purchase of Winnipeg Hydro by Manitoba Hydro will have both economic benefits, in terms of businesses having one-stop kind of energy choices, but it will also have environmental advantages, in terms of emissions. We are preparing credits, and some other things, in the materials. We got criticized for some pesticides being taxed in the past, to be consistent with water quality and other issues, but that is not directly related to Kyoto. Future measures in the Budget, as you know, we will have to wait for the Budget.

**Mr. Murray:** Does the Premier see, at this time, any delays, at all, in terms of the, I will use the word "expansion" of Duff's Ditch, as we know it? I will not use the comment that Izzy Asper referred to at a dinner, but does the Premier see any delay, or does he see the expansion of the floodway proceeding on time?

**Mr. Doer:** It is interesting, former Premier Roblin mentioned to me that he did not have to go through the environmental challenges that we had to go through. We have to follow the law. We have argued with the federal government. It should be a joint federal-provincial process led by the Province, so we cannot be slowed down unnecessarily. Hopefully, the federal government will agree to that. The last conversation I had with Minister Rock was very positive in that regard. We have Mr. Gilroy trying to co-ordinate all the efforts. We want someone that can work with the federal, provincial, and civic governments to be dealing with the various tendering decisions, and engineering decisions, and cash flow decisions. But the environmental challenge is the first one, and that recommended scooping is the federal provincial timing, so that we do not have to have a provincial license to go through a federal license to deal with the fish inspectors that you and I talked about at the Brandon debate. It is our goal to be fast. Even though it is dry now, every year is identified as an \$80 million liability. We made that very clear to the federal minister and the federal ministers on it, Minister Pagtakhan and Minister Rock.

**Mr. Murray:** Just in closing, I wondered if the Premier could share his view. This may be going into the future just a little bit, oh, I think it is

pretty much a dead bet that we are going to have a new prime minister, and he will be a Liberal. We think we all know who that will be. But I just wondered if the Premier might comment on some of the issues that are out in discussion under Mr. Martin about the federal government establishing or dealing more closely with urban centres, particularly cities. I just wondered if he could just comment.

I know this is not part of Estimates, but I just take the opportunity to ask for his comment on sort of the relationship that he sees as sort of a federal government dealing more directly with, perhaps, cities, other than, maybe if there is a sense that they are going to be going behind the premiers' backs. I do not know that that is an accurate statement, but perhaps it is somewhat reflected in some of the language that gets used from time to time, albeit from the mayors, not so much from the federal government. But I just wondered if he might give his personal comment on that, or a comment as the Premier of the province.

**Mr. Doer:** Both of us addressed the national FCM meeting here in Winnipeg. I was with him at the Manitoba booth, the beef booth in Toronto, had a chance to talk a bit. He and I spoke to the Canadian Chamber of Commerce convention here just after September 11. It was November of 2001.

I have known Paul Martin for a while. There are various degrees of views across the country. I think Manitoba is well-suited for a model that looks at programs that can be advanced with all three levels of government for the benefit of our citizens.

If you look back at the days of Jerry Mercier and Lloyd Axworthy, and then carried on by Lloyd Axworthy and Howard Pawley, and then carried on with Jake Epp, if you look at the first core, the second core, The Forks project, some of the projects that are going on now, I think we have the ability in Manitoba to not get worried about who gets credit and who goes around each other, and how that works. But we try to build our country through our provinces and through our communities, communities plural, not just urban communities, because there is a lot of need in rural communities.

In our last infrastructure proposal, we wanted to have priorities for downtown Winnipeg and priorities for clean water and sewer in rural communities. We got a lot of those projects done. A lot of boiled water has been reduced in rural communities, some economic activity, cultural activities in downtown Winnipeg. So my view is to always look at the glass as three quarters full, rather than worry about whether it is one quarter empty. There will be a lot of expectations on the incoming prime minister, if it is Mr. Martin.

I am not being a Liberal delegate. I do not know whether there are any Liberal delegates that have not been appointed to the Senate in the last while that are left to vote for. We will see. But it is a very important position for the people of Canada. There will be, obviously, an election shortly thereafter. But my view is, I have worked with Jake Epp on The Forks, I have worked with Lloyd Axworthy on climate change, and before that, some core projects. I think it has been the practice of premiers and governments in Manitoba to try to work with whomever the people decide to elect, especially the people, as opposed to delegates of a convention.

**Mr. Murray:** Mr. Chairman, I would like to thank the Premier and his staff for going through this process of Estimates. Clearly, we know that concurrence is still something that is there, but I would like to thank the staff and the Premier for allowing this process to take place. We will certainly pass.

**Mr. Doer:** I would also like to thank my staff for the diligent answers to the questions that have been asked. If he has any problems with any answers that I provided, you know the three people who wrote the notes for me. But they are excellent staff and Manitoba is very well-served.

\* (17:20)

**Mr. Chairperson:** By agreement, I have to go through item by item.

The staff of the Executive Council are permitted and free to leave, if they wish.

2.1. General Administration (b) Management and Administration (1) Salaries and Employee Benefits—pass; (2) Other Expenditures—pass; (c) Federal-Provincial Relations Secretariat (1) Salaries and Employee Benefits—

pass; (2) Other Expenditures—pass; (d) International Development Program—pass.

2.2. Amortization and Other Costs Related to Capital Assets—pass.

Resolution 2.2. RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,600 for Executive Council, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2004.

**Resolution agreed to.**

**Mr. Chairperson:** The last item to be considered by the committee is the Estimates that relate to the Minister's Salary: item 2.1.(a) contained in Resolution 1.

2.1. (a) Premier and President of the Council's Salary \$46,400—pass.

Resolution 2.1. RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,411,600 for Executive Council, General Administration, for the fiscal year ending the 31st day of March, 2004.

**Resolution agreed to.**

**Mr. Chairperson:** This concludes the Estimates of this department. The next set of Estimates will be considered by this section of the Committee of Supply is the Estimates of the Department of Justice.

Shall we recess briefly to allow the minister and critic the opportunity to prepare for the commencement of the next set of Estimates?

**An Honourable Member:** Committee rise?

**Mr. Chairperson:** Committee rise. Call in the Speaker.

**IN SESSION**

**Mr. Speaker:** Is there willingness of the House to call it 5:30? *[Agreed]*

The hour being 5:30 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

