

Second Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	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, Hon.	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, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, 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, Hon.	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

Thursday, May 6, 2004

The House met at 1:30 p.m.

Mr. Speaker: I would like to advise the House that the printed copies of yesterday's Hansard are not back from the printers yet, but as soon as they are available they will be provided for the members.

ROUTINE PROCEEDINGS

PETITIONS

Minimum Sitting Days for Legislative Assembly

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

The Manitoba Legislature sat for only 37 days in 2003.

Manitobans expect their Government to be accountable, and the number of sitting days has a direct impact on the issue of public accountability.

Manitobans expect their elected officials to be provided the opportunity to be able to hold the Government accountable.

The Legislative Assembly provides the best forum for all MLAs to debate and ask questions of the Government, and it is critical that all MLAs be provided the time needed in order for them to cover constituent and party duties.

Establishing a minimum number of sitting days could prevent the government of the day from limiting the rights of opposition members from being able to ask questions.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider recognizing the need to sit for a minimum of 80 days in any given calendar year.

Signed by June Capulong, Jenny Hohne and Pablito Sarinas.

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, I wish to present the following petition—

Mr. Speaker: Order. Okay, sorry about that.

In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

The Winnipeg Foundation Act

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for the petition:

The Winnipeg Foundation was originally incorporated by an act of the Legislature in 1921 and, although amendments have been made in the ensuing years, The Winnipeg Foundation Act no longer reflects the present-day realities of operating a charitable foundation. As a result, it is proposed to replace the existing act with a new act that updates the Winnipeg Foundation investment powers, empowers it to retain appropriate professional expertise to assist it with its investments, clarifies its ability to manage funds entrusted to it by other charitable and non-profit organizations and generally modernizes its corporate governance.

We petition the Legislative Assembly of Manitoba as follows:

To replace The Winnipeg Foundation Act in order to:

- (a) update the Winnipeg Foundation's investment powers,
- (b) empower the Winnipeg Foundation to retain appropriate professional expertise to assist with its investments,
- (c) clarify the Winnipeg Foundation's ability to manage funds entrusted to it by other charitable and non-profit organizations,

(d) modernize the Winnipeg Foundation's corporate governance.

Signed by Richard Scott, chair of the board; Gregg Hanson, treasurer, and Richard L. Frost, chief executive officer.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Proposed PLA–Floodway

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian

Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Signed Wally Rooke, Edward Blandford, Dora Penner and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

*(13:35)

Highway 227

Mr. Ralph Eichler (Lakeside): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition.

It is unacceptable for the residents of Manitoba to travel the unsafe gravel roads of Highway 227 in the constituencies of Lakeside and Portage la Prairie.

Inclement weather can make Highway 227 treacherous to all drivers.

Allowing better access to Highway 227 would ease the flow of traffic on the Trans-Canada Highway.

Residences along Highway 227 are not as accessible to emergency services due to the nature of the current condition of the roadway.

The condition of these gravel roads can cause serious damage to all vehicles, which is unacceptable.

Residents of Manitoba deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

To request that the Minister of Transportation and Government Services to consider having Highway 227 paved from the junction of highways 248 and 227 all the way to Highway 16, the Yellowhead route.

To request the Premier of Manitoba to consider supporting said initiatives to ensure the safety of all Manitobans and all Canadians who travel along Manitoba highways.

Submitted on behalf of Ryan Tully, Les Tully, Gord Robertson and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Proposed PLA—Floodway

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

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The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

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The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

This is signed by Lester Bartel, Erna Peters, Tamara Esau and many others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Alzheimer's Disease

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

Alzheimer's is a debilitating disease.

Cholinesterase inhibitors are known to slow or even prevent the progression of Alzheimer's.

The provincial government asked for the development of an Alzheimer's strategy in 2000 and was presented with nine recommendations in 2002, none of which has yet been implemented.

In the absence of a provincial Alzheimer's strategy, the Winnipeg Regional Health Authority put in place a policy in November 2003 whereby Alzheimer's patients entering personal care homes are being weaned from certain Alzheimer medications in a move that the WRHA's vice-president of long-term care has referred to as a financial necessity.

The administrative costs of the Winnipeg Regional Health Authority have more than tripled since 1999, to a total of more than \$16 million a year.

In a move that amounts to two-tier medicine, the families of Alzheimer's sufferers in personal care homes may request that the drugs continue to be delivered at the family's expense.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Mr. Chomiak) to ensure that his attempts to balance his department's finances are not at the expense of the health and well-being of seniors and other vulnerable Manitobans suffering from this debilitating disease.

To urge the Minister of Health to consider reversing his decision to deny Alzheimer's patients in personal care homes access to certain medications.

To request the Minister of Health to consider implementing a provincial Alzheimer's strategy.

Signed by Lenore Berscheid, Janet Taylor, Pat Kowlessar and many others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

* (13:40)

TABLING OF REPORTS

Hon. Scott Smith (Minister of Industry, Economic Development and Mines): I am pleased to table the Supplementary Information for Legislative Review 2004-2005 Departmental Expenditure Estimates for the Department of Industry, Economic Development and Mines.

Hon. Stan Struthers (Minister of Conservation): I am very pleased to put forward to the House the Supplementary Information for Legislative Review for the '04-05 Departmental Expenditure Estimates concerning the Manitoba Sustainable Development Innovations Fund.

MINISTERIAL STATEMENTS

Mining Week

Hon. Scott Smith (Minister of Industry, Economic Development and Mines): Mr. Speaker, I am very pleased to proclaim May 7—

Mr. Speaker: Order. We have to make sure that there are copies to be passed around to the critics.

Mr. Smith: I am very pleased to proclaim May 7 to 13 as Provincial Mining Week. I would like to draw your attention to the proclamation you have each received. It outlines the Province's commitment to our mining industry and our understanding of the contributions this industry makes in our social and economic well-being.

Mr. Speaker, the drillcore business card holder at your seat, I am proud to say, was crafted by staff at the Rock Lab of Industry, Economic Development and Mines. The sample of basalt from the Thompson nickel belt is typical of a drillcore obtained from an exploration in the mining development projects in the Thompson area. We have a long history of mining in Manitoba and that has contributed significantly to the economic and community developments across the province, particularly in the North. It continues to be Manitoba's second-largest primary resource industry.

I would also like to take this opportunity to recognize Manitoba's mining communities, the men and women whose ongoing hard work is key to the industry's success in Manitoba. Our Government's ongoing commitment to this industry is clear. Mr. Speaker, we have recently funded \$1.4 million through the Mineral Exploration Assistance Program for 55 new exploration projects in the province. In addition, the Manitoba Mineral Exploration Tax Credit was extended to 2005 from the 2004 Budget.

Also in 2003, our department developed a community-based Prospector Training Program. The program, delivered in collaboration with the First Nations communities, Mr. Speaker, reflects the goals and objectives of the Manitoba minerals guideline. We are currently working at developing partnerships to broaden the scope and delivery of this program. It is also important to recognize the efforts that the industry has made in working proactively with stakeholders to ensure that exploration and mining are conducted in an environmentally and socially responsible manner.

Mining continues to be an important economic sector in Manitoba and many opportunities lie ahead. In closing, Mr. Speaker, I invite you to join us for the Provincial Mining Week celebrations at The Forks this weekend. The activities are free, so bring the whole family for a rocking good time.

Mr. Ralph Eichler (Lakeside): I, too, Mr. Speaker, want to stand on this side of the House and congratulate the Government on Provincial Mining Week for May 7 to 13.

Mr. Speaker, with mining being the second-largest resource industry in the province of Manitoba with approximately a billion dollars, employing some 13 200 workers directly or indirectly and also the importance of the mining communities and those communities which are surviving on their behalf. The necessary promotion for awareness of the benefits and impacts on the industry, for information for Manitoba's informed decisions and mining activities.

We on this side of the House want to encourage the partnerships between government, industry and those businesses involved. Mr. Speaker, we would like to also congratulate TANCO Mining Corporation, just north of Lac du Bonnet, the only tantalum mine in Manitoba. Also, Mr. Speaker, we would like

to congratulate San Gold Resources, an aggressive company from Bissett, recently purchased the Bissett gold mine which will bring employment to the Bissett, Manigotagan areas.

Congratulations to Hugh Wynne from Bissett, the owner of San Gold Resources. Thank you.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I ask leave to speak to the minister's statement.

Mr. Speaker: Does the honourable member have leave?

* (13:45)

Some Honourable Members: Leave.

Mr. Speaker: Leave has been granted.

Mr. Gerrard: I think it is quite important that we have a week called Mining Week, that we have a week where we can pay attention to the needs of this very important industry. The last few years have not been easy years. We have seen more mines close than open. More mining communities are having trouble and, quite frankly, it is a week that we should be paying some attention not only to mining but to how we can better support the mining industry and the mining communities because clearly under this Government they need more improved support than they are getting at the moment.

Point of Order

Mr. Speaker: The honourable Member for Minnedosa, on a point of order.

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, I would like to stand and do a ministerial statement on behalf of the women of Manitoba. There was an event that occurred last night that was—

An Honourable Member: It should be a member's statement.

Mr. Speaker: Order. Ministerial statements are given by ministers of the Crown. The member would be more than welcome when her turn comes for a member's statement. Usually that happens some time after grievances. You would be more than welcome to do it then.

The honourable Official Opposition House Leader, on a point of order.

Mr. Leonard Derkach (Official Opposition House Leader): On the same point of order, or you have ruled on that one. Well, on a new point of order.

Mr. Speaker: I gave her directions because the point of order was not a point of order.

Point of Order

Mr. Speaker: Okay, the honourable Official Opposition House Leader, on a point of order.

* (13:50)

Mr. Derkach: Mr. Speaker, on a point of order. In this Legislature, as we had today quite appropriately announced by the Minister responsible for Mines, he announced the importance of celebrating an activity in this province which is noteworthy to all citizens in Manitoba. We joined him in his ministerial statement because we felt that it was important to acknowledge the work that is done by people who are building this province in the mining sector.

In the same way, women in this province are recognized for their accomplishments and their achievements and, to that end, I say it would be important for a minister, rather than standing up on a private member's statement, which some of the ministers are doing, they have the authority to be able to stand in their place as ministers and recognize people of this province who have made an extraordinary contribution to a sector of our society.

Last night we celebrated the women who made a significant contribution to this province through the Women of Distinction Awards Dinner. I think it is remiss on the minister's part not to stand in his or her place and make that announcement today as an occasion for us all to celebrate and to notify Manitobans throughout that women in this province are making important strides in the contribution they make to our society.

Mr. Speaker: Order. The honourable Member for River Heights, on the same point of order.

Hon. Jon Gerrard (River Heights): Mr. Speaker, on this point of order. As one of the MLAs who was there last night to celebrate the achievements of many of the women of Manitoba who have been honoured as part of the YMCA-YWCA Awards of Distinction, I think that it is very important that we

recognize the women who have achieved so much. I think on this point of order that it is clearly up to the Government to decide what their priorities are. I would say to the Conservatives that they have not been the government for several years. They have to leave the priorities of the minister's statement up to the Government.

Mr. Speaker: The honourable Government House Leader, on the same point of order.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, on the point of order, I think it is an unfortunate use of a point of order to do this kind of grandstanding. Why this year do they want to stand up and make an issue on that?

It should be noted that there are several Women of Distinction Awards. There is one in Brandon, for example. There are other awards recognizing the wonderful achievements of Manitoba women. We recognize them all and indeed later today we are recognizing the one distinction award. This is just a ridiculous grandstand. We recognize all Manitoba women and women of distinction from all the awards.

Mr. Speaker: Order. Before presenting my ruling, I just want to remind all honourable members that when rising on a point of order, it should be to point out a breach of a rule or departure from practice of the House. Also our Order Paper is very clear and that is what we follow.

I just explained earlier what a ministerial statement was, what a member's statement was, and I would like to take this opportunity to remind all honourable members that when I have ruled on a point of order, to rise on the same point of order, you are treading on very thin ice because I do not think anybody in this House would want to be reflecting on the ruling of the Speaker.

I just caution all honourable members on those grounds. The honourable member that raised the point of order does not have a point of order.

Mr. Speaker: We will move on and now we are at introduction of bills. I do not see anyone standing. We will move on to introduction of guests.

* (13:55)

Introduction of Guests

Mr. Speaker: I would like to draw the attention of all honourable members to the public gallery where we have with us today from the Manitoba mining sector individuals from various regions in the province. These are the guests of the honourable Minister of Industry, Economic Development and Mines (Mr. Smith).

Also we have in the public gallery Captain Paul Scott and Trish Scott who are from Gatineau, Québec. They are the guests of the honourable Minister of Conservation (Mr. Struthers).

Also in the public gallery we have from the Interlake Mennonite Fellowship School 33 Grades 6 to 12 students under the direction of Mr. John Elias. This school is located in the constituency of the honourable Member for the Interlake (Mr. Nevakshonoff).

Also in the public gallery we have from Robertson School 51 Grades 4 and 5 students under the direction of Ms. Pam Peden and Ms. Evelyn Sutherland. This school is located in the constituency of the honourable Member for Burrows (Mr. Martindale).

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

ORAL QUESTIONS

Justice System Trial Delays

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, this past March, Justice Kenneth Hanssen acquitted a 26-year-old man of robbery charges because the Crown took too long to bring this case to trial. In total, 37.5 months passed before this man's case made it to trial, and Justice Hanssen said, "There is no way that it should have taken more than two years." Justice Hanssen said, and I quote, "The 32-month delay was so long that it warrants an inquiry into its reasonableness. None of the delays that occurred were the result of the accused or his lawyer. The delay weighs against the Crown."

Mr. Speaker, this is just one case that begs the question of how widespread the problem is. Can the Premier (Mr. Doer) tell us what his Government sees as a reasonable period of time to wait before an accused goes to trial?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, this is rather interesting to hear, a new-found discovery of the national challenge of court backlogs. This is a matter that has been suffered in our justice systems right across this country. I do not know how he has been so oblivious to the headlines across the country. In fact, here in Manitoba I see, "Court backlogs, court cutbacks worry judges." Oh, 1996. What is this one here? "Delays cost dearly." Oh, 1996.

Mr. Speaker, we are in a jurisdiction where at least there is now unfolding for the first time in Manitoba, a court backlog reduction project. We are working with the stakeholders to try and wrestle this problem down.

Mr. Murray: Mr. Speaker, under this Doer government, Manitoba is the only place that you cannot get out of a hallway and you cannot get into jail. When an individual is caught committing a crime, the normal procedure is that they are charged and, over the course of a few months, they make their first appearance in court. They retain counsel, obtain particulars, enter a plea and a trial date is set. Overall, this should be about a three-to-four-month time period. Of course we understand that more serious cases would take somewhat longer.

My question is to the Premier of the province of Manitoba. Can he explain why more than 6500 accused have been waiting over a year to stand trial and why more than 2100 accused have been waiting over two years? Why is that, Mr. Speaker?

Mr. Mackintosh: Mr. Speaker, first of all, the numbers are not a reflection of the number of accused. But in Manitoba, unlike in other jurisdictions where thousands upon thousands of cases have been thrown out, here in Manitoba we have fared reasonably well compared to other jurisdictions. I understand that about 86 percent of the informations are being dealt with in less than 18 months.

At least now, unlike in the former decade when the remand culture built up in this province, there is a

co-ordinated number of initiatives to reduce court backlogs and make justice more timely. It is a national concern. There is a national group that is looking at this as well.

Mr. Murray: Mr. Speaker, in 1998 when the member from Concordia was the Leader of the Opposition, he said, and I quote, "We promise the people of Manitoba that we will have a more expedient and more effective justice system." That is what he said. The Premier has now had four and a half years to fix the court backlog problem. He said he would do it, if elected. He is now the Premier and has been so for four and a half years.

My question is very simply to this Premier: How many more cases will be dropped before this Premier takes some action?

* (14:00)

Hon. Gary Doer (Premier): Mr. Speaker, the increase in support since we were elected to deal with the Prosecutions branch has gone up well over 65 percent. The proposal—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. The recommendation to have a more mechanized system of administration to allow Crown attorneys to have more time in court, which was neglected by members opposite, has been implemented by this Minister of Justice.

The members opposite went as far as not only having a lot less resources and a lot less Crown attorneys; they had a lot less Crown attorneys in place, paying them a lot less salary. They chose to roll back salaries legislatively; that was won by Crown attorneys in an arbitration case. They brought in legislation to close down the courts with Filmon Fridays for 10 days a year.

This Minister of Justice is slowly but surely investing 65 percent more in the Crown prosecutor's office. He is paying people better salaries. We are able to retain people, and we are making a difference in prosecutions here in Manitoba.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would just like to remind all honourable members that when there is shouting back and forth, it is really hard to hear. I need to be able to hear the questions and the answers in case there is a breach of a rule. I am sure each and every one of you would expect me to make a ruling and it would be pretty difficult if I cannot hear. I ask the co-operation of all honourable members, please.

Justice System Trial Delays

Mr. Gerald Hawranik (Lac du Bonnet): I would like to table a letter from Manitoba Justice, dated April 29.

In 1998 the NDP came out with a list of reforms that said they would ease the backlog of cases in the courts, and this Justice Minister stated at that time that the issue of court backlogs is a serious one. Since the Justice Minister regarded the issue of court backlogs as serious when he was not in power, what has he to say now when, after five years of this Justice Minister, there are 2146 accused who have been charged with criminal offences more than two years ago but still have not been brought to trial?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I do not know where the Conservatives were the last decade when these kinds of backlogs were normal for them and now, all of a sudden, they have some interest in this. I reiterate, Mr. Speaker, it is my understanding that 86 percent of the cases are dealt with in less than 18 months. In fact, in the area of youth cases, Stats Canada is telling us that there has been a reduction of 25 percent in the median time to process those cases.

I remind members opposite that delay is caused by many factors. It is caused, whether it is by defence tactics, by disclosure. In fact, Judge Enns just ruled a couple of weeks ago that there was a serious ongoing problem of police disclosure that was resulting in backlogs. There is also the issue, Mr. Speaker, of preliminary inquiries and I just wonder where they stand on the abolition of preliminary inquiries in the Criminal Code. Where have they been on that?

Mr. Hawranik: Mr. Speaker, to have 2146 accused persons who have been charged with criminal offences and yet not brought to trial within two years is outrageous. The police forces have done their job

through investigation and laying charges. The Justice Minister has simply not done his job in prosecuting these cases. There is no possible excuse for more than 2100 accused persons not having to answer for their offences for more than two years.

Mr. Mackintosh: Mr. Speaker, if there had been a one-line answer to the national challenge of court backlogs, where were they?

I just want to remind the House that for the first time in Manitoba history a strategy is now unfolding to deal with the challenge of backlogs. It is being headed by the Chief Judge of the Provincial Court. It is called a front-end project or officially the Pre-Trial Co-Ordination Pilot Project, which brings together all the players in the justice system. The Prosecutions branch is only one, Mr. Speaker. It brings together the court, which oversees the trials, the police, defence counsel, prosecutions and the court service. We have high hopes that that is going to make a difference. Other provinces are looking at what is happening in Manitoba.

Mr. Hawranik: Mr. Speaker, hope is not going to do it. Action speaks louder than words.

Mr. Speaker, each of these more than 2100 accused persons violated at least 2100 victims. Each of these victims expects justice. Some of these victims may be victims of sexual assaults, violent crimes and some of these victims may be children. What will this minister say to the thousands of crime victims and thousands of families who are waiting for this minister to bring the accused to trial to answer to their charges?

Mr. Mackintosh: Mr. Speaker, I am pleased to stand in my place and remind members opposite that we have recognized here in Manitoba the strongest legislation in Canada to recognize the role of victims of crime.

Mr. Speaker, when three quarters, indeed 74 percent of our cases are being dealt with in less than a year, that compares very well to what is being experienced in the criminal courts across this country. At the same time, here in this province we have initiatives unfolding. Indeed, just two weeks ago the police disclosure working group was established in order for the police to have timely disclosure to the Crown which was identified in two recent cases that led to dismissal for delay, but our

contributions to the Crown prosecutors is unmatched in the history of this province.

Justice System Trial Delays

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, the minister says that he is pleased to stand in his place and that is exactly the problem. He does a lot of standing but he is not taking any action on this issue.

More than 2000 individuals accused of criminal offences have been on the streets without trial for more than two years. The Minister of Justice puts out news release after news release but when it comes to the real work of his department, public safety, he has failed Manitobans. Can the minister tell this House how many of these 2000 accused offenders are waiting trial for crimes related to family violence, stalking or sexual assault?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, these kinds of numbers are nothing new except that we are seeing a 25% reduction in the time it takes to move youth court cases along.

Mr. Speaker, when we came into office, the Prosecutions branch had been assigned \$7.8 million to operate. Today they have \$16.5 million to operate. The Prosecutions branch is a place where we have made significant investments, 33 new staff positions, full time, in Prosecutions. That is our record.

Mr. Goertzen: Mr. Speaker, these accusations are not new because, for the last five years, all that Government has done in Justice is spend more and get less results. More than 2000 individuals accused of criminal offences have been on the streets without trial for more than two years. No amount of news releases will convince Manitobans that this is acceptable.

Mr. Speaker, can the minister tell this House how many of these 2000 offenders awaiting trial are charged with crimes related to offences against children, child pornography and other child Internet-related crimes?

Mr. Mackintosh: We have put a priority, Mr. Speaker, a new priority, on cases involving child abuse. If the opposition members were so concerned about protecting children, why did they establish a

pedophile centre across from Winnipeg's most known kiddie park?

* (14:10)

Mr. Goertzen: One thing the minister could take credit for is he is about to overtake his colleague, the Minister of Health (Mr. Chomiak), for the longest waiting list in this province, Mr. Speaker, the longest waiting list.

Manitobans expect that the Minister of Justice and the Premier (Mr. Doer) will put in place a justice system that will manage and protect them. This NDP Minister of Justice and the Premier have forgotten that their job is about public safety, not public relations.

What is their advice to the Manitobans who are worried about their safety and the safety of their children? Padlock your doors and pray for the morning, Mr. Speaker?

Mr. Mackintosh: Well, Mr. Speaker—

An Honourable Member: Padlock your doors and pray for the morning.

Mr. Speaker: Order.

Mr. Mackintosh: Well, Mr. Speaker, it is my understanding that, according to the latest statistics, Canada's highest violent crime rate was suffered in Manitoba throughout most of the nineties, and by 2002 Manitoba was 9 percent below the next province.

The last time I looked, the overall crime rate in Manitoba was down. Youth violence was down. In fact, I want to point this out to members because it has not been reported, I believe, but break and enters recorded their lowest level ever in 2002.

Education System Funding

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, funding education is a constitutional responsibility of government, not of property owners, and a new funding formula is required to make that happen.

While the Premier said that he is rejecting the model that his working group is recommending, Mr.

Speaker, he is not being up front about where his Government is going to go next. The Government needs to take over responsibility of funding our public schools and putting an end to the reliance on property taxes.

Will the Premier commit to implementing a funding formula that does this, or is he just going to chip away at it, Mr. Speaker?

Hon. Gary Doer (Premier): I am glad the member finally admitted that we are chipping away at the taxes because we had a lot of chipping away to do after members opposite raised taxes by \$131 million on property taxpayers on the education portion.

I am also glad that he is asking people to be up front. If he reads that report, that draft report that he released, Mr. Speaker, he will note that it costs \$195 million to go from the present funding to 80 percent. He has been running around Manitoba not being up front, telling people it would be only \$200 million to go to 100% funding. Perhaps he should read the report and start being up front with Manitobans.

Mr. Murray: Mr. Speaker, chipping away is not a long-term solution. The Premier should know that. Manitobans are looking for a long-term solution, and for the past two years this Premier had a committee that was working hard to rethink how we were going to fund education in Manitoba to accomplish this.

What we heard from this Premier, Mr. Speaker, when we stood and asked the questions, is that he said very clearly that they were not going to raise the PST as recommended by his committee. The Premier said he will not accept his working group's report.

So the question then is simply this, Mr. Speaker: Will he implement a new funding formula that would reduce the reliance on property taxes and make government responsible for funding education in the province of Manitoba?

Mr. Doer: We are chipping away, Mr. Speaker. Members opposite downloaded the equivalent of \$131 million on to property taxpayers, a 68% increase on the education portion. So we are chipping away at the mountain of tax increases bequeathed by members opposite now that are holier than thou. It is the equivalent of a 1% increase in sales tax that they downloaded on to the property taxpayers. We are chipping away. It may not be

perfect, but they downloaded on every property taxpayer here in Manitoba. We are going to continue to chip away at it.

Mr. Murray: Mr. Speaker, it would only be this Premier that would stand up and be proud of the fact that, at this time in Manitoba, we have record lows of proportional funding at 57 percent, and he is proud of that. I say shame on him.

What is interesting, of course, is always to remind the member from Concordia of what he said about education. I would like to quote. He said when he was in opposition, "We have also suggested the public education must be directly funded in a more appropriate way by this Government with a long-term plan in education."

Mr. Speaker, that is what he said. This Premier has a history of saying one thing and doing another. When is this Premier going to appropriately fund education in Manitoba?

Mr. Doer: When the Conservatives indicated in the mid-nineties that—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. I know the member from Russell is a little sensitive about the fact. I should remind him again about the tax increases in his community, 51% increase in Russell, the Pelly Trail school, and a 27% decrease since this Government was elected. He can heckle all he wants, but the facts speak louder than his heckle.

Education System Funding

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, the Minister of Education claimed two days ago that he had not yet seen nor had he had discussions about the report from his own Working Group on Education Finance. The minister either misled this House or he is out of the loop when it comes to education finance reform in the province. Either way it is unbecoming of a Minister of Education.

What commitment will this minister make to overall education funding in this province to ensure that education will not continue to be funded on the

backs of property taxpayers in the local communities?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): As I mentioned yesterday in the House, we had committed to a process with the working group. The working group is going to be meeting one more time this month, and they will be submitting a final report to me in the middle of June. That is the process that we had approved, that is the process we agreed to, that is the process that I respect and the process that I honoured. It is unfortunate that members opposite did not honour that process.

Education Finance Report Recommendations

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, the Minister of Education has now had a copy of the report by his own working group on education reform for at least two days. He and the Premier have clearly rejected Model G that calls for a 1% increase in the PST to fund education.

Other models in the report suggest the following: Models A and B suggest 90% provincial funding and 5 percent to the local taxpayers; Models C and D suggest 90% provincial funding; Model E suggests 88% provincial funding; Model F suggests 80% provincial funding.

Mr. Speaker, can the Minister of Education inform this House today if he agrees or may consider adopting any of the other models in this report?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, as I said, I am awaiting the final report and I will be meeting with the working group in June for that final report.

Members opposite do not need to lecture us on funding models with education. When you—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. It is very, very difficult to hear the answer from the Minister of Education. It is not fair to the Member for Tuxedo because the supplementary question is crafted from the initial question and from the answers that are given. If she cannot hear the answer, how can she craft her supplementary question?

It is not fair. I ask the co-operation of all honourable members.

Mr. Bjornson: Thank you. Members opposite need not lecture this Government with respect to education funding. Mr. Speaker, \$105 million built into the base over five years compared to \$15.2 million in five years. Talk about chipping away at education funding. They were chipping away at a rate of minus 2, minus 2.6, zero, minus 2 and zero.

As a teacher in the classroom, I saw what was happening as a result of their commitment to education funding, Mr. Speaker.

Mrs. Stefanson: Mr. Speaker, the Minister of Education has had this report for a few days. He has had a chance to look it over. He has rejected Model G. He is now refusing to answer whether or not he is going to accept A, B, C, D, E or F. He is quickly running out of letters of the alphabet to reject. This is outrageous.

Mr. Speaker, is there no plan to look at serious education funding reform in this province? Why has he wasted two years of this working group's time putting together options to reform education funding in our province?

Mr. Bjornson: Mr. Speaker, I will say it again that the final report will be in my office in June and that is the process that the working group had agreed to. I am looking forward to that final report. At such time the staff will be taking a look at that final report.

But, again, for members opposite to lecture us on education funding that is a, I really cannot think of the number of adjectives that could be applied to that. Talk about running out of letters of the alphabet. There are not enough adjectives—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We need to be able to hear the questions and the answers. I once again ask the cooperation of all honourable members, please.

*(14:20)

Mr. Bjornson: Thank you, Mr. Speaker. The member from Tuxedo suggested I was running out of letters of the alphabet. I could run out of adjectives very quickly to describe the shameful funding of education under members opposite.

We have put in \$105 million compared to \$15 million, and we have doubled the amount of capital investment in our schools.

Education System Funding

Mr. Larry Maguire (Arthur-Virden): Under the Doer government, Mr. Speaker, the level of public education funding in Manitoba is at its lowest level in history at just under 57 percent. The Premier (Mr. Doer) denies he wants to raise the PST by 1 percent or more and, regardless of what letter the minister wants to use of the alphabet, will this Minister of Education guarantee that future funding changes will not be negative to farmers and rural citizens?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Unlike members opposite we have reduced portioning on farmland, we have reduced the education support levy. Mr. Speaker, we have increased the property tax credit. We have committed to and met that commitment over five consecutive years to fund education at the rate of economic growth. We are working very hard towards an appropriate investment in education. This is a government that invests in education.

Mr. Maguire: Mr. Speaker, in spite of the minister's protestations, at a time when rural Manitobans are battling a 40% decrease in net farm income, the minister's report is recommending a funding formula that disproportionately, negatively impacts rural Manitobans. Will the minister stop offloading on school boards across this province and at least guarantee equity in funding public education across the province for all Manitobans?

Mr. Bjornson: Mr. Speaker, that is certainly a curious comment to make about offloading the costs of education when members opposite repeatedly cut funding to education and offloaded to the local school boards. We have been increasing funding every year since we have been in government, and we have been decreasing taxes every year since we have been in government.

We are committed to education in this province. We look at education as an investment, a very important investment. It is a priority of this Government. It has been a priority in our election campaigns and it continues to be a priority for this Government. We have been making significant gains

with respect to education support levy decreases, three consecutive years with respect to increasing the property tax credit. We are on the right track.

Mr. Maguire: Again, the minister's own draft report indicates that 28 school divisions would experience increases in their commercial taxation mill rates with the bulk of those being in rural Manitoba, Mr. Speaker.

Today, will the Premier (Mr. Doer) jump to his feet as fast to guarantee equitable education funding between rural and urban Manitobans as he did to deny he would increase the PST by 1 percent or more?

Mr. Bjornson: We are a government that governs for all of Manitoba. Mr. Speaker, that was reflected in the changes we made to Hydro that equalized the cost for Manitobans not only in rural but urban Manitoba. We have, as I said repeatedly, reduced the education support levy, increased the property tax credit. The member is referring to a draft report. I have not received the final report, and I will not be commenting on the report until such time that I receive that final report.

High Risk Offender Unit Establishment

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Minister of Justice. The Edmonton Police Service has an excellent program known as the high-risk offender program. In essence what it does is it provides surveillance on individuals they suspect are going to repeat. It is a program that has proven to be successful, and they work in co-operation with the Department of Justice and Corrections. We have seen many press releases come from this Government. What we want to be able to do is to see some real, tangible action.

Mr. Speaker, the question to the minister is: Would the minister acknowledge the benefits of Manitoba establishing or working in co-operation with our police force and Corrections in establishing a high risk offenders' unit for our province which would really provide something tangible for our citizens?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Perhaps the member will benefit from some discussion, then in Estimates, and

I can explain to him the criminal organization and High Risk Offender Unit which was brought in by this Government in 2000, Mr. Speaker.

Mr. Lamoureux: Mr. Speaker, it is a fairly specific question. In recognition of a program that is actually working in other jurisdictions, Edmonton is not alone. The question to the Government is why would they not consider having a program of a similar nature. Is it because it is not this minister's idea? Is that the reason why it is not good? No one owns a good idea. If there is an idea that is out there, we should be able to take advantage of it. Will the Government acknowledge it and work towards implementing a program of a similar nature thereby making Manitobans safer in their own homes?

Mr. Mackintosh: I do not think the member heard my answer to the first question. We brought in for the first time in this province, Mr. Speaker, the Criminal Organization and High Risk Offender Unit so that the divisions of Corrections and Prosecutions and the federal government as well as police could work in a more co-ordinated way, Mr. Speaker. I also advise that the member should become aware of the Intensive Support and Supervision program which predated our Government but which we have built on which deals more closely with the young offenders.

I am certainly willing to share the experiences of those two initiatives with the honourable member, but I might also add that we have brought in many, many initiatives, Mr. Speaker, unique to Manitoba that other provinces are looking at for adoption elsewhere.

High Risk Offenders Monitoring Program

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, this Government talks a lot and it brings in all sorts of stuff, but in tangible ways, and that is the way we are going to measure this Government's performance. It continues to fail Manitobans day in and day out. A press conference for a headline is all this minister seeks. I have never seen in my 12 years in opposition a minister that does so much in terms of talk but in real terms has done very, very little.

My question to the minister is he has known about ankle bracelets, as an example, with GPS. The minister has been aware of this program for years,

yet we still see nothing. Yet Manitobans could benefit in a very tangible way. Mr. Speaker, what is the minister going to do about ankle bracelets? Does he not see or recognize the value? Enough with the talk. Manitobans want action from this Government and this Minister of Justice is failing Manitobans. Shame on him.

* (14:30)

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I hope the honourable member will support what I hope is a unanimous decision of this House to call on the federal Liberals to stop this law of conditional sentences for serious crimes. I hope he stands with all of the other members in this House. I want to see action, not just talk, from that member.

Mr. Speaker, whether it is intensive supervision, whether it is turnabout for offenders under 12, where it is Cybertip, whether it is the young offender mentoring program we have introduced, whether it is Lighthouses, Project Gang Proof, whether it is the police in schools initiative, whether it is The Safer Communities Act, whether it is SafetyAid for seniors, that is action. That is action.

Provincial Nominee Program Update

Mr. Cris Aglugub (The Maples): Mr. Speaker, my question today is for the Minister of Labour and Immigration. Manitoba has the most successful Provincial Nominee Program in Canada.

Can the minister tell this House how the changes she announced will help the Government reach its goal of 10 000 immigrants per year?

Hon. Nancy Allan (Minister of Labour and Immigration): I was pleased on Monday, Mr. Speaker, to announce a redesign of our Provincial Nominee Program. It is very exciting because our program is the most successful program in Canada and we have just raised the bar again. We have created five priority streams that will direct applicants straight to the labour market. It has expanded access, it will reduce processing times and it will increase our program integrity. From 2002 to 2003, we saw a 40% increase in our Provincial Nominee Program. In the first quarter of this year, we saw a 38% increase and we will continue to meet our

election commitment to bring 10 000 newcomers to Manitoba.

Pharmacare Deductible Increase

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, on the 1-877-NDP-CUTS hotline, we have received a call from a 42-year-old nurse from the Premier's (Mr. Doer) own riding of Concordia, who is permanently disabled and lives on a \$26,000 annual income. She will have to pay \$125 more for her prescription drugs as a result of the Doer government's Pharmacare changes.

What does the Minister of Health say to this disabled woman who says she will be forced to cut her dosage in half or forget certain needs, such basic needs as eating?

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, when we were looking at our Pharmacare program that was increasing by 15 percent and 20 percent per year, when we wanted to redesign it, we looked at what other jurisdictions had done and what other governments had done.

Mr. Speaker, the previous Tory government had cut \$20 million from the program and eliminated two thirds of people from the program. We said we are not going to do that. We looked at other provinces where they make you pay a co-payment, an additional funding. We said we are not going to do that. We looked at some provinces that only gave drugs to chronic diseases or only to seniors. We said that we are not going to do that. We want to sustain the program, provide as much universal coverage and still have one of the best Pharmacare universal programs in the country and not privatize, as members opposite wanted us to do.

Mrs. Rowat: Mr. Speaker, the 1-877-NDP-CUTS hotline, we received a call from a gentleman from Rossmere constituency who called on behalf of his wife who is suffering from Parkinson's disease. They cannot afford the Doer government's hike to the Pharmacare deductible and now must cash in their RRSPs.

I ask the Minister of Health: Why must this family, already suffering from a family member having a debilitating disease, have to make these choices?

Mr. Chomiak: Mr. Speaker, we made the choice not to eliminate the program. We made the choice to have a universal program. We made the choice to still provide 100% coverage, after you achieve the deductible. We made the choice to put on drugs like Betaseron and the MS drugs that were not covered by members opposite. We made the choice to put on Gleevec, the first cancer-treating drug, that was not covered by members opposite. We made the choice to put on drugs that cost over \$25,000 and \$30,000 per family so they do not have to go without.

It is not a decision that we took lightly. We took the decision so we could maintain the program in the future and still have a universal program that provided for all Manitobans and not privatize the program so people have to pay it out of their own pockets all the time, as members opposite have urged us to do. We do not want to go private. We want to have a universal program.

Mrs. Rowat: Mr. Speaker, on the 1-877-NDP-CUTS hotline, we received a call from a 40-year-old woman who is disabled as a result of a head injury she sustained 14 years ago. She must now depend on her elderly parents to help pay for her medications. This is a direct result of the Doer government's Pharmacare changes. How can this Minister of Health defend this attack on some of the most vulnerable in our society?

Mr. Chomiak: When we made the decisions to make the Pharmacare program sustainable into the future, we looked at it and we looked at other jurisdictions. We said that we are not going to cut off people, as had happened in Manitoba before. We said that we have to sustain it in the future.

Mr. Speaker, 85 percent of the 85 000 families that receive Pharmacare will only see an increase of \$1 to \$9 per month. After that, they will get 100% coverage.

The average Manitoban's benefit has gone up by hundreds of dollars in the years we have been in office. We have tripled the amount of money we have put in. We want the program in the future.

Members opposite want us to privatize and have people pay out of their own pocket. We are not choosing that option. We are not saying privatize, as members opposite say. We are saying we want a universal program where the Government will help

you pay for your drug cost, not privatize. We are not going to do that.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Women of Distinction Awards

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, I was pleased to attend, along with many other members of this Legislature, the renowned 2004 YMCA-YWCA Women of Distinction Awards, which were presented at the Winnipeg Convention Centre last night.

The evening consisted of a banquet and awards in recognition of these outstanding and talented women. This special event recognizes and honours the contributions and achievements of women in the Winnipeg community, in particular women who have by their volunteer work enriched the Winnipeg community and made it a better place to live. Their hard work, leadership, compassion and dedication are an inspiration for us to pursue ideals in our community and lives.

This year 52 Manitoba women were nominated, which was 10 more than last year, and a record for this 28-year-old award. Nine women were given awards in nine different categories. I am very pleased that a constituent from St. Norbert, Bennetta-Lynn Benson, was acknowledged for her work in recreation, sports and active living. Bennetta has been very active over the years. She has worked diligently with children who have autism. She has helped to organize the Winnipeg Optimal Health Early Years Sports Club, which helps children develop motor skills and engage in physical activity. She is also a volunteer with—

Mr. Speaker: Order. We have a member rising on a point of order. So we have to deal with the point of order.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, on a point of order. I certainly respect the member from St. Norbert in

making her private member's statement. She has every right to do that, and we certainly acknowledge that.

We hear the ministers chirping from their desks and others, but they have an obligation to this House. When noteworthy events take place in our province, the practice of this House has been that a minister who has the responsibility for that area would rise in the House on a subsequent day and present to the House a ministerial statement that signifies the importance of that event and the importance of that day.

* (14:40)

In this way, members of the Opposition can then participate in responding to that ministerial statement in a positive way. The Women of Distinction Awards is not a partisan award. This is one that pertains to all members of the House.

So, in the convention of the practice of this House where we have always acknowledged events of this significance with ministerial statements, I think it is reprehensible that the Minister responsible for the Status of Women (Ms. Allan) did not rise in her place to put on the record a statement announcing the significance of this event, and meanwhile they depend on a backbencher to make this announcement, which, I think, is unfair to that backbencher of this House.

Mr. Speaker: Order. The honourable Government House Leader, on the same point of order. I will hear you very briefly.

Hon. Gord Mackintosh (Government House Leader): Reluctantly, Mr. Speaker, I just think it is an unfortunate reflection on the right and role of honourable members in this House. This was a matter that has been prioritized as a member's statement and they can, likewise, prioritize it as a member's statement. My understanding is that practice changes over time, but my understanding is that why they raise it this year, I have no idea. Obviously, it is some kind of a grandstanding notion.

Mr. Speaker, Women of Distinction Awards are not in place only in this city, and there are other awards of distinction as well. We recognize them all, as I have said earlier, and it is unfortunate the member's statement was interrupted. It is not a point

of order. There is no departure from any rule whatsoever.

Mr. Speaker: Order. I would just like to remind all honourable members that I was listening carefully because I thought the honourable member was going in a different direction, but this issue I had already dealt with earlier with a different point of order.

I would just like to remind all honourable members that the restriction of scope of members in a member's statement can be as political as they want. Ministers, if they choose to use a ministerial statement, that is up to them, but the minister cannot use a member's statement for any political activity in their departments. So I just wanted to let members know that. Also, I would just caution members again that when I have dealt with a point of order, I hope members do not reraise it because I really do not think members would want to reflect on a Speaker's ruling.

So that is not a point of order.

Mr. Speaker: I will just read the members' statements' limitations. "On each sitting day, up to five members may be recognized to make a member's statement on any matter. Each statement shall be no more than two minutes."

The restrictions: "The only restrictions on the scope of members' statements is a Minister of the Crown may not use the time allotted for members' statements to comment on government policy or ministerial or departmental action." But other members can if they choose.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a new point of order or on clarification?

Mr. Leonard Derkach (Official Opposition House Leader): Yes, Mr. Speaker, just on a point of clarification because I was not reflecting on the right of the member from St. Norbert in making this statement. My point was that this event was significant enough for the minister to also make a ministerial statement, and of course, the member from St. Norbert has every right to make the statement in the House as she was doing.

Mr. Speaker: Order. On the point of order raised by the honourable Official Opposition House Leader, ministerial statements, as I am sure everyone in the House knows, are to be decided by the Government. There is no such, at least that I am aware of, precedence that says that this day or that day or this event or that event has to have a ministerial statement.

I am always under the impression that it is entirely up to the Government to decide what ministerial statements they want to bring forward. That is my understanding and I am sure that is the practice of Manitoba. I do not know but I am sure of that.

* * *

Mr. Speaker: The honourable Member for St. Norbert, to continue.

Ms. Brick: Thank you very much, Mr. Speaker. Bennetta has been very active over the years. She has worked diligently with children who have autism. She has helped to organize the Winnipeg Optimal Health Early Years Sports Club which helps children develop motor skills and engage in physical activity.

Mr. Speaker, she is also a volunteer with the Manitoba Families for Effective Autism Treatment and has penned a book related to autism spectrum disorder. I would like to commend and thank her for her commitment to the children in our community who have special needs.

Overall, the evening was a tremendous success and I was pleased to be in the company of such distinguished and remarkable women who help to make our community a fabulous place to reside.

Mr. Speaker: Order.

Some Honourable Members: Leave.

Some Honourable Members: No.

Mr. Speaker: Order. The honourable member's time is up.

Mrs. Leanne Rowat (Minnedosa): I appreciate the opportunity to rise today to speak to the 2004 YW-YMCA Women of Distinction Awards. Mr. Speaker, it is unfortunate that this did not become a ministerial statement because I would have had an opportunity

to individually congratulate each of the winners, but I am going to have to be shorter.

I had the opportunity of attending this wonderful event yesterday with many honourable colleagues from both sides of the Chamber. The YWCA did an excellent job of organizing and hosting this event, an event that I have also enjoyed attending in Brandon for many years and have had successfully nominated candidates in the past.

It was a privilege to celebrate the accomplishments of so many deserving women, women who have always made valuable contributions to society. I am pleased that the Y, in 25 years, has decided to recognize those contributions publicly.

Mr. Speaker, this special evening is an excellent reminder of women's diversity within this province. Women contribute a variety of gifts, talents and abilities to our communities, organizations, workplaces and families. It is encouraging to see women from so many different walks of life honoured for their unique ways of making this community a better place and making Manitoba a better place to live. It was really an opportunity of celebrating women's accomplishments, and in the future, I anticipate there will be many more women and many more accomplishments to celebrate in Manitoba. Thank you.

Dakota Community Centre

Ms. Theresa Oswald (Seine River): Mr. Speaker, it is my pleasure to rise today to pay tribute to the hardworking staff and volunteers that support the outstanding achievements of the families and youth that participate in a variety of activities at Dakota Community Centre.

The centre is located in the heart of the Seine River constituency and has for years been a focal, active-living environment for children, adolescents, adults and seniors. Enrolment in competitive and recreational activities continues to skyrocket, and this year alone over 5000 registrations in activities have been recorded.

* (14:50)

These community-oriented opportunities range from baseball, soccer, ringette, basketball, inline hockey, figure skating and aerobics programs to the

innovative programming in mini soccer, lacrosse, sand volleyball, seniors cards and trails and pathway programs.

Mr. Speaker, the Dakota Community Centre shares meaningful partnerships with the Manitoba Junior Hockey League's Winnipeg Saints Hockey School, Manitoba Provincial Figure Skating, as a provincial training site, the City of Winnipeg Libraries, Collège Jeanne-Sauvé, the First Step Montessori Day Care and the Dakota Day Care. The centre connects our community in ways that enrich us physically, spiritually and emotionally. It is a centre for caring.

Mr. Speaker, community centre general manager, Chris Sobkowicz, is delighted with the forward-thinking, generous nature of Dakota's workers and volunteers. Recently, dedicated coach and volunteer, Bill Wilford, was honoured for his 18 years of commitment with the Cargill Cares Volunteer Award. This award was accompanied by a \$1,000 contribution to the Dakota Scholarship Fund, the first of its kind for community centres in Manitoba.

This past winter the Bonivital Council for Seniors, under the expert direction of Karen Irvine, held its annual Winter Craft Sale at Dakota Community Centre which was attended by hundreds of citizens from across the province and resulted in substantial funds being raised for the council.

I pay tribute today to the many workers and volunteers at Dakota Community Centre for offering all of our constituents and friends an opportunity to thrive and grow. Félicitations. Thank you.

Charlie Balmer

Mrs. Mavis Taillieu (Morris): I would like to put a few words on the record about a very talented and creative constituent of mine, Mr. Charlie Balmer. Mr. Balmer, founder of Valmar Airflow, Inc. comes from Elie, Manitoba. On April 15, Balmer was named into the Manitoba Agricultural Hall of Fame for his contribution to the agricultural industry and for his amazing ability to solve problems for farmers through innovatively designing farm equipment.

Mr. Speaker, Charlie Balmer started out his career on a farm before moving into the field of auto mechanics. Twenty-six years later he established his

own company, Valmar Airflow, where he continued to acquire many different skills that complement his creativity. He worked for Monsanto, and during his time there, made significant contributions to the application of fertilizer to crops. He designed the first precise metering applicator for the placement of granular herbicides and the first high-capacity, high-clearance, self-propelled sprayer. Mr. Balmer has also ventured into crop spraying, flying, and in the 1970s assisted the federal Department of Agriculture in moving 300 tractors to Algeria. He even has a prototype hovercraft that he invented.

Mr. Balmer has worked hard throughout his entire life and now, in his seventies, he continues to work more than full time in his company in Elie. With over 20 registered patents, Balmer and his staff manufacture hundreds of different machines a year. He has made a significant contribution to agriculture within Manitoba and throughout the world and has been recognized nationally and internationally as an inventor, an innovator, a designer and an entrepreneur.

On behalf of this Assembly, I would like to extend our congratulations to Mr. Balmer and wish him all the best as he is officially inducted into the Manitoba Agricultural Hall of Fame in July. Thank you very much, Mr. Speaker.

***Anything Goes* Theatrical Production**

Mr. Daryl Reid (Transcona): Mr. Speaker, recently my wife and I had the opportunity to attend the Transcona Collegiate Institute's musical comedy classic titled *Anything Goes*. The show's setting is 1930s on board a ship. This play is about four star-crossed lovers battling for each other's love and affection. Each of the four is trying to figure out who they are really meant for and, along the way, meet some very interesting characters.

The cast of *Anything Goes* was comprised of Senior 2 to Senior 4 students who are a part of the Transcona Collegiate Musical Theatre course. These students started their work in November of last year, leading up to four production show dates. Mr. Speaker, the 52-member cast and main character actors were supported by a pit band and production crew comprised of costumes, advertising, hair and makeup, sets, lighting and audio, props, photo displays, programming, art department and stage hands.

We shall remember the great performance of all that were involved. I am proud of the exceptional efforts of the youth of Transcona Collegiate and pleased that this high school in my own community has such dedicated and committed teachers who go the extra mile, building student confidence, encouraging excellence and nurturing the minds and spirits of these students. Perhaps one day we might see some of these exceptional young people take up careers in the performing arts, having received their start at Transcona Collegiate.

Congratulations to everyone involved at Transcona Collegiate for a wonderful effort and especially teacher-director, Gary Matwichuk, and I look forward to next year's play. Thank you, Mr. Speaker.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Gord Mackintosh (Government House Leader): Would you please call Supply, Mr. Speaker?

Mr. Speaker: In accordance with our Rule 23(5), the House will now resolve into Committee of Supply.

COMMITTEE OF SUPPLY (Concurrent Sections)

AGRICULTURE, FOOD AND RURAL INITIATIVES

* (15:00)

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 now resume consideration of the Estimates in the Department of Agriculture, Food and Rural Initiatives. As had been previously agreed, questioning for this department will follow in a global manner. The floor is now open for questions.

Mr. Jack Penner (Emerson): There were a few issues left outstanding in the Estimates process, but I understand that the time limits have been exceeded by our committee, and we were actually supposed to, I believe, wind up the affairs of the committee at the

end of Tuesday, which we did not achieve. So I believe we do have a few minutes to wind up some of the issues left outstanding, and I think we were probably even supposed to go line by line on this, which we have not done either.

I am not sure whether we want to deal with the line-by-line Estimates or leave them unfinished until next year. I understand, Mr. Chairman, that the minister would like to deal with them, which is quite understandable.

However, Mr. Chairman, I want to say this. One of the outstanding issues that I believe is there is the issue that the livestock industry is facing, and that is the order to close the border when Canada had its first and only BSE case in Alberta. The reason I want to raise this is what the minister has continually said to the people of Manitoba, and maybe probably even in Canada, when the first time we went to visit with some of our mutual friends, the minister and I, in South Dakota at a tri-state and provincial conference. When we concluded the conference, the media asked what had been discussed, what the issues were and how the minister felt about that. She indicated clearly to Manitobans that she had had discussions with her American friends, and she was quite convinced the border would open relatively soon.

I am not sure what the term "relative" means to the minister, but it has a totally different meaning to me. Number One, what I found very surprising about that statement was the people that we met with in South Dakota were merely state senators as we were merely members of a provincial legislature. These people had no authority, nor did the discussion lead us to even think there were any comments made that would lead us to believe the borders would open soon because these people had no authority to say that, nor did we have the authority to make those kinds of statements or connotations.

I found it very interesting that the minister would do that. The minister did that once later on in the fall when cattle prices had risen substantially from where they were and again came back from some trip somewhere and said she was very convinced that the borders would open very soon. I believe the term she used was within a few weeks.

Mr. Chairman, there were many people that were contemplating selling their cattle last fall. They made the decision not to because of what this minister said.

I have been told this right across this province from the western side of the province to the eastern side of the province, that they made the decision based on what the minister said. I find it very interesting that the minister again, not just a week or two ago, said she believed the border would open quickly.

We have found out, Mr. Chairman, how strong producer organizations can be if they use the authority of the courts. The R-CALF organization went to the U.S. Court and put an injunction on meat products coming into the United States. In other words, the decision had only been made less than a week previous by the Department of Agriculture in Washington indicating that we could now commence shipping bone-in beef and hamburger. That was stopped relatively quickly by R-CALF. It was also apparent that the Secretary of Agriculture in the U.S., Anne Veneman, did not even know that the border had been opened by the department.

I believe the minister again said it was a clear sign that the Americans were moving and that we are going to see borders open fairly soon. Again, farmers hesitated in moving cattle when maybe they should have paid attention to market signals instead of signals from politicians. I want to raise this because this is important that we, as politicians, should pay extreme attention to the kind of signals we send, especially when we have been given ministerial authority. I cannot say this strongly enough.

*(15:10)

Now when the order came down by the judge to not allow those meat products, it became apparent that the U.S. government, the President of the United States even said he would not intervene in this because he could not. He was a politician and could not intervene in court action. I think it is imperative to note, however, that over the last day or so, in discussions between the Department of Agriculture in Washington and the courts and the R-CALF organization, I believe they have come to terms that will see the border remain closed until the normal process that had been identified as being the process to allow the borders to be open, or remain closed, would be taken. That is of course when the case was presented. What was it, a 70-day period of comments and then review later on. That, I believe, will determine whether we will see open borders or not. The Americans have agreed that process should continue, including R-CALF. Now what has that

done to our producers? What kind of chaos has the minister created by the constant comments that she had made? Very substantial.

I met last night with probably 50 or 60 producers in Vita. They met dealing with Bill 22, dealing with Bill 40 and dealing with the manure management regulations and others. I must commend the departmental staff that were there. They did a tremendously good, professional job of laying out what was before the people of Manitoba.

I should say this to the minister there is a tremendous amount of apprehension in the rural agricultural community about the actions that this Government is taking. Many people are saying, and there were a few last night, this appears to be an attack on agriculture. Now whether it is deliberate by this Government or not, I am not going to judge.

However, Mr. Chairperson, I want to say to you that the appearance of the so-called safety regulations that are put out there—and by the way, my next door neighbour at St. Jean was stopped last week Friday afternoon when he moved his air seeder from one field to another. He had a flat tire on the air seeder and he stopped on the way to repair the air seeder. The highways inspector came along and looked at his outfit and said, "You haven't got a chain hooking, a safety chain," and my neighbour said, "Yes, you're correct. I don't. I am guilty of that."

So he received a ticket for that, which was fair. He should have had a chain. However, the inspector looked at the equipment and he said, "This equipment is too high. You can't travel on the road." Then he proceeded to measure the height and he said, "I believe it is also too long." He proceeded to measure the length and he said, "You can't move this equipment. It is too high and too long."

It was an air seeder, Madam Minister, which had a packer behind it and a seed tank behind it and an anhydrous tank behind it, a one-pass seeding operation as most of us, or many of us, have on our farms today, and this Department of Agriculture is telling us we cannot move equipment that is environmentally friendly.

Well, the rules that I saw on safety are largely being promoted by the Department of Agriculture as agricultural safety. Is that not true, Madam Minister?

So we are now being environmentally friendly. Where we used to have four tractors in the field, we have one. Where we had four labourers on the field, we now have one.

We move the equipment from field to field, and it is all computerized. There are fertilizer monitors on it that make sure that we will not apply more than what we are allowed to apply or that what the soil needs to raise a good crop. It monitors the seed placement and, indeed, it monitors the speed and it steers the tractor.

Now we were told that we had to decouple that equipment to haul it to the field, piece by piece, by the inspector and you should get a permit for every day that you are going to be on the road, a special permit for every day that you are going to be on the road, a separate permit.

Look at the bureaucracy that is going to need in order to implement this, because our hydro lines are too low and because the equipment that was manufactured, not by the farmer, is too high, and the farmer is being blamed. Should we not direct Manitoba Hydro to raise their lines so that they would at least, in these modern times, be safe?

Should we not say to the highways department that this equipment does not travel on the road at more than maybe 20 miles an hour? It does not take a great deal of time for a person to pass and normally these people will slow down their equipment then, when they see a vehicle coming from the back or the front, to give them adequate room to pass?

But, no, we blame the farmer, and I think that is unfortunate. The reason I say this is farmers feel that they are under attack. We have now hired 28 new farm policemen through the environment department, through the water department.

Mr. Chairperson, the DFO, the Department of Fisheries and Oceans, have hired a group of people, policemen, that are being sent out, federal people sent out to police what we do in rural Manitoba. Again, agriculture is under attack. This is constant. We have environmental police. We have agricultural police. We have fertility police. We have water police. We have highways police. It is almost astounding, the point to which we have come in this province under this NDP administration, and I think it is a clear indication of the importance they are

placing on the relevance of agriculture and where we need to be or where we want this industry to be.

Now how much more, Mr. Chairperson, how many more impediments are we going to put in the way of the primary producer in this province that, I believe, has never seen a net income as low as we have seen this year? According to the information, this is the lowest net income year that farmers have had in this province. It is minus zero.

So what are these farmers supposed to do? They have done everything that they have been asked to do. They are looking after the environment. They are placing their fertilizer where the seed can best utilize it. They have computerized their equipment to make sure that it will be done precisely. They have economized in every which way they can and yet they are under attack.

I would really, before we go line by line and wrap this up, I would really like to put forward a motion which I am not going to, but I would like to drop the minister's salary to zero, or minus zero, if I could, to put her at the same income level that farmers in this province are. I think she should be nothing but receptive to that idea.

An Honourable Member: Go for it.

Mr. Penner: Hey, she said, "Go for it." I think it is time that this minister realize that she should be the proponent for those producers out there, instead of constantly agreeing with her colleagues' attack on the industry.

Mr. Chairperson, it is being done through the department of transportation. It is being done through the department of environment. It is being done through the department of water. It is being done through the department of intergovernmental services, not through the Ministry of Agriculture because I truly believe that the minister's staff would have said, "Hold it, you cannot do that." They know the importance of agriculture to this province of Manitoba.

I say to this minister do your job. Be the proponent for agriculture. Be the proponent of the producers. Be the protector of your producers and do what is right for the farmers of Manitoba.

Mr. Chairperson, I am suggesting we should proceed to the line-by-line consideration of the department.

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): I am certainly prepared to move line by line, but I do have to make a few comments on this situation that happened that we have been through with the whole BSE situation. Certainly, it has been a very challenging time. Last July, the incident that the member was talking about, we were operating under a scenario that indicated a prompt border opening from information from CFIA and from the CCA. We were at a meeting. Of course we were also going on the word of Secretary Veneman who indicated that she would deal with this decision based on science and move forward on an expedited way.

* (15:20)

It is really funny that the member is saying that I made comments to the media. If I recall, we were in the United States and the member got out of the meeting before I did to get to the media to call back home to make his comments, so he was making his comments himself on what should be done. It was an important meeting where we were looking at how we could work with our neighbours. We had excellent presentations from people in Manitoba, from veterinarians in the United States.

You know, that border did open up to boxed beef on August 8, and that did make a significant difference. That was historical as well because that is the first time ever in BSE history that a border opened up so quickly. That border opening to the United States to boxed beef was significant for our producers, but the border opening up to Mexico was also significant because that opened us up to a new market. I can tell you that when I was in Mexico earlier this year, there were people talking about the beef we had, and Canadian beef in their restaurants, and were very impressed with the quality of it.

The notice that came out in April which was to allow the movement of bone-in hamburger, etc. did not follow the rule-making process. That was a step that was taken that did not follow the rule-making process. R-CALF placed an injunction on it and the USDA is still reviewing those comments. The comment period ended April 7; we are now waiting for a decision.

I would still say as I have in the past, that, based on science, the border should be opening. It should be open now based on science. USDA staff told us

when we were in Washington in February that they would move slowly and legally to avoid any court action. There were some people that got ahead of themselves, and they really did get some court action.

With respect to farm safety, Mr. Chairperson, the member raises a very important issue, and all of us, I should say, not one of us wants to see a farm accident. They cause severe hardships, put tremendous pressure on families, and the member is right. Equipment is getting bigger, but I want to say that Manitoba Hydro reported that, in 2002, there were 68 overhead power line contacts. Of those, 13 were air seeders and 14 were cultivators. You can see that there is a serious issue. Some of the current farm equipment that is being manufactured in transport position exceeds the existing CSA standards for power-lines-to-ground clearances.

There are serious issues here, and we are taking steps to recognize the importance of farm safety. There was just a news release recently that I put out and there is promotional material that was put out by KAP at their annual general meeting. The *Farmers' Voice* has run articles on oversized equipment. I sincerely recognize that spring is a busy time for farmers. They are trying to get their work done. We have a responsibility to be sure that the information is out there, people are made aware of the risks that are out there when you are moving with equipment around electrical lines.

As well, Mr. Chairperson, the member talks about this Government attacking farmers. I would have to disagree with him on that. I was at Rural Forum, where I had the opportunity to sit in with farm representatives who talked about how they also recognized that we as society, all, no matter what our walk in life is, have a responsibility to protect our soil and water. They have come forward with suggestions, and we are going to continue to work in that vein, to ensure that the soil and water in this province is in a better state for the next generation than it is now. That is ultimately the goal. How can we have a better environment to live in? How can we protect our resources? Any work we are doing, we are doing in full consultation with the community.

Mr. Penner: Mr. Chairperson, I respect what the minister is saying. I only want to add this, that no other sector in society, I believe, has done more, or spent more money for the protection of the

environment than the farm community has. They have totally changed the way they have operated in the last decade. I have never seen an evolutionary process that has been as quick and has had the positive effects that the farm community has seen and done. They did it for two reasons: No. 1, for economics; No. 2, because they were concerned for their soil for the future generations. They want to make sure that their children and their children's children would have the same kind of quality soil, or better quality soil, than they had before. I truly believe that that was the main reason and the environmental effect of that was secondary, and yet it has had a dramatic effect on the environment.

When I drove home yesterday, there was a black field that was blowing but it was the only field that I saw in all of the Red River Valley. Had that happened 15 years ago you would have seen the whole valley up in dust, winds like we had yesterday, and it did not happen yesterday. That is a credit to the farm community. We as a society do not give enough credit to the individual producers and the investments that they have made in that respect.

I would suggest to the minister, if she wanted to do society a favour for safety's sake, order Manitoba Hydro to immediately start raising their lines to proper standards because many of them are not under proper standards. When we have to start filing route plans, as airplanes do flight plans, that is what we are required to do now, that under the permitting system for every morning you make the trip, every day you make the trip back, you have to file the plan. Hydro has to go out and inspect the lines to see that they are at proper height and if not, to warn the farmers that they cannot go there. They have to select a different route to get to their fields. That is the permitting system that you put in place.

I think, clearly, farmers see this as something that is not their fault. They have only done what they saw fit needed to be done. That is to protect the environment, to put less fuel out into the air, to put less emissions out into the air, to protect the ozone layer, and yet they are now being told you cannot haul the equipment that is needed to accomplish what the Kyoto accord says we should be moving toward.

So I am saying to the minister do one thing. Advocate for those that you are responsible for, for

the farm community. Secondly, I want to say this to the departmental staff. I think we have seen the direction from the Department of Agriculture to support the farm community with good educational programs, and I think that is where it needs to happen. I think we have seen the department initiate steps to work with the farm community and I commend them for that. I think they have done an absolutely marvellous job in working with the community.

I think your Ag reps and some of the community support staff, you out there, are second to none and I think your administration needs to be commended for that. I hope we can keep working in that vein.

I hope we can instil a level of confidence within our farm communities that our young people will stay on the farms and that we will encourage that young group of people that is out there now to remain there, because there are some excellent, excellent young farmers coming on board. They are well educated and they are smart and they are not hesitant to take the chances. That is what you have to have is people who are willing to take the chance, take the gamble, when you have downturns in incomes like we had last year, that they are able to work their way through that and keep on farming, because that is, after all, our future.

Mr. Chairperson: Any further questions? If there are no further questions, we will get onto the resolutions.

Resolution 3.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$80,949,700 for Agriculture, Food and Rural Initiatives, Risk Management and Income Support Programs, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

* (15:30)

Resolution 3.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,136,300 for Agriculture, Food and Rural Initiatives, Manitoba Agricultural Credit Corporation, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 3.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$16,796,700 for Agriculture, Food and Rural Initiatives, Agricultural Development and Marketing, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 3.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$15,328,600 for Agriculture, Food and Rural Initiatives, Regional Agricultural Services, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 3.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$17,356,200 for Agriculture, Food and Rural Initiatives, Rural and Northern Community Economic Development, for the fiscal year ending the 31st day of March, 2005.

Mr. Penner: I just want to note that is \$1.2 million less than last year.

Ms. Wowchuk: Mr. Chairperson, there is indeed a decline on the Rural and Northern Community Economic Development line. That funding comes from VLT revenue. It is a formula that has been in place, and we all anticipated that there would be a decline in VLT revenue with the smoking ban. That has happened, and that is reflected in the numbers that are in this budget. It is formula driven, the result of declining VLT revenues and we all anticipated it would happen.

Mr. Penner: Thank you very much, and I respect that. I know it is formula driven, but I just want to remind the minister that in order to encourage rural development, you have to bring the incomes up from a minus net income situation to a plus net income situation, where it was, where it was some five years ago. If you would bring it back to that level, I think we would have a lot greater degree of comfort in the rural area and in the farm community. I would suspect that, if we look very closely, there has been a steady decline in the net income situation in the province of Manitoba in the last four and a half years.

Ms. Wowchuk: Mr. Chairman, indeed it has been a very challenging year for people of rural Manitoba.

With the BSE crisis, with the drought, with the high Canadian dollar, all of those things have impacted, with the PMU industry, but this number does not reflect that. I believe this number reflects more the regulations that smoking has had on VLTs.

Just as we talk about that, before we move further, I want to take this opportunity to also recognize the staff of the Department of Agriculture, Food and Rural Initiatives. It has not been an easy year. I want to commend staff, I have done this before and I will do it publicly now, to thank them for the work they have done.

When we were dealing with BSE and trying to get new programs in and meet with producers, staff gave countless hours of overtime. I am sure that many people do not realize how much work went in to work through this crisis to get us to where we are now. Hopefully, the crisis will be over and it will be an easier year, but certainly it was regional staff, staff throughout the regions, staff here at the centre, in the executive, all staff were very committed and I want to recognize them for their hard work as we worked through this difficult time.

Mr. Penner: I just want to say to the minister this, that if this NDP government was as committed to the agricultural community and to rural communities as they say they are, they would have found in the increased revenue that they have seen over the last, I think it is 1.2 billion increased revenue that they have seen in the last three and a half years, they would have found at least \$1.2 million to keep those funds at least at the same level they were previously, under the Department of Intergovernmental Affairs. They could have moved some of that money, even though the minister said this is formula-based. That should not stop the Minister of Agriculture, Food and Rural Initiatives to underpin those items in her department where there are significant declines in revenue.

Ms. Wowchuk: Mr. Chairperson, that is a really interesting comment. When we brought the Budget forward, we heard the members of the Opposition say, "You know, this Government cannot make tough decisions. This Government just has a spending problem. They want to keep spending and spending."

We have had several suggestions now from my critic here. Now he is saying we should have put

more money into this line. He has said in the past we should run a deficit. We also know now that it was his plan to raise sales tax up by 1 percent so that they could cover education tax. They never told us during the election that was their intention. But I find it quite interesting that on one hand you say, "Why can you not make any tough decisions? You cannot make any tough decisions. Why can you not cut back your spending?"

They will say that in the House; then, when they get into the individual departments they say, "Oh, you should be spending more money on this line," when you do not care.

Well, I am quite proud of the level that we have been able to maintain this budget. Where is the level? He should check back the records of where the level of agriculture funding was under his administration and where it is now. I think that we could stand very proud looking at what we have been able to put forward in this budget. I could state very clearly, and I will to any farmer that I visit and to any rural community that I visit, that this Government is committed to rural Manitoba.

Mr. Penner: I am not going to debate this any further. I just want to say to the minister that I have had the opportunity, I guess, to be the critic when we hit an historic low in net incomes in the province of Manitoba. Clearly, we should put on the record that it was an NDP government that governed at the time, and that is not the first time that has happened in Canada. We have seen very significant declines in revenues when the NDP governed.

I believe it is time the minister recognized the contribution that agriculture makes to the economy of the province of Manitoba, and also that the minister recognizes that less than 2 percent of the total budget is now accrued to agriculture when, in fact, agriculture generates probably in the neighbourhood of 18 percent of the gross income for the province of Manitoba, in all the industries that are dependent on the primary sector for its products, for manufacturing, processing and others.

* (15:40)

So, regardless of how proud the minister wants to be for a net decline of revenues, and I also want to put this on the record, that the minister refers to the Premier (Mr. Doer) and the body he put in place to

review educational funding. That report was in numerous people's hands in this province two weeks prior to it being tabled, brought forward and introduced in the Legislature. Many people had seen that report, including myself. I referred, in an interview, what they reported to, not to the report, but to increased revenue flows that the Government was considering based on that report, which reflected a bit over 1 percent. I think the term I used was exact in that response. I just want to make sure that the minister, it does not become frivolous in her attempt to politicize the Estimates into other areas than what she is responsible for.

Ms. Wowchuk: I read clearly what the member was referring to. The member stated clearly what his party's intention was. That was that they could address education taxes by raising sales tax by 1 percent.

With respect to the report, yes, the member obviously had a leaked copy of a draft report. We have indicated very clearly that we are waiting for a final report from that committee, but I want to also correct the record. The member is talking about farm cash receipts being down to zero. In fact that is not true. As a result, I want to say net cash receipts may be down by \$504,000 in 2003. It could be down to 44 percent, but realized net income could decline 22 percent, or \$117 million.

Again, the member wants to paint a gloomier picture. There is no doubt the situation is very serious. Farmers are carrying a huge amount of inventory that has been built up, but our farmers are very innovative people. They always step up to the challenge, and I always look at this and say, "Well, maybe out of this challenge, there will be new opportunities." We have to look at those new opportunities.

Mr. Chairperson, how can we add value to our agriculture products? Rather than thinking about doom and gloom all the time as the member tends to, I would ask him to look at the producers out there who have been very creative and looked at new opportunities not only this year when we had the BSE crisis, but if you look at what producers have done when we lost the sugar beet industry, the bean industry grew out of that. Now we have a large soybean crop. Our producers look at the market, and they plant accordingly because they know what the markets are.

I want to continue to work through our department on new initiatives that will see us adding value and creating jobs in Manitoba based on the many products we have and produce in this province.

Mr. Chairperson: Any further comments? I will reread the resolution then.

Resolution 3.6. RESOLVED that there be granted to Her Majesty a sum not exceeding \$17,356,200 for Agriculture, Food and Rural Initiatives, Rural and Northern Community Economic Development, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 3.7. RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,693,300 for Agriculture, Food and Rural Initiatives, Policy and Economics, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 3.8. RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,219,300 for Agriculture, Food and Rural Initiatives, Agriculture Research and Development, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 3.9. RESOLVED that there be granted to Her Majesty a sum not exceeding \$516,400 for Agriculture, Food and Rural Initiatives, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

The last item to be considered for the Estimates of this department is item 3.1.(a) Minister's Salary, contained in Resolution 3.1. At this point, we request that the minister's staff leave the table for the consideration of this last item.

The floor is open for questions.

Mr. Penner: I just want to ask the minister about staffing in her office. Is Kathleen McCallum still on staff in your office?

Ms. Wowchuk: No.

Mr. Penner: I wonder if the minister can tell us where Miss McCallum has been placed or where she is working now.

Ms. Wowchuk: Miss McCallum has moved to another department of government.

Mr. Penner: Is she working in the department now or is she working in a minister's office?

Ms. Wowchuk: She is not in my department at all or in my office.

Mr. Penner: Is she working in a departmental position in government?

Ms. Wowchuk: Kathleen McCallum works in Economic Development—

Mr. Chairperson: Honourable Minister, complete your answer.

Ms. Wowchuk: Miss Kathleen McCallum works at Community Economic Development.

Mr. Penner: As a departmental employee?

Ms. Wowchuk: No.

Mr. Penner: Is Jason Woywada still employed with your office?

Ms. Wowchuk: No, Mr. Chairman.

Mr. Penner: Can you tell me where he is working currently?

Ms. Wowchuk: Jason Woywada works in the caucus office.

Mr. Penner: He works for your caucus now?

Ms. Wowchuk: Yes, Mr. Chairman.

Mr. Penner: How about Stacey Soldier? She was an EA in Agriculture. Is she still an EA in Agriculture?

Ms. Wowchuk: No, Mr. Chairman.

Mr. Penner: Where does she work now?

Ms. Wowchuk: Stacey Soldier is a student.

Mr. Penner: She is a student? So she is at a university?

Ms. Wowchuk: She is a student and she is not in my department. I am not sure which university she is at.

Mr. Penner: I am sorry, I cannot hear the minister if we have a bunch of people talking.

Mr. Chairperson: It is hard to hear. Just keep the noise down a bit. Thank you.

Ms. Wowchuk: Stacey Soldier is not with my department. She has left the government and she is a student at one of the universities.

Mr. Penner: Can the minister tell us, then, who her staff currently is and what their positions are and what their salaries are?

Ms. Wowchuk: My staff is Gord Gilmour, who is my special assistant, and Lisa Bukoski, who is my executive assistant.

Mr. Penner: Could you tell me what the salaries are for Mr. Gilmour?

Ms. Wowchuk: The member should have asked this question when I had staff here, because I am not sure of the exact level of salary that they are at, but I can tell you that Mr. Gilmour is at an SPA level and Ms. Bukoski is at an EXA level.

* (15:50)

Mr. Penner: Thank you, and could the minister tell me what the staffing levels are and exactly what level they have been employed at.

Ms. Wowchuk: Yes, I just said Mr. Gilmour, as my special assistant, is an SPA, and Ms. Bukoski is an EXA. I will give you those salary numbers in a moment. Do you have another question?

I do not have the exact number of that salary, but I will provide those to the member in a moment.

Mr. Penner: We can proceed.

Mr. Chairperson: Resolution 3.1. RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,709,200 for Agriculture, Food and Rural

Initiatives, Administration and Finance, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

This completes the Estimates of the Department of Agriculture, Food and Rural Initiatives. The next set of Estimates to be considered by this section of the Committee of Supply is for the Department of Education, Citizenship and Youth.

Shall we briefly recess to allow the minister and critics the opportunity to prepare for the commencement of the next set of Estimates? *[Agreed]* Short recess.

The committee recessed at 3:52 p.m.

The committee resumed at 4:04 p.m.

EDUCATION, CITIZENSHIP AND YOUTH

Mr. Chairperson (Harry Schellenberg): Will the Committee of Supply please come to order. This section of the Committee of Supply will now be considering the Estimates of the Department of Education, Citizenship and Youth.

Does the honourable minister have an opening statement?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Thank you for this opportunity. It is with great pleasure and an honour to represent Manitoba Education, Citizenship and Youth as minister for the first time in this process.

I hope to provide some context to our budget and mention highlights that indicate how judiciously and effectively education funding has been spent in the recent Budget and is budgeted for the coming year. Pardon me, in the recent past and as it is budgeted for the coming year.

The two education departments, Education, Citizenship and Youth and Advanced Education and Training, work co-operatively to present a unified direction for education and training in Manitoba.

Mr. Chairperson, Education, Citizenship and Youth has responsibility for primary, elementary and

secondary English and French education, enhancing citizenship, and a youth portfolio. Its mission is to provide access to relevant education that is of high quality, affordable, available and responsive. An educated citizenry and a skilled and adaptable workforce are key components of this Government's economic development agenda.

On September 30, 2003, public schools served 188 498 pupils; 123 757 in kindergarten to Grade 8; 61 122 in Senior 1 to Senior 4; 2211 nursery pupils; and 1408 in ungraded programs. There were 12 930 eligible pupils attending funded independent schools. Mr. Chairperson, funding to independent schools is available for instruction and services, special needs and curriculum materials.

To meet our commitments in the 2004-2005 fiscal year, which is different than the school year, \$897.2 million will be provided to support school divisions, districts, independent schools, educational organizations and the Government's contribution to the Teachers' Retirement Allowances Fund. Mr. Chairman, \$847.7 million is included in support to schools and \$31.5 million in capital grants for school divisions.

In addition, \$174.4 million is provided for public schools by funding raised through the education support levy. The Budget for 2004-2005 includes a funding increase of \$17.6 million to ensure that schools have the resources to meet students' needs. This is an increase of 2 percent over 2003-2004, and brings a total increase since 1999 to \$105 million. This Government is meeting its commitment to increase education funding at or above the rate of economic growth in the province.

The average per-pupil support has thusly increased 14.6 percent in five years compared to 2.3 percent in the five years prior to 1999. This demonstrates the value that we place on education and assures school divisions and schools that this Government will do its part to address their increasing costs.

The elementary and secondary school system is supported primarily through two divisions of the department; School Programs and Bureau de l'éducation française. Their priorities are articulated in the kindergarten to Senior 4 agenda.

My department will continue to build on recent K to Senior 4 accomplishments such as improved

planning and accountability; provincial reporting on student performance and achievement; support for priority educational needs such as early literacy and numeracy and actions addressed at student services, such as introducing legislation to ensure appropriate educational programming for all students; adding \$3.4 million for special needs programming, bringing the total increase under this Government to \$27.4 million; and expanding funding for counselling and guidance support to include pupils in kindergarten to Grade 4 at a rate of \$20 per eligible pupil.

Our 2004-2005 Budget also includes major new or enhanced commitments that I will highlight. First, arts and education: We have committed to increase our funding over the course of this Government's mandate to \$1 million, beginning with \$100,000 this year to support teaching the arts in schools. The first step will be to develop a new arts curriculum.

The citizenship agenda: We have earmarked \$100,000 to create a teacher's institute at the Legislature that will give social studies teachers an immersion in the workings of parliamentary democracy. Citizenship is also supported by other initiatives: our new social studies curriculum, the community service credit option for secondary students, youth town hall meetings with ministers, the relatively new Manitoba free Youth Advisory Council, and student exchanges.

*(16:10)

The education of Aboriginal students: We have a particular concern for Aboriginal students. While results have improved, their high school graduation rates continue to concern us. Our action plan for Aboriginal education focusses on increasing high school graduation rates, increasing the number of Aboriginal teachers, parental and community involvement in education, improving access to post-secondary education and training, and working to ensure a smooth transition to the labour market.

For 2004-2005, we are budgeting \$400,000 for staff to support this action plan. Of note, we are also discussing a multi-year collaboration on effective Aboriginal education with the Canadian Millennium Scholarship Foundation.

Technical Vocational Education Initiative: The technical vocational initiative was just announced as a joint project of my department and Manitoba

Advanced Education and Training, involving an investment of \$4.5 million over three years. This well-received initiative will improve high school programming and upgrade technical vocational equipment in high schools. It will strengthen links between high school, apprenticeship, and college programs. It provides grants for demonstration projects to increase their number and variety.

Mr. Chairperson, this initiative will make technical vocational education more responsive to labour market needs, help prepare Manitobans for the highly skilled occupations that are so important to our economy and improve Manitoba's economic growth and competitiveness over the long term. It will also encourage new teachers to enter this field and increase students' awareness of technical vocational career choices.

Future to Discover: We are also involved with the Future to Discover program, a five-year Canada Millennium Scholarship Foundation research project that will track 1000 students across the province from Senior 2 to the first year after graduation. The project will operate over five years with all operating costs covered by the foundation.

This project will study specific activities that enhance preparation for graduation and help us make policy and program decisions on career development and the paths to post-secondary education.

Youth Initiatives: I am pleased that my department co-ordinates over 200 government programs for youth ranging from Green Teams, CareerFocus, Youth NOW, Partners for Careers, the STEP program, and the revamped Young Entrepreneurs Program that offers two new initiatives. Skill development for young entrepreneurs will give young people grants to defray the cost of completing an accredited business-related training course and Aboriginal Youth Mean Business! will improve supports for Aboriginal youth who have either started or plan to start their own business.

Mr. Chairperson, the current voluntary Grade 6 and Senior 1 standards tests have not served the purpose of providing a provincial picture of student performance. We need to spend our assessment dollars more effectively. We are committing ourselves this year to work with our partners to develop an assessment approach that will have the greatest

positive impact on student learning while being cost-effective and sustainable into the future.

Our 2004-2005 Budget also continues to target tax relief where it is most needed. The Education Support Levy on residential property will decrease by a further \$10 million, in keeping with our promise to gradually reduce the burden on property taxes for a total of \$37.1 million over the past three years.

There is also a major commitment to capital funding for schools. The capital support program for 2004-2005 will be \$35 million: \$14.2 million for the major capital program will include funding for nine previously approved capital projects; \$16.7 million for infrastructure projects such as mechanical systems, roofing and structural improvements; just over \$4 million for ongoing capital support projects such as making facilities more accessible for disabled students, portables and for vocational technical projects.

I wanted to note that as part of the 2004-2005 schools capital program, the Government authorized the Public Schools Finance Board to early tender approximately \$7 million worth of capital projects. Between January and April of 2004, the Public Schools Finance Board was able to realize almost \$2 million in savings as a result of favourable market conditions.

Since 2000, the Government has provided more than \$288 million in capital funding for public schools. This is an increase of almost \$135 million from the previous five-year period.

Members of the committee, these are my opening comments. I trust that you share my pride in what our province's education system is accomplishing and its vision for the future. I look forward to discussing our directions and budget with you.

Mr. Chairperson: We thank the minister for those comments. Does the official opposition critic, the honourable Member for Tuxedo, have any opening comments?

Mrs. Heather Stefanson (Tuxedo): Yes, I do, Mr. Chair.

Mr. Chairperson: The Member for Tuxedo, the floor is yours.

Mrs. Stefanson: Thank you very much, Mr. Chair. It is again a pleasure and a privilege to be here in part of the Estimates process for Education, Citizenship and Youth. It seems like yesterday that we were here doing this with the previous Minister of Education. I enjoyed that time very much and enjoy being back here again and look forward to the new Minister of Education and questioning him.

As well, I would like to welcome the Member for Gimli (Mr. Bjornson) to his new post as Minister of Education. I know that he will undoubtedly, Mr. Chair, provide a fresh perspective to this year's Estimates process, and I look forward to the dialogue that lies ahead.

I would also like to take the opportunity to recognize—I know the department staff have put in a great deal of work into preparing these Estimates, and there is a huge amount of effort and teamwork that must be ongoing during the Estimates preparation. They should be thanked for their commitment to this process and all of their hard work in this.

Mr. Chairperson, I also want to extend my thanks to all stakeholders of education in our province for the incredible job that they do for the education of our children.

Having met with many parents and teachers and principals, school boards, as well as many other stakeholders in our province in our education system, I am truly inspired by the passion that all of these people express when it comes to developing quality of education for our kids.

Our Province has a responsibility to prepare our kids for a lifelong journey of learning. Education budgets should ideally, I think, begin and end with the children in mind. As I now have two young children of my own, I realize how important it is to offer them the best quality of education we can in this province.

My questions during these Estimates are meant to provide me with a more thorough understanding of the minister's current and future plans on policy and funding and, most importantly, to ensure our education system is on the right track when it comes to education reform for all of the children in Manitoba.

The minister has mentioned several times that extensive consultation will take place, but he

specifically mentioned extensive consultation with teachers with respect to changes of legislation. I just want to caution the minister and I hope that the minister will also consult parents in this process and other stakeholders as well.

Teachers play an extremely important role in the education of our children, but there are other stakeholders, most importantly the parents, but certainly other areas as well, administrators and so on in the system. I hope that he will extend that consultation process to include those organizations as well as, and particularly, the parents.

I have had several calls from parents who are concerned particularly with the recent announcement to do away with testing in Grades 6 and 9. Parents want to know where their children stand relative to their peers to ensure that their kids are properly prepared for the marketplace after their studies. It is absolutely essential that parents and parent councils, parent organizations, have a large seat at the table when decisions such as these are made. These decisions affect their children. I believe, as well as members on our side of the House, that parents play an extremely important role in the education of their children. They know what is best for their children and therefore they should have a very significant role and seat at the table when it comes to any decisions that will be made with respect to the education of their children. I just want to caution the minister to extend his extensive consultation process to include parents and other stakeholders in education.

Again, I am looking forward to the Education Estimates process. I have a number of questions that I would like to ask the minister and his staff. Thank you for the opportunity to put a few words on the record in my opening statement.

Mr. Chairperson: We thank the critic from the Official Opposition for those remarks. Under Manitoba practice, debate on the Minister's Salary is traditionally the last item considered for a department in the Committee of Supply.

Accordingly, we shall now defer consideration of line item 16.1.(a) and proceed with consideration of the remaining items referenced in Resolution 16.1. At this time, we invite the minister's staff to join us at the table and we ask that the minister introduce the staff in attendance. Would the staff please come forward?

Honourable Minister, would you introduce your staff?

* (16:20)

Mr. Bjornson: Mr. Chairperson, I will start with Pat Rowantree, my deputy minister. I have David Yeo, Gerald Farthing, Jean-Vianney Auclair, Bob Goluch, Claude Fortier and Steve Power.

Mr. Chairperson: Thank you for that. Does the committee wish to proceed through the Estimates of this department in a chronological manner or have a global discussion?

Mrs. Stefanson: I believe a global discussion, please.

Mr. Bjornson: For consideration of the staff and time required here, could we have a global discussion around appropriation 16.1, 16.2, 16.3 to begin?

Mrs. Stefanson: Well, I appreciate that and certainly the questions that I would like to focus on would be in the area of funding, so if the appropriate staff could be here for those questions for today, that would be great.

Mr. Bjornson: The process today would be specifically funding and then we could defer further discussions to tomorrow's Estimates with other staff. Is that what you are suggesting?

Mrs. Stefanson: Yes. I think we only have just over an hour for today. My questions for today will be around funding so we probably will not need the other staff here. That is up to you, I guess.

Mr. Bjornson: That would be acceptable, certainly.

Mr. Chairperson: It is agreed that the questions for the department will follow a global manner and then you can discuss each day what the topic will be for debate. Is that agreed upon?

Mrs. Stefanson: Yes.

Mr. Chairperson: Honourable Minister, agreed?

Mr. Bjornson: Yes.

Mrs. Stefanson: Are we starting now?

Mr. Chairperson: The floor is open for questions.

Mrs. Stefanson: Thank you very much, Mr. Chair. I would just like to start off by talking a little bit about education funding in Manitoba. I know when we were going door to door during the last election campaign it was a very significant issue for property taxpayers and the local communities. They were very concerned about the amount of their education taxes that had gone up in their communities. I know certainly since this Government came to office in 1999 the provincial portion of education funding has declined from 60.9 percent to 56.7 percent. We believe on our side of the House that this is certainly going in the wrong direction.

As a matter of fact, this reduction has resulted in an increase to property taxes in the local communities, and just a couple of examples: St. James School Division is up 7.76 percent over last year. There are a number of other divisions that are up. Seven Oaks is up 3.9 percent; and one of the most significant ones of course is River East Transcona which has increased almost 8 percent. I know certainly in my own school division, Pembina Trails, has been up as well. The local property taxes have been up fairly significantly. We believe that this sort of offloading of the responsibility for funding education onto the property taxpayers and the local communities is unfair.

I just would like to refer to a couple of comments that were made by the Premier (Mr. Doer) and the Minister of Finance (Mr. Selinger) recently. Just to quote the Premier from Hansard, May 5, he mentioned, "I would acknowledge that the school trustees have raised taxes by a comparable amount." He is talking about a comparable amount from what you have cut them on the other side with your ESL reductions. Obviously, the Premier realizes that it is sort of a zero sum game out there maybe, but certainly the offloading is resulting in property tax increases in the local communities.

The Premier seems to recognize that and the Finance Minister, when unveiling his fourth budget on April 22, publicly acknowledged that his Government's cuts in education taxes have been, and I quote, "offset 100 percent and more by increases in the special levy imposed by school boards to make up for shortages in cash from the Province." That was in a *Winnipeg Free Press* article. I would just like to ask the Minister of Education if he agrees with the Minister of Finance and indeed the Premier of our province in their statements that their offloading of

the responsibility of education taxes onto the local taxpayers has resulted in an increase in taxes.

Mr. Bjornson: Thank you for the question. We recognize the importance of tax relief as we have made many promises in that area and delivered on those promises with respect to reducing the education support levy as we have three years in a row. As promised, we would reduce the education support levy \$37.1 million thus far after three consecutive years of debt reduction. We have also increased the property tax credit as members opposite know and we are taking measures to fund education in an affordable, sustainable and predictable level at the rate of economic growth as we have promised to do. We have done so five years in a row, a significant increase of \$105 million built into the base and an additional 2 percent this year that brought it up to that figure, \$17.2 million, in our last announcement.

As the member knows, we are living up to our election promises. We have taken steps toward the portioning of the farmland as well and providing meaningful tax relief to people in Manitoba when it comes to education funding and education support.

Mrs. Stefanson: Tinkering with a system or, as the Premier (Mr. Doer) likes to say, chipping away at taxes in the system, and so on, is really not a long-term solution to a very serious problem in the way that our education system is funded in our province. I would like to know from the minister what his plans are. I know he is a new Minister of Education bringing fresh, new ideas into the system. We certainly welcome his new ideas. I wonder if he could tell us today what his long-term plan is for the funding of education in our province.

Mr. Bjornson: Well, as the Member for Tuxedo (Mrs. Stefanson) referred to chipping away, as I said, the government from 1990 to 1999 over a five-year period chipped away at -2, -2.6, 0, -2 and 0 funding announcements, and, as such, we saw property taxes increase 65.6 percent over that time frame. It is a pretty significant increase that we are very much aware of and have been addressing through our initiatives, as the Premier has said. The education support levy of residential property will be meaningful tax relief to Manitobans, as it has been the last three years, increasing the property tax credit, increasing the seniors tax credit, a number of other initiatives that we have undertaken, as I said,

the portioning in farmland reduction, to address these concerns.

Mrs. Stefanson: The minister says that there are significant reductions to property taxes as a result of the decreasing in ESL, the increase in the property tax credits. It is just not true. Even the Premier said, as I quoted earlier, "I would acknowledge that the school trustees have raised taxes by a comparable amount." Obviously, this is not giving any kind of tax relief to people in the local communities. Is the minister then saying that he disagrees with his Premier, who seems to recognize that really their efforts to increase the property tax credit are really offset by increases in taxes in the local community. Does he disagree with his Premier and the Minister of Finance (Mr. Selinger)?

Mr. Bjornson: Again, to put it into perspective, what the tax increases meant over the course of the government of members opposite from 1990 to 1999, the average home valued at \$125,000, the increase was 52 percent. From 1999 to 2004, the average \$125,000 home saw an increase in property taxes of .5 percent. So our measures are definitely having an impact on the education support levy and the funding of schools and tax relief for Manitobans.

*(16:30)

Mrs. Stefanson: Absolutely, Mr. Chairperson, it is important for the minister to reduce taxes on this side, but if there is no mechanism put in place on the other side that allows this to offset onto the taxpayers in the local community by taxes increasing on that side, as the Premier says, taxes have been raised by a comparable amount as to what you have reduced.

To me this is not accomplishing anything. It is not providing any tax relief to the property taxpayers in the local communities. I guess what the minister is saying then is that he disagrees with his Premier. He feels that his tax cuts are more significant than the Premier even realizes that they are. I guess we will move on from there, Mr. Chairperson, that the minister obviously disagrees with the Premier and the Minister of Finance, who recognize that really there is no benefit to the local property taxpayers when it comes to financing education.

I am sure the minister would agree that we need a significant change in the way education is funded in our province. The status quo is not acceptable. I

guess I would like to know from the minister what his plan is—saved by the bell.

Mr. Chairperson: A recorded vote has been requested in another section of the Committee of Supply. I am therefore recessing this section of the Committee of Supply in order for members to proceed to the Chamber for a formal vote.

The committee recessed at 4:32 p.m.

The committee resumed at 4:48 p.m.

Mr. Chairperson: Will the committee please come to order. The Member for Tuxedo, you have the floor.

Mrs. Stefanson: Thank you very much, Mr. Chair. I believe when we left off we were discussing education funding and just the fact that the Premier has said, and I quote, "I would acknowledge that the school trustees have raised taxes by a comparable amount," meaning the reductions that you have made. Certainly, the Minister of Finance (Mr. Selinger) has also said that in his Budget the taxes have been offset 100 percent and more by increases in special levy imposed by school boards to make up for shortages and cash from the Province. Again, I just wanted to ask the Minister of Education if he agrees with those comments.

Mr. Bjornson: Thank you for the question. Again, in comparing records, if you go to '88 to '99, under the government of members opposite, the special levy increased by 93 percent; from '99 to '04, the special levy increased 39 percent.

Having said that, we have also introduced the cuts to the education support levy, property tax credit, a \$92-million benefit to homeowners. When you put it in context of what that means to the school system as well, when the funding is up, the taxes are down. There is an overall benefit to taxpayers in this scenario with respect to the initiatives that we promised to bring forward and have brought forward and have delivered. Most importantly, the \$105-million increase in funding has also resulted in a 14.6% increase in support per pupil, compared to '94-99, when that support per pupil was 2.3 percent.

Ms. Kerri Irvin-Ross, Acting Chairperson, in the Chair

Mrs. Stefanson: I just want to say that funding by the provincial government is not up, despite what this minister continuously says. The provincial portioning of funding has been declining since they came into office, again from 60.9 percent to 56.7 percent. That is going in the wrong direction. I believe that indicates that certainly we need a serious overhaul in the way education is funded in our province.

* (16:50)

I know that this minister was not the Minister of Education when the working group was set up some two years ago. It was not even the previous Minister of Education; it was two ministers of Education ago, I guess, when the committee was set up to come up with a new way to fund public education in our province.

Again, I applaud the Government for setting this committee up. This is an extremely important issue and something that needs to be addressed, but this committee was set up some two years ago. Now we have been faced with a report that has come out that has some recommendations in it. I guess I would just like to ask the minister if he agrees with the recommendation of this draft report that he has now had in his possession for a few days at least.

Mr. Bjornson: Thank you for the question. As I have stated in the House, the report that has been presented thus far is a draft report. There had been a process that had been agreed to with the working group. That process involves another meeting with the working group to sign off on the report. After that time, when they meet and produce the final draft of that report, that report will be presented to me at a meeting with the working group in June.

Madam Acting Chairperson, until such time I do not feel it would be appropriate to respond to questions concerning a draft document, as we are waiting for and anticipating the final document in June.

Mrs. Stefanson: I guess it has been two years now since this working group was set up. There is a draft document that is out there that does have ideas of how to significantly change the way education is funded in our province. Now I guess the minister is saying that he is not going to comment on this and not going to comment on any of the ideas that are in the draft report. Instead, he is going to wait for a

final report, final, final, draft, final, final report in five weeks' time.

I guess if it has taken two years to come up with some of the options that are in this report now, five weeks, I cannot imagine that it is going to be too different from the way it looks right now.

Having said that, I guess we and the taxpayers of Manitoba have waited for the last number of years to see how education funding will be changed in our province, and I guess we will have to wait another five weeks or so. Can the minister tell us what date his meeting is with the education working group so that we will know when this final report will be out and tabled for Manitobans?

Mr. Bjornson: The working group has been offered two dates to meet, that is the 16th of June or the 23rd of June. We have not confirmed which day that will be.

Mrs. Stefanson: You indicated before, I believe, in the media or in Hansard that this working group—or it might have been one of the members of the working group that mentioned they have one meeting left to finalize the document. Can you tell us when that meeting will take place?

Mr. Bjornson: Yes, that meeting will be on May 19.

Mrs. Stefanson: So the meeting with the working group will take place on the 19th, yet they are not going to meet with the minister until the 16th or the 23rd of June. Is that at the request of the working group not to meet until those dates or is the minister's schedule significantly full thereby not allowing him to meet with them until those dates?

Mr. Bjornson: The request came from the working group as they have to print the report, have the report translated, and they believe that would be the necessary timeline that they would require in order to have it translated, printed and ready to be presented to me, as I said, either the 16th or the 23rd of June. That date is to be determined by the printing and the translation process.

Mrs. Stefanson: I thank the minister for letting me know what those dates are. What sort of consultation has taken place between the minister or the minister's office and the department staff and this working group over the past two years?

Mr. Bjornson: The only consultation was an interim draft report that had been presented to the Minister Lemieux and there were no guiding principles on that interim report.

Mrs. Stefanson: So there was an interim draft report that was given to the previous Minister of Education. Could you tell me when that interim draft report was given to the Minister of Education?

Mr. Bjornson: That was in December of 2002.

Mrs. Stefanson: Could the Minister of Education answer whether or not he saw a copy of that interim draft report since he has become the Minister of Education?

Mr. Bjornson: No, I have not.

Mrs. Stefanson: The minister is indicating to me that there is a draft report that has been in the Department of Education since December, 2002. One of the most important issues facing Manitobans today, how education is funded in our province, and he has neglected to get a copy of that report, even have an interest in reading that report?

Mr. Bjornson: The interim report was a status report and there were no recommendations in the report.

Mrs. Stefanson: Well, if the minister has not read it, how does he know what it says?

Mr. Bjornson: There was no analysis in the report. When I first came into office, I knew, of course, I was aware that there was a working group working on this initiative, and I was also informed of the process that we had agreed to with respect to when that report would be delivered. As I have said in the media, the finish line was moved repeatedly. That spoke to the complexity of the issue when you consider the scope of this issue of funding education. I was aware that the working group had been working on the report and I was aware that they were prepared to meet with me to present the report, and the timelines have only recently been established as such.

Mrs. Stefanson: The minister mentioned that this interim draft report talked about guidelines. Madam Acting Chair, I guess he indicates he has not seen the report, so maybe he is not in a position to tell me whether or not he agrees with the guidelines and the

principles in the report to allow the working group to move forward.

Mr. Bjornson: The report was to outline the procedures, how they would proceed as a working group.

Mrs. Stefanson: The minister just indicated that when he came to office he was aware of this working group. Did he at any point in time have any discussions with this working group with respect to the report?

Mr. Bjornson: No, I did not meet with the working group. I met with many of the stakeholders who were represented at the working group, but I did not meet with the working group.

* (17:00)

Mrs. Stefanson: When the minister met with the various stakeholders, did he discuss the contents of the report?

Mr. Bjornson: I did not discuss the context of the report. I simply asked the status of the report, when I could expect to see the report. That was the only question I asked of the representatives.

Mrs. Stefanson: So the minister met with various stakeholders with respect to this report, but did not ask anything about what might be in the report or the concerns the various stakeholders that sit on this committee had with respect to the way education funding is going to change in our province?

Mr. Bjornson: No, I did not meet with the stakeholders with respect to the report. I have been meeting with many of the stakeholders for various other issues and various other consultations but not specifically with this report. I had simply asked people who had representatives if they were aware of when I could see the report. That was the only question. I did not ask anything about the context of the report.

Mrs. Stefanson: Was the report on the agenda for these meetings with these various groups?

Mr. Bjornson: No it was not. It was simply a question asking about the status of the report, when I could expect to see the report because that question has been asked by the media. So I would simply ask when I would see that report.

Mrs. Stefanson: But this is one of the biggest issues facing education today, the way that education is funded in our province. The minister has had, as he has indicated already, several meetings with various stakeholders, people who are represented on this committee and this working group. The minister means to tell me that when he met with these people, the only question that he asked them with respect to funding of education in our province had to do with when he can expect the report?

Does he not even want to enter into a discussion regarding how public education is financed in our province with various stakeholders in our community?

Mr. Bjornson: A process had been established where the stakeholders would be involved in their consultation on the report and for the stakeholders, when I met with the stakeholders, for them to give me any information of the content of the report would be a breach of confidence, as these stakeholders were meeting on different issues when I met with the stakeholders. Madam Acting Chairperson, I have regular meetings with the stakeholders so the only question I asked regarding the report was: When will I see the report?

That was the only question I asked. The process had been identified. We honoured that process, we respected that process. We continue to respect that process. I am anticipating that report, as I said, will be delivered to me on the 16th or 23rd of June. That is when I will see the final report.

Mrs. Stefanson: Well, the minister referred to this interim draft report that the previous Minister of Education received in December of 2002, some year and a half ago, I believe. Why is it that, when this minister took office, he did not see the interim draft report? Was he not supposed to look at it, or did he just not care about the issue?

Mr. Bjornson: Well, I certainly care about the issue and the report had virtually no substance. It was simply providing the terms of reference for the procedures and how the group would proceed.

Mrs. Stefanson: Well, I guess I would ask the Minister of Education for our province: If he has not seen this report, if he has not looked at the report, how does he know that the report does not have any substance to it? I mean, who told him that there was no substance to the report?

Mr. Bjornson: I had been briefed on the working group by my staff when I was first appointed and this was simply a report that outlined the terms of reference. There are no recommendations, Madam Acting Chairperson, no analysis in the report. It was simply providing the terms of reference, the procedures for the working group and how they would proceed.

Mrs. Stefanson: Can I ask the minister what criteria or parameters were given to the minister's working group when coming up with a new way of funding education in our province?

Mr. Bjornson: The terms of reference for the working group included: to research and analyze strategies that may be adopted by the Government to reduce Manitoba's reliance on property taxation to support education; to recommend a detailed strategy to reduce Manitoba's reliance on property taxation to support education; to provide a comprehensive outline of the implications of the recommended strategy respecting type and level of taxation by government and school divisions; revenue and programming; equity of school divisions; governance of school divisions including the impact on collective bargaining and others as determined by the working group.

Mrs. Stefanson: Why in the terms of reference would the Minister of Education, I guess at the time, not have indicated that things such as raising the PST and so on, were not to be even considered?

Mr. Bjornson: The working group was to explore a broad range of options as this is indeed a very complex issue.

Mrs. Stefanson: If it was never going to be an option that was even considered by this province and by this Premier (Mr. Doer), by this Minister of Education, to increase taxes in order to fund education, then why was not that term of reference or why was that not put in as criteria or a parameter for this working group so that they did not waste two years of their time coming up with a recommendation that indicated raising taxes?

Mr. Bjornson: Well the recommendation that the member is referring to is part of a draft report, and again I am anticipating receiving the final report in five, six weeks time.

Mrs. Stefanson: Yes, the Minister of Education is correct that this is a draft report, but this draft report

took two years to come about. It is now out there. The minister has a copy of the report. There are several recommendations in the report or several options in the report with a recommendation. It is not final. That is right but with a recommendation to increase the PST.

The Premier has indicated that he does not agree with raising the PST by one point. Does the Minister of Education agree with the Premier's position in that?

Mr. Bjornson: Yes.

Mr. Larry Maguire (Arthur-Virden): Madam Chairperson, I would like to ask a question then. If the minister now agrees with the Premier (Mr. Doer) who has indicated that they will not be raising the PST, will the minister be going back to his committee and giving them the direction that having an increase in PST is not an option in the funding process of the Province of Manitoba for the funding of provincial education and public education and giving them direction to reset their parameters?

Mr. Bjornson: Well, again, we are waiting for the final report. We do not know exactly what the final report will look like so we have to wait and see what that report brings to the table.

Mrs. Stefanson: The minister is indicating that he is going to wait for this final report to come out. He is going to have this working group come back to him with a recommendation that could potentially be increasing the PST to pay for the funding. It could be increasing other taxes to pay for education funding. It could be all sorts of things that this minister and the Premier disagree with.

Certainly right now they have already indicated, and the Premier has indicated quite emphatically in the House, that he will not entertain the idea of raising the PST to pay for the funding of education. Why then would the Minister of Education or the Premier in fact not go back to this working group and say to them, or why did they not tell them beforehand that they would never, ever entertain the idea of raising taxes such as the PST to pay for the funding of education.

Why, then, would the Minister of Education, or the Premier in fact, not go back to this working group and say to them, or why did they not tell them

beforehand, that they would never, ever entertain the idea of raising taxes such as the PST to pay for the funding of education?

* (17:10)

Mr. Bjornson: Again, once we receive the final report, it is premature to say at this time what we will do. Once we see the final report and meet with the working group, we will have that discussion around whether or not they feel that we need more time and the working group needs to revisit some of the recommendations.

Mrs. Stefanson: If the minister is indicating that he is going to wait for the final report to come out, why would the Premier (Mr. Doer) stand up and make comments saying that he would never entertain the idea of raising the PST that is suggested in this report?

Why is he coming out against recommendations in the report when his minister is saying that he would wait until the final report? Why did the Premier not just get up and say, "We are waiting for the final report?"

He has already made comments about the report and ideas that he will not entertain. So, if there are certain ideas that are not going to be entertained, then why does he not let this working group know so that they do not waste their time coming up with these recommendations?

Mr. Bjornson: Madam Acting Chair, the terms of reference for the report did not put limits on the areas that the working group could explore. Having said that, we are looking forward to receiving the final report and, at that time, we will discuss the direction that we take with respect to education funding, but the terms of reference, we did not put any limits on how they would look at the issue of education funding.

Mr. Kelvin Goertzen (Steinbach): Madam Acting Chairperson, the minister indicates that the terms of reference did not limit the scope of the discussion for the working group, or not limit its options, but clearly the Premier did limit the options for the working group. So I wonder, maybe the minister could provide clarification, if not for the members of this committee, could at least provide some clarification for the members of the working group.

Is there now in existence a limitation on what can be done in terms of the recommendation. Should the working group be under the assumption it should believe the minister, who still says they have full operation in terms of the recommendations, or should they believe the Premier, who says, no, they do not have full options available to them? Which are they to believe?

Mr. Chairperson in the Chair.

Mr. Bjornson: Mr. Chair, what people recommend and what we accept as recommendations are, certainly, two different things.

Mr. Goertzen: The recommendation that I am referring to is the recommendation from the Premier himself, who said that no recommendation would be accepted that included a sales tax increase.

Are you accepting that Premier's recommendation, or are you contradicting the Premier and saying that is still an option?

Mr. Chairperson: Order, please. I would like to take a moment to remind all honourable members on both sides of the table to please address their questions through the Chair. I ask for the co-operation of all honourable members in this matter. Thank you.

Mr. Bjornson: The point is that, if you choose to react to what the Premier said, that is your prerogative. If you choose to react to what the Premier said, but we are waiting for the final report.

Mr. Goertzen: For a new minister, that is quite a bold statement, I must say, that if we choose to react to what the Premier of this province, his leader and his First Minister, said, I guess I am gathering from his comments that he chooses not to react to what the Premier said, and he has confirmed for this committee that the PST option is still on the table. Is that correct, Mr. Chairperson?

Mr. Bjornson: Once again, we are awaiting the final report. I mean the terms of reference, the process, we are honouring that process. We respect that process. We are waiting for the final report.

Mr. Goertzen: Just for clarification, you disagree with your Premier (Mr. Doer) when he says that one particular issue is off of the table.

Mr. Bjornson: No, I do not.

Mr. Goertzen: All right, so you agree with your Premier that there are some certain things that the committee cannot recommend?

Mr. Bjornson: The committee can recommend anything they want, but it is our prerogative to accept or reject those recommendations.

Mr. Goertzen: So this exercise is in somewhat limited scope for the committee, according to the Premier, and not really limited scope, according to the original terms of reference.

How much is this little show costing us, that might have recommendations, that might be accepting them, might not be accepted? How much are the taxpayers on the hook for, for this particular report, that might have some limitations according to the Premier, or might not have limitations according to the minister?

Mr. Bjornson: Thank you. I will take that as notice. We do not have the exact figures on the costs.

Mr. Goertzen: When can the minister and his staff indicate, Mr. Chairperson, when that information will be provided and who will it be provided to on this committee?

Mr. Bjornson: We will have that for you tomorrow.

Mr. Goertzen: Mr. Chairperson, I thank the minister and his staff for that commitment.

I want to ask, Mr. Chair, and perhaps it is being done, as a new MLA and I recognize that the minister is new as well or as new as I am in this Legislature, but perhaps it is more of a course of order, when the interim draft report, when the minister was made aware of that report, is it traditional in how his style is in terms of running as a new minister, running his office, not to actually see these actual reports that come through his office? Is that how he generally runs the department at this point?

* (17:20)

Mr. Bjornson: No.

Mr. Goertzen: So why was this the exception? Why did he decide now that this would be the exceptional

case where he would not look at the actual interim draft report?

Mr. Bjornson: As I said, I have been briefed on the status of the working group. They had developed terms of reference and that the working group would be submitting a report to me.

Mr. Goertzen: Who provided that briefing to the minister?

Mr. Bjornson: That was part of my briefing with my staff and my School Programs branch, I believe.

Mr. Goertzen: Is there any indication in the briefing that you had, was the previous Minister of Education made aware, or seen or—I knew he was made aware of the interim report but did he see the actual interim report?

Mr. Bjornson: The status report had been presented to the previous minister, and the working group met with the previous minister and talked about how they needed to proceed.

Mr. Goertzen: Mr. Chair, I need clarification on that one. When the minister says that the working group met with the previous minister in terms of how to proceed, what does that mean? What type of discussion took place?

Mr. Bjornson: They presented a review of inter-provincial comparisons as well as basic principles to guide the work of the working group.

Mr. Goertzen: And at that time, were there any discussions about things that would not be considered an option, to use the Premier's (Mr. Doer) words?

Mr. Bjornson: No.

Mr. Goertzen: Can the minister indicate if there are any other departments who were made aware of this interim draft report? I am thinking particularly of, maybe, the Department of Intergovernmental Affairs, but not limited to that department. Were there any other departments in government who would have received a copy of that report?

Mr. Bjornson: The other ministers were not at the meeting.

Mr. Goertzen: The question was not about the attendance of other ministers. Were there any other departments who were given access to the interim draft report?

Mr. Bjornson: The staff from Intergovernmental Affairs and Finance who were providing technical support would have had a copy of the status report.

Mr. Goertzen: Are those the staff that are actually on the working group, Mr. Chairperson?

Mr. Bjornson: The staff were not on the working group. They were providing technical support to the working group.

Mr. Goertzen: Mr. Chair, can the minister and his staff provide the names of those staff persons, either now or at the same time that we get the information tomorrow on the expenses of the working group, to say who was involved?

Mr. Bjornson: Yes, Mr. Chair, the staff resources were Steve Watson from Finance, Laurie Davidson from Intergovernmental Affairs, and Steve Power from Schools' Finance Branch.

Mr. Goertzen: So am I to understand the minister correctly that there were no other government officials, elected or otherwise, who attended any of the meetings that related to the working group?

Mr. Bjornson: Originally, the legislative assistant to Minister Caldwell was on the committee for a couple of meetings, but the rest of the committee consists of the chairperson, Grant Buchanan from the Association of Manitoba Municipalities; Glenn Anderson from the Manitoba Teachers' Society; Kevin McKnight, a CGA from Manitoba Association of School Business Officials; Carolyn Duhamel, Manitoba Association of School Trustees; Rick Martel, Association of Manitoba Municipalities; Jim Dalton, representing the Manitoba Association of School Superintendents, and he moved in May of 2003 and was replaced by Guy Lacroix from Manitoba Association of School Superintendents, and Mr. Lacroix's term began in June of 2003; Robert Weselowski was representing the City of Winnipeg; and Wally Melnyk was the Manitoba Municipal Administrators' Association.

Mr. Goertzen: Mr. Chairperson, for clarification, is the minister indicating that the political staff person

for the former Minister of Education was on the committee? When he said legislative assistant, did he mean the elected representative of the Legislature who is appointed as the legislative assistant to the minister?

Mr. Bjornson: The legislative assistant met with the group the first two or three times. We are not sure of the number of meetings, but the group continued to meet a total of 19 times. The legislative assistant had been there for the first two or three meetings.

Mr. Goertzen: I would ask two questions. I know we are running short of time. I am going to ask the minister to answer one and to bring forward information on the other. Mr. Chair, when he says the legislative assistant, I want to know if this is the political staff person who is in the office of the minister, or is it an elected official who is the legislative assistant? The terms are different.

Mr. Chair, the second question I want the minister to undertake and bring information forward is how many times in total has this working group either collectively or individually as individuals of the working group met with this minister or previous ministers since the group has been set up. If he does not have that answer here today he can bring that forward tomorrow with the financial information we have requested. So two questions. The legislative assistant is who? You can name the individual. And how many times has the group met with any Minister of Education collectively or individually?

Mr. Chairperson: The time being 5:30, I am interrupting the proceedings. The Committee of Supply will resume sitting tomorrow at 10 a.m.

HEALTH

*(15:00)

Madam Chairperson (Bonnie Korzeniowski): Good afternoon. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will be continuing with consideration of the Estimates of the Department of Health. It was previously agreed to consider these Estimates in a global manner.

The floor is now open for questions.

Mrs. Myrna Driedger (Charleswood): Just for the record, I know the minister when we have talked

about Pharmacare cuts has stood in the House on a number of occasions and indicated about the cuts that were done in the nineties. What he needs to remember is that when those changes were being made in the nineties, it was people who could better afford to pay for their own medications who were removed from receiving the Pharmacare support.

What is happening right now, however, is the fact that the people who are being affected by these rising Pharmacare deductibles are people who can ill-afford it. Madam Chairperson, they are the more poor and the vulnerable, the seniors, the disabled. Certainly, from our hotline that we have right now, some of the information that is coming through on that line is very, very compelling and very disturbing in some cases in terms of the tough decisions that people are making. So, while people were removed from Pharmacare support in the nineties, those were people who could better afford it. Right now what is happening is not the same at all.

I would like to spend a little bit of time on the maximum allowable cost that the minister has put forward because I think it is going to create a two-tiered health care system for the people of Manitoba because, in effect, what is happening is we are rationing drugs. Currently, in Manitoba, the choice of medication is based on a physician's best clinical knowledge and personal experience. Then they apply that knowledge to each individual patient recognizing that one medication will not fit the needs of all patients. A medication may provide better results in one patient versus another or maybe is better tolerated in a specific patient population. Doctors strive to select the best medication for each patient. With the introduction of a policy like maximum allowable cost that is going to change. With this policy, the maximum cost is usually equal to the cheapest product and can be, often probably will be, an older medication with lower tolerability. I think reducing the choice for both patients and physicians is what is going to happen in this particular scenario.

I think that the MAC pricing will have impacts on the poorest patients rather than on others. I think by setting the reimbursement threshold at the onset, the Government is going to be forcing the doctor to make a decision on the proper medication based on economics rather than on medical expertise. Madam Chairperson, it is going to impact the most physically vulnerable and financially vulnerable members of our society. Providing the best possible care and

medications at the most cost-effective rate is everyone's goal, but to have no flexibility to raise the threshold to provide adequate care, I think, is going to be a huge disservice to the patient, the doctor and to all Manitobans. I would like to ask the Minister of Health, is the minister not taking away the doctor's right to prescribe a drug based on the best and most appropriate drug for the patient by introducing this policy?

Hon. Dave Chomiak (Minister of Health): First off, just to comment on the member's previous comment, Madam Chairperson, about the \$20-million cut to the Pharmacare program that occurred in the 1990s. By the statement of the Minister of Health at the time, two thirds of people who received medication were cut off. That is tens of thousands of Manitobans who were cut off the ability to get Pharmacare coverage, and that was a very, very dramatic cut. In fact, we did not get back to those levels until we came into office in terms of the increases to the families that were receiving drugs. So the member is factually wrong on that.

With respect to the maximum allowable cost, I just want to point out to the member that a maximum allowable cost has already been adopted in Nova Scotia and Saskatchewan and is under consideration in Alberta. British Columbia has a policy, but theirs is a reference-based pricing and I think that the member is confusing the issue of reference-based pricing with that of a maximum allowable cost when it comes to the question of choice.

* (15:10)

The member, I think, is quoted in the media, saying that we should have done this sooner and now the member is saying that we should not be doing this. I will leave it to the member to reconcile those particular statements.

A policy of maximum allowable costs was recommended by the Manitoba Centre for Health Policy and Evaluation in one of their studies of controlling prescription drug costs in Manitoba. An independent peer review study published in the *Canadian Medical Association Journal* on a similar policy found the policy saved \$6.7 million annually.

The point is, if we can save more money we are not doing what happened in the 1990s and that is, cut \$20 million from the plan. We are putting more

money back into the plan. So, by having more drugs covered for more individuals, we are in fact offering a wider range and a broader range of costs.

Determination of which medication classes will be subject to maximum allowable class will be based on medical merit on the advice of the Manitoba Drug Standards and Therapeutics Committee, i.e., not a minister, not outside political influences as happened in the 1990s when two thirds of individuals were eliminated from coverage under Pharmacare.

I want to give the member an example. In Conservative Nova Scotia, Proton Pump Inhibitors make up one drug class which has been subject to maximum allowable class. The price range and the average cost per year is—if you look at those drugs that have the same effect on an individual, some of which are more recently available, some of which are not more recently available—the price differential to the drug program can be as much as \$400 to \$500 per patient per year; \$400 to \$500 per patient per year allows the program to enhance coverage to other individuals who have not been provided coverage.

I also want to point out to the member opposite that we have indicated that we are going to look at a maximum allowable cost for some classes of drugs. This will be a narrow interpretation. It will not apply to all drugs. It will apply to various classes where the Centre for Health Policy and Evaluation, where other provincial jurisdictions, where medical journals and where people who are involved in the industry and involved in pharmaceuticals and doctors have said we can make some savings in order to provide for broader coverage to individuals.

I might also add to the member that choice will still be provided and, as it is now in the system that was operated both when Pharmacare was founded by an NDP government and continued, though cut by the subsequent Conservative governments, choices with respect to drugs are made with respect to generics and other drugs that have the same medical and the same value. If the effect on the individual is negative or not effective, the physician has the ability to appeal that decision and receive the specific drug that has been requested.

Mrs. Driedger: The minister said that I said that he should have done this sooner. I certainly would agree that faster approval of generics should have been

done sooner. I understand that there are a number of situations where it takes generics a very long time to be put onto the formulary, and if that was done quicker, we probably could have saved millions and millions of dollars over time.

Certainly, looking at bulk buying is something that could easily be looked at. I certainly do not support in any way what he has done in terms of increasing the deductible, Madam Chairperson, and I have great reservations about where this maximum allowable cost is going to end up, especially as I am talking to more and more people out there.

Now he wants to talk about PPIs. Actually, that is a good one to look at right now, because the way this would work is the patient would be allowed and the Government would cover the lowest cost medication in a particular group there.

So I would like to ask the minister this: If the patient does not get relief from the cheapest drug on the list, or if they have side effects from it, they are going to be forced to go up to the next drug and they are going to have to pay the extra because of it. I really have to wonder, is that right and fair, and if that second drug does not work then they are going to have to go up to the next level and then what are they going to do if they cannot afford all of those levels? Are they going to be stuck taking a medication that gives them side effects or does not work because they are not going to be covered anymore?

Mr. Chomiak: The only time in Manitoba history when maximum allowable cost has been introduced was in 1997, for three types of drugs, when the member was the assistant to the Minister of Health.

An Honourable Member: I was not here in 1997.

Mr. Chomiak: Oh, she was not here in 1997. Well, the member should know that the Minister of Health, who she was assistant to, had a program of a maximum allowable cost for three classes of drugs in 1997. We have not introduced maximum allowable cost to PPIs in Manitoba.

Mrs. Driedger: Well, PPIs was what the minister was making reference to, but any particular drug group where this is going to apply, this kind of scenario can play out for any number of patients so that the bottom end of the drug, if it is not working well for patient, if they are having a reaction to it or

if they are having side effects to it, they are going to end up having to pay more for the next drug up and then the next drug up if this drug is not working. For many seniors who are taking multiple medications, many of which interact with each other, it is going to potentially lead to a situation where we could see drugs interacting with each other therefore limiting the number of choices of medications that patients can take. I have some concern in that area, and I would like to ask the minister what are they supposed to do. This could be an extremely unaffordable kind of situation he is going to be putting people in to.

Mr. Chomiak: I use PPIs as an example, Madam Chairperson, because the Conservative government of Nova Scotia has successfully used this over the past two years with respect to PPIs. We are not doing that, Madam Chairperson. In addition, not only has MAC been introduced and used in Manitoba since 1997, to a very limited extent, but the third and the most significant point is, if a drug is not effective the patient can have another kind of drug, just as they can now, if a particular generic does not work for their particular condition, which has always been in place since the Pharmacare program started.

So individuals will not be, quote "forced" to do that under the example the member cited. Madam Chairperson, I cited an example of the Nova Scotia program that is in place, that has been put in place for PPIs, and under any program that we were to put in place we very clearly indicated that an individual have the right and have the opportunity, as they do now, to use a variety of classes of drugs and to appeal if, in fact, the drug is not having the effect. We have always had that right and we will continue to have that right in Manitoba.

Mrs. Driedger: Can the minister tell us who the independent group of doctors and pharmacists will be that will be making these decisions about deciding which drug groups are going to be subject to the maximum allowable cost, whether this group will be absolutely and totally independent, nobody on a government payroll, nobody on a Manitoba Health payroll? Will that group be absolutely independent in making its choices? Who is going to pick those people on that independent committee?

Mr. Chomiak: The independent committee is the ongoing Manitoba Drug Standards and Therapeutics Committee. That has been an independent committee

since the founding of Pharmacare and continues to be.

Mrs. Driedger: How many of those people on that committee are actually paid by Manitoba Health?

Mr. Chomiak: If one assumes that someone from the College of Physicians and Surgeons, who is paid indirectly as a result of a fee-for-service, or salary-to-relationship with the Department of Health, if that person is considered salaried by the member's definition, then I suppose that person would be, but it is representatives from the College of Physicians and Surgeons, the MMA, the Manitoba Pharmaceutical Association and the Society of Pharmacists.

Mrs. Driedger: Can the minister tell us if there are any Manitoba Health representatives on that committee as well?

Mr. Chomiak: Madam Chairperson, we provide the secretarial services.

Mrs. Driedger: Is the minister saying that he can guarantee that there is going to be no government interference in deciding which drug groups are going to be subject to the maximum allowable cost, that the decisions made will be made by physicians and pharmacists.

* (15:20)

Mr. Chomiak: Madam Chairperson, in addition to the decision made by the Manitoba Drug Standards and Therapeutics Committee, we also receive advice from the federal common drug review that has now been put in place at the insistence of Manitoba where we have a common drug review that is also done by independent. The decisions are made on scientific and medical grounds.

Mrs. Driedger: If a doctor feels that the lower-cost drug is not what he thinks is best for his patient, what I am wondering about is how many hoops is he going to have to jump through to convince Manitoba Health to cover it if he decides that the top drug in that category is what would be best for his patients based on side effects or on interactions with other drugs. If that doctor decides that lowest-cost drug, which the Government will cover but they will not cover the top one, what kind of hoops is he going to have to jump through to convince Manitoba Health to cover that higher-cost drug and who will then

make the decision? Specifically, who makes the decision?

Mr. Chomiak: First, Madam Chairperson, the member, I assume, is referring to the maximum allowable cost regime, if it should be invoked and if it is utilized. If the doctor decides that is not the appropriate medication that she wants for her patient, then she can appeal to a committee that consists of a representative from the Manitoba Drug Standards and Therapeutics Committee, an outside medical consultant and secretariat from the Department of Health.

Mrs. Driedger: How amenable is that appeal process going to be for that physician? I mean, it is that doctor that knows that patient the best of anybody, and I imagine he or she is going to have to jump through a certain number of hoops in order to convince this committee. I have some concern about the length of time that is going to take. Doctors are really busy already. I am concerned about the length of time it is going to take for him to appeal that. What if he does not argue his case well enough? He knows that is the best drug for the patient but he maybe does not argue it well enough. What is going to happen then to the patient who is going to be stuck not getting the best drug for that patient and his condition?

Mr. Chomiak: We have had in place now for 20 or 25 years a system where if a doctor prescribes a particular medication and a generic is substituted for it, the doctor has the option of providing EDS status to that. That has been in place for years and it is a similar process with respect to maximum allowable cost, if we should go to maximum allowable cost for a class or class of drugs. The member is talking in some extent in a hypothetical situation, but I am also pointing out to the member that the practice has been around for a long time of doctors requesting different drug status for particular drugs in the case of generic substitutions.

Mrs. Driedger: The minister is saying that is hypothetical. I guess I just need a little clarification here. How can it be hypothetical if he has already made the announcement that we are going in that direction?

Mr. Chomiak: No drugs have been classified as a maximum allowable cost at this point. So I am only reading to the member for example, the Nova Scotia

Conservative experience, where in some cases they were able to reduce the costs of drugs by half by utilizing the lower cost drug. I am not sure if there is an appeal process in the Nova Scotia case, but we have indicated that if we do go to maximum allowable cost, if we do have that process in place, the patient or the physician can apply for an exemption not dissimilar to what happens already on the program when an individual is prescribed the drug and a generic substitution is made. The doctor can apply under exceptional drug status for that substitution.

Mrs. Driedger: How amenable is that committee even now in listening to the doctor who is the one that knows the patient better? ike, how often does it work in his favour?

An Honourable Member: What? What?

Mrs. Driedger: The minister has indicated that there is a process now where doctors can appeal in certain situations. I am asking the minister how amenable this committee is going to be to heeding, I guess, the doctors request for a drug that is not being covered under this policy.

Mr. Chomiak: This is a scientifically evidenced based decision. It is not based on anything other than that.

Mrs. Driedger: Can the minister indicate that when the doctor, or the patient, or both of them, decide that they do not want to take the lowest cost drug, that for whatever reasons they choose a different drug. The doctor fills in the prescription that day though for the drug of their choice. I would then, from how this is set up, I have to assume then that the patient is going to be taking the better drug that the doctor feels they want, instead of the cheapest one. The prescription is written that day and then the doctor and the patient are going to have to fight with the Government to justify the need for that drug, but that out-of-pocket expense has already occurred. Would it be, am I accurate in my understanding of this, that the patient will be paying up front and then it has to go to appeal and sometimes the appeal might work and sometimes it might not work, but that patient is out of pocket money right up front?

Mr. Chomiak: I think, under the present regime that was put in place in '97 for some drugs, the individual gets the drug and if the individual wishes to appeal

the decision, it is not that difficult to get an appeal or to get a decision made. I should point out to the member that the member uses the words "better drug," and I do not think that is appropriate. We are not talking about a better drug. We are talking about a drug that has the same effect and the same impact with respect to outcomes. That is scientifically demonstrated and that is what has been recommended. It has been scientifically recommended and recommended by all the reports that I cited earlier.

Mrs. Driedger: From the time that the doctor or patient starts the appeal process, how long might it be before that patient would be reimbursed for their extra expenses if they have been forced to take a different drug, other than the one that is covered?

Mr. Chomiak: No one is going to be forced to take a different drug.

Mrs. Driedger: Well, Madam Chairperson, I would like to indicate to the Minister of Health a comment made by Dan Bernaerdt, the Executive Director of the Arthritis Society of Manitoba, saying that the reality of maximum allowable cost pricing is that a number of people living with arthritis in Manitoba will likely opt for a treatment that may be less effective because it will be more affordable for them.

Madam Chairperson, I think while the minister may like to think maybe there are not going to any negative ramifications from this, we are certainly seeing a lot of negative ramifications from the increasing deductibles.

Here we have somebody, the head of the Arthritis Society of Manitoba, indicating that, in fact, we could see situations where patients, because of their financial situation, they cannot afford to pay that top-up to get a different drug, one higher up on the list. They are going to be put in a position to be taking the ones that they can best afford. But, if somebody feels very strongly that, well, we will have to maybe do without milk for a while and get that other drug, I am just worried about how long they are going to have to wait for their reimbursement to come their way.

Mr. Chomiak: First off, they will not have to wait because this is not based on costs, this is based on scientific and medical evidence. It is not a question of denying drugs based on costs, it is a question of determining what is the best scientific and medical

evidence to take a particular drug and that decision will be made by people who are expert in these discussions including the physicians who prescribe, the pharmacists who fill the prescriptions, et cetera.

Mrs. Driedger: Those are the only questions I have today on the Pharmacare program. So I thank the staff for being here.

The next thing I would like to just briefly discuss with the minister is comments in the newspaper by Daren Jorgenson of Canadameds.com, an Internet pharmacy. I guess he said he has been working with the provincial government in some discussions about setting up the first privately owned and operated urgent care centre in north Winnipeg. I wonder if the minister could just tell us a little about what kind of negotiations are going on with the Government to set up a privately owned and operated urgent care centre.

Mr. Chomiak: Madam Chairperson, as the member might know, most doctors' clinics in the city of Winnipeg are around the province of Manitoba, are privately run clinics and are set up by medical professionals to offer their services either a fee for service or a salary basis to Manitobans. Doctors do it all the time.

Mrs. Driedger: Does the minister see an urgent care centre which doctors do not normally run as a private enterprise? Is he acknowledging then that we are open to business in Manitoba for privately owned urgent care centres?

Mr. Chomiak: Madam Chairperson, most clinics in Manitoba are privately owned.

* (15:30)

Mrs. Driedger: Mr. Jorgenson has described his as a 24-hour a day walk-in clinic that would do stitching and castings. I am not aware of a whole lot of doctors' private offices that actually put on casts. He is indicating that it could be opened in about 18 months, and he is certainly talking about an urgent care centre.

Now, we do not have privately owned and operated urgent care centres right now in Manitoba. Our urgent care centre is at the Misericordia Health Centre, and Mr. Jorgenson is coming forward with what he feels is an innovative and needy opportunity

for north Winnipeg. He says he is in negotiations with the Government. I am just asking the minister because he has been very clear in the comments in the paper that he is talking about an urgent care centre and, to my knowledge, there are no privately owned and operated urgent care centres right now. But he is talking about the area's first one, and I am just curious what kind of discussions have been going on with the Minister of Health

Mr. Chomiak: Madam Chairperson, there are, and there continue to be, walk-in clinics that provide urgent care services and individuals open them and close them on a regular basis.

Mrs. Driedger: So is the minister saying, then, that the model for the one Mr. Jorgenson is talking about, where they are talking about stitching and casting patients, is he saying that model, then, is not a model that is based on the same model at the Misericordia Health Centre?

Mr. Chomiak: Madam Chairperson, I read in the paper the indications of what the member read in the paper and I can indicate that individuals have to go through a variety of regulatory approvals to own and operate medical services. I know that the member has a very close association with a private clinic in the form of the Maples that operates in Winnipeg. So that is all I can say on that.

Mrs. Driedger: You know, it indicates here in the newspaper article that Mr. Jorgenson is already working with the provincial government and there are discussions in this area. I am curious as to how far those discussions have gone, just also knowing the minister's basic hostility to privately owned clinics. I am surprised that he is even, then, wasting Mr. Jorgenson's time in any discussions in this area. I would wonder why the minister is wasting Mr. Jorgenson's time, then, if he is not going to allow him to privately own and operate an urgent care centre.

Mr. Chomiak: Madam Chairperson, the last time events, the member talked about events, the Maples Clinic came to Manitoba and said that they had signed and were negotiating a bunch of contracts with Manitoba Health, and that was, in fact, not the case. I am not wasting Mr. Jorgenson's time.

Mrs. Driedger: I understand that the contract with the Western Surgery Centre has only been signed for

a six-month period rather than a year-long contract. Can the minister indicate, why the change?

Mr. Chomiak: Madam Chairperson, the decision was made and it is part of negotiations. The decision was made and it stands as it exists.

Mrs. Driedger: That is just a really lame answer, but, can the minister indicate whether that contract with the Western Surgery Centre is going to be extended past the six months?

Mr. Chomiak: Madam Chairperson, I do not think it is appropriate for me to negotiate publicly in any regard to issues of this kind.

Mrs. Driedger: Now I heard a story floating around out there and I guess I would like some clarification from the minister because there are people that are saying that during the day you can go to St. Boniface Hospital and have an MRI but in the evening there are pets that are actually accessing that MRI for, I guess, an MRI on pets. Can the minister tell us if that is accurate?

Mr. Chomiak: Madam Chairperson, I am not going to comment on rumours that the member brings forward.

Mrs. Driedger: Well, I am sure the minister must know the answer to this. I mean, it is an MRI in one of his facilities. Are pets being allowed to have MRIs in this facility after hours?

Mr. Chomiak: Madam Chair, when the original agreement was put in place with respect to the MRIs by the previous Tory government, certain hours were allocated towards the usage of the MRI during the day and certain hours were allocated for research and other purposes. That has not changed, as far as I know, dramatically.

Mrs. Driedger: Are pets—

An Honourable Member: Darren Praznik told me that. Darren Praznik set it up. He told me that. We have a pet scan now, Myrna.

Mrs. Driedger: CAT scans and pet scans. I think this is a significant question, one of concern, because it was a family member of somebody who is on a very long waiting list to have an MRI. They were told that they could not come in the evening because

the time was allocated for pets. I am just asking, and the minister seems to indicate that that very likely may be, and it might be something that has been in place for a long time. I have to say I am not aware of it being in place for a long time. Can the minister indicate, he does seem to know that something is happening in this area. Can he indicate whether animals are getting in there to have MRIs?

Mr. Chomiak: Not only have we extended the hours of the operation of the MRI, but the member might note that we have put another MRI into Health Sciences Centre and we are putting another MRI into Brandon. We have done significant increase in MRI numbers, worthy, I think, of recognition across the country in terms of increasing MRIs in this province.

Mrs. Driedger: No, the minister did not answer the question. I think it is a pretty significant situation in this province when humans are having trouble accessing the ability to have this diagnostic test, because those same technicians must be there doing it on other hours than with pets, but people that might have cancer or something else cannot access that.

I would imagine too, then, that people that are bringing in their pets are having to pay a good amount of money to have that test. Can the minister tell us who gets that money? Does Manitoba Health get that money?

Mr. Chomiak: This from a member who accused me of micromanaging the health care system and that I should not micromanage the health care system. Madam Chairperson, there are MRIs operated all across Manitoba by research agencies and by other agencies doing different things. The practice was put in place under the previous Tory government. I had a long discussion with the former, former Minister of Health, the Honourable Darren Praznik, in this regard during the course of Estimates debate about 1998.

Mrs. Driedger: Madam Chairperson, there certainly should be more diagnostic machines available. There have been tens of millions of dollars coming from the federal government just for diagnostic equipment. Recently in the *Brandon Sun* we saw that 68 patients had to be rescheduled for CT scans at the Brandon Regional Health Centre not long ago after a broken tube put the machine out of commission for four days. They indicated that this was the fifth time the machine has broken down and the longest in the

past year. Can the minister indicate whether, with all of these federal dollars coming in for diagnostic equipment, is Brandon in line for a new CT scanner?

* (15:40)

Mr. Chomiak: Just let me for the record note: new CT scanner at St. Boniface Hospital; new CT scanner at Health Sciences Centre; another one at Health Sciences Centre; a new one at Children's; a new one at Concordia; a new one at Grace; a new one at Seven Oaks; a new one at Misericordia; a new one at Victoria; one in Thompson; one in Brandon; one in Boundary Trails; one in Steinbach; one in Norman; and now recently one in Portage la Prairie, for a total of 18.

At a time when we came into office, when times were limited on CT scans, that people were limited to the amount of CT scans they could get, we now have 18 operational, not just in the city of Winnipeg, but around the province. We have renewed a whole series of others, including looking at the Brandon situation, because what has happened in terms of CT scan technology, it has gone from 2 and 4 slice to 16 slice and it is much more sophisticated with respect to the machinery. So I think, suffice it to say, that the increase in CT scans has been dramatic.

Mrs. Driedger: So it should be with all the federal dollars that have been flowing into this Government. We could only have dreamed about it when we were in government. They cut back almost a billion dollars out of our funding over a short period of time in the nineties. This minister has seen a billion dollars of new money in the last four years, so he should be putting it into diagnostic equipment and improving service there. I am concerned now, Madam Chair, that with all these CT scans, I am wondering if cats and dogs are accessing them in the evenings too. You are charging them and the money is coming in to Manitoba Health coffers to run health care. I mean, that is an interesting scenario.

I am hearing from a number of patients that are so scared to wait any longer for surgery here in Manitoba, or for diagnostic tests in Manitoba, that they are going to the States. There are a number of them, because of their fear, they have gone to the U.S. and they have had either a test or surgery, and Manitoba Health will not even compensate them at the Canadian rate.

Is the minister at all open to looking at this, to address these situations where people have been too afraid to wait. They have gone and had something done. Eventually, they might have had it done here. In one case, there was a man that went there. His tumour was so big by the time it finally was taken care of in the States. But is there any opportunity here for a number of these patients to at least be covered or compensated at the Canadian rate?

Mr. Chomiak: Of course, the member knows what the policy was in 1999 when they were in government. The member knows that. The member also knows that what we did when we came into office was we took the critical injuries fund, and that is people that were waiting beyond medical standards for cancer treatment. It was atrocious what was happening in this province, Madam Chairperson.

We put in place a provision to allow individuals to go to the United States to have the treatment done. We brought down the country's longest waiting list to the point now that the list for those waiting is the shortest, the second-shortest in the entire country. So we have made provisions, particularly for life-giving treatment. The rules and regulations that we have put in place have helped hundreds and hundreds of Manitobans receive fast treatment. I note that the CEO of the, quote, "Grafton Clinic" indicated that business is down two thirds since we have come to office, which is fairly significant, if memory serves me correctly.

I would also like to indicate to the member that we wanted to make it very clear that we would advise all Manitobans what the provisions are with respect to out-of-province travel, et cetera. We put on an advertising campaign so Manitobans were aware of what the rules are and members opposite criticized us for telling Manitobans what the rules are. So you cannot have it both ways all the time.

Mrs. Driedger: Is the minister prepared at all to look at a policy change? Policies are not written in stone. There are opportunities to address it and all I am asking him, is there any window of opportunity? They are not asking for the tens of thousands extra that they paid for in the States. All people are looking for is just the Canadian equivalent. Is there any possibility of addressing a policy change in that area?

Mr. Chomiak: What we have done is taken surgeries, for example, Madam Chairperson, and moved them out of the city of Winnipeg, a very unique concept for Manitoba, had not been done before. So we now do pediatric dental surgeries in Thompson, hundreds. We have moved additional surgeries to Steinbach. We are negotiating for other surgeries in rural Manitoba and, unfortunately, members opposite have not been supportive of us doing that. Imagine taking surgeries out of Winnipeg and moving them to rural Manitoba and members opposite criticize us for that.

Point of Order

Madam Chairperson: The member from Charleswood, on a point of order.

Mrs. Driedger: The minister knows darn well that we have never criticized surgeries going into rural Manitoba and, in fact, I have said in the past that is a good way to make better use of our rural facilities. So I would just ask him not to put erroneous, misleading information on the record.

Mr. Chomiak: On the same point of order, I think it was just in the past week and a half we were criticized for some expenditures in Beausejour, Lac du Bonnet, to put pediatric surgery there, and the members opposite were critical of our doing that and moving surgeries out of Winnipeg there. I do not understand it, Madam Chairperson. I do not think the member has a point of order. I think it is a dispute over facts the member has confused.

Madam Chairperson: In my opinion, this is not a point of order. This is a dispute over facts.

* * *

Mrs. Driedger: Well, the minister has not answered the question, has not finished.

Mr. Chomiak: As I was indicating, Madam Chair, one of the things that we have adopted is to put services closer to home: dialysis in the north; surgery in rural Manitoba; building hospitals in rural Manitoba; expanding in rural Manitoba. I think we can do within Manitoba, provide the services for all Manitobans, and that is why we have been recognized by independent observers in most areas as having, for example, hip and knee replacement, the

second-lowest waiting list in the country; reducing cardiac surgeries by 30 percent.

I think that any independent review would indicate that we have done considerable, and we will continue to do that, particularly utilizing under-utilized facilities to provide surgeries and other services. Madam Chair, I have just gone through the list of diagnostic procedures that are provided in rural Manitoba that were never considered for provision. We are now doing that. We are one province and we are trying to get services to all Manitobans.

Mrs. Driedger: The question to the minister would be: Is there any opportunity for revisiting his policy so that, when people are too afraid to wait here, they are petrified, they have been told they possibly have cancer, they want a diagnostic test, should they want surgery, is there any willingness to even review the possibility of at least covering them for the Canadian value, Canadian rate of that particular surgery or test that they have had done in the States?

Mr. Chomiak: We have a policy in place that, on recommendation of a medical specialist, if the procedure can be applied outside of Manitoba, we will pay the cost for it.

Mrs. Driedger: Well, Madam Chairperson, the minister is simplifying it a lot more. There are people that right now are sitting here, destitute, very, very, financially destitute, because they have been too scared to wait and they have gone to the States and they cannot be compensated.

* (15:50)

Also, there is another person that I would just like to talk about. It is a Dave Parker. This man has a prominent disc bulging in his cervical spine area. He has got nerve problems in his hands, he cannot sit, he has recently fallen. Because of his fall, he has had to be put on a lifeline costing him \$40 a month. He uses a walker. He cannot golf. He is hunched over. He had some damage in his neck when he fell again that is now radiating down his back. He has had some various diagnostic tests, and apparently his CT scan shows that he needs an MRI.

I talked to him several weeks ago. He needs an MRI and he cannot get one here until July 30. In 48 hours, he could have one done in Calgary. Would the minister be prepared to pay for his MRI in Calgary?

Mr. Chomiak: I cannot discuss specific cases with the member here in Estimates. If the member can get the facts to me, I will take a look at that situation, but I cannot deal with specific cases when I only hear it from the member citing particular facts. I have to look at the entire situation.

Mrs. Driedger: I would like to ask this one in a general sense too, because there are lots of people waiting for diagnostic tests here. If anybody needed an MRI here and could not get it in a timely basis, would he be willing to pay for that patient to go to Alberta and have that MRI?

Mr. Chomiak: Recently, there has been some criticism in Alberta regarding their waiting lists for MRIs, Madam Chairperson. We have managed to bring our MRI waiting list down and we are continuing to do that.

Significantly, Madam Chairperson, when the new MRI opens up in Brandon and now that we have another MRI at Health Sciences Centre, we are significantly reducing wait lists and needs in urgent care cases and decisions are made, again, on a scientific and medical basis.

Mrs. Driedger: This man did not even have an option, scientific basis or not. He was told that Manitoba will not pay for his MRI. He could have it in 48 hours. There was not an issue of a waiting list in Alberta. He was told he could have it in 48 hours but that Manitoba would not pay for him to go there because it was being done at a private clinic. Somehow, I feel, in all of this health care system that we have got to find some ways to address more timely access to care. It is very troublesome hearing from all of these people that are sitting out there on waiting lists, in absolute fear of what is going to happen to them.

I would now like to move on to another topic of full-time nursing and remind the minister that on September 24 in Hansard he said: "We put in place a council to work with the nurses and with management to increase full-time jobs to 65 percent by April 1 of 2004. Madam Chairperson, never before targeted or done in Manitoba history. We put that in the collective agreement. We negotiated with the nurses."

At the time all of that was happening, it was a bit troubling to me, because I just had a sense that the Government was not really fully committed to that. I

did not think they did their homework at the time. If they would have done their homework and worked with front-line nurses they might have got a more accurate picture of where the nursing profession was at at the time.

Now, the Minister of Health says he is still committed to those kind of changes. What I would like to ask the Minister of Health is, related to moving towards more full-time nurses, what is his goal for more full-time nurses by 2005, 2006, 2010. Has he sat back and done projections about where he hopes to be at certain points in time?

Mr. Chomiak: Madam Chairperson, I am very pleased that we had a negotiating process together with nurses and frontline nurses and management to look at how we could improve the situation vis-à-vis full-time nurses. We did not want to adopt the policies of the past where it was a command from on high, zap you lose your job, Madam Chairperson. Rather, we wanted to work with nurses, work with management, to deal with the situation and I am pleased to see several things.

Firstly, Madam Chairperson, that the rate of full-time nurses has increased. Secondly, we have taken a number of steps to increase that over a period of time in conjunction and in agreement, I want to underline that, in agreement with the nurses. Third, I would like to add that we now have in Manitoba 879 more nurses working than when we came to office in 1999–879. I will not talk about what happened in the 1990s because the member knows full well what that might occasion in the course of debate in discussion here.

Mrs. Driedger: Well, the Minister of Health could have saved nurses a lot of grief if he would have consulted with the nurses prior to even setting up this goal of 65 percent by April. Instead, he ended up in a situation of flip-flopping. I think he has taken a hit on his credibility. I mean, he is the one that stood in the House and was just ranting and raving when he made this particular comment. I wished he would have spent more time working with the front-line nurses before he even started down that path.

According to the nurses' union, there is 33% full time for the last four years. It has not budged. I would like to ask the Minister of Health, how does the minister plan to achieve through attrition getting more full-time nurses in the system, and what are his

projections for—you know, like right now, if we have been sitting at 33% full time over the last four years, is he hoping to move to what, 37 percent by 2005? Has he set some goals here?

Mr. Chomiak: At the conclusion of the exercise with nurses, I underline again, Madam Chairperson, with nurses that we undertook, it was agreed that we would move towards more full time, we would do it through attrition, we would do it through float pools, and we would do it through scheduling with respect to new positions that were coming aboard so as not to cause a disruption in the workplace but at the same time provide opportunities for full-time nurses. The last stats that I saw indicated, in terms of graduates, far more full-time nurses than before. For once perhaps the member would acknowledge that there are almost a thousand more nurses than there were in 1999.

Mrs. Driedger: Well, the minister does not seem to have an answer to this question. I am not going to argue against the fact we have got a lot of nurses. They entered the Faculty of Nursing, the bulk of them, in 1999 due to the very, very good advertising by the Faculty of Nursing at the University of Manitoba. They went on an aggressive advertising campaign to recruit more students into the faculty. I find it strange that this Minister of Health keeps wanting to take the credit for that, when in fact it was the Faculty of Nursing that had signs on buses and had signs inside buses. They had an aggressive advertising campaign. That was the year that a lot of students entered the Faculty of Nursing. I give them full credit for the big turnaround. I think that it is a bit insulting that the minister keeps trying to take the credit for what the Faculty of Nursing achieved.

But the minister has not answered the question. I think it is a valid question. Where does he intend to move forward with full-time nurses? What is the percentage of full-time he hopes to achieve over the next period of time?

Mr. Chomiak: As I indicated, Madam Chairperson, we undertook the most extensive—actually across the country they are looking at the experience of Manitoba with respect to the exercise that we had entered into with the nurses and with management to achieve more full-time nursing positions. We have managed to achieve more full-time nursing positions and we have managed to put in place a process whereby through the process of attrition, through the

process of float pools, through the process of hiring practices, we will be able to increase our level of full-time nurses. The vacant rates are down dramatically.

I do not think credit really matters in this regard. I think all Manitobans went to bat for this. If the member wanted to take credit for it, that is fine. Credit does not matter. What matters is we have more nurses in Manitoba than we have had at any time in the past decade. Thank heavens for that, because they are able to offer the care to the patients that need it in our system. I might add, we have more of almost virtually every other profession because of the training programs, most of which we are funding out of our Budget that we have increased over the past few years that the members have voted against.

Mrs. Driedger: It appears to me from the minister's lack of an answer in this area that he really does not have a plan or a view to what he wants to achieve in this area. I would have thought that there would have been some type of goal that would have been set towards working to full time. But it is easier to avoid that because then you cannot be judged. It is just like the Minister of Healthy Living cannot be judged on his Budget because he does not have one.

* (16:00)

The projections for nursing vacancies in rural Manitoba are not as rosy as what we are seeing in the city. I was speaking to a nursing leader the other day who indicated to me that, when the nurses are going to be hitting magic 80 within the next four to five years, we could start to see a huge cohort of nurses retiring.

Ms. Kerri Irvin-Ross, Acting Chairperson, in the Chair

Now, while we have the new grads coming, does the minister have any projections in terms of whether we are going to be losing more due to retirements than we are going to see coming up through graduations?

Mr. Chomiak: Madam Acting Chairperson, not only are we aware of it, but our plan that came out three years ago considered the demographic factor. There were a number of processes put in place to deal with that particular issue. I will provide the member with the plan that came out three years ago in terms of our

five-point nursing plan to deal with that, which we have achieved, I might add.

Mrs. Driedger: I hope the minister might be right because this could be a shot between the eyes a few years down the road, and it is only going to hurt patients, if he thinks that he has fixed everything.

Madam Acting Chairperson, can the minister tell us: Has he reached a decision to provide only generic drugs in personal care homes?

Mr. Chomiak: Madam Acting Chair, decisions of that regard are made by the medical and scientific people with respect to that issue. I know the member has been inaccurate in terms of her comments with respect to Alzheimer's drugs. So I do not know where the member is coming from with that issue.

Mrs. Driedger: Whoa, I am surprised with the minister's answer. There is a strategy in place at the WRHA, not so much scientific as just a WRHA policy to move toward a closed formulary which would mean that only generic drugs will be provided in personal care homes.

Has the minister not been apprised of that decision made at the WRHA?

Mr. Chomiak: Madam Acting Chairperson, that is not a decision that has been made at the WRHA that I am aware of.

Mrs. Driedger: Can the minister indicate if medical groups, various medical groups, are in discussions with the WRHA about this movement towards allowing only generic drugs through a closed formulary in personal care homes?

Mr. Chomiak: Madam Acting Chairperson, there are all kinds of discussions that go on in the system, but I am certainly not going to provide any factual acknowledgment to statements made by the member. When decisions are made in policy sense, they go public.

Mrs. Driedger: Just so the minister is fully aware that there are certainly a number of concerns in this area of the movement toward generic drugs in personal care homes and what that is going to mean to patients in those personal care homes.

I would like to move on to another topic. There was a news release that went out, I think it was

yesterday, from the Manitoba Society of Seniors. They were expressing some very serious concerns about Internet pharmacies from their perspective. They felt, according to their news release, Internet pharmacies have caused—well, what they have said, and I will quote, "We have seen drug shortages, a worsening pharmacist shortage, rising drug prices, and now the Province is cutting our drug benefits."

Can the minister indicate, or what does he have to say to the Manitoba Society of Seniors who are worried about these drug shortages, a worsening pharmacist shortage and rising drug prices?

Mr. Chomiak: Madam Acting Chairperson, firstly, we have increased the funding to the Pharmacare budget this year unlike the 1990s when \$20 million was taken out of the Pharmacare budget and two thirds of people were eliminated.

Secondly, Madam Acting Chairperson, the last time the federal Minister of Health commented on this matter, the federal Minister of Health indicated there were no drug shortages that could be attributed to Internet pharmacies.

Thirdly, Madam Acting Chairperson, I note that the Leader of the Opposition (Mr. Murray) supports Internet pharmacies in Manitoba.

Mrs. Driedger: I would remind the minister I am just reading off of a news release that the Manitoba Society of Seniors put forward, and it is their concerns and their observations, so I hope he is not calling them liars or anything in terms of what they have said. They are seniors. They are the ones taking the drugs and they are seeing shortages—

An Honourable Member: Are you saying all seniors take drugs? Everyone takes them, not just seniors.

Mrs. Driedger: The Manitoba Society of Seniors is indicating they have seen drug shortages and rising drug prices. I am wondering if the Minister of Health has met with the Manitoba Society of Seniors to discuss their concerns.

Mr. Chomiak: We have a very good communication with a variety of people in the province and, any time any instances of drug shortages are raised, we do a follow-up within our program. I might add that drug shortages are a factor that have been a factor in the province for a considerable period of time, but we do

follow-up on every instance that comes to our attention.

Mrs. Driedger: Did the minister put in place a formal tracking system or a surveillance system, a formal one, to actually track drug shortages, or does he just take anecdotal calls or complaints of shortages that come through his office?

Mr. Chomiak: We are participating in a federal-provincial group that is looking at tracking.

Mrs. Driedger: I am afraid that does not satisfy me very much in terms of that answer.

What, specifically, is the minister doing in Manitoba to formally track drug shortages, or is he just waiting in his office for a frustrated pharmacist to call him about a shortage? Is there an actual formal tracking system to track drug shortages in Manitoba?

Mr. Chomiak: Madam Acting Chairperson, not only do we follow-up on any individual, personal or pharmacist's acknowledgment or suggestion of any shortage, we have also encouraged the coalition of Manitoba pharmacists to forward to us and get to us immediately any concerns they have with respect to drug shortages.

Mrs. Driedger: Now, I note that, earlier this year, the minister had written letters, two of them actually, one to GlaxoSmith and one to Pfizer. Apparently, from these letters, it looks like the minister did have some concerns about growing shortages.

Does he still have those kinds of concerns that he had back in, well, actually, August of '03 and January of '03? Does the minister continue to have those kinds of concerns that led him to write those letters?

Mr. Chomiak: Madam Acting Chairperson, there have been some very interesting developments with respect to drugs and drug provisions and drug utilization in North America. There have been discussions between U.S. authorities and Canadian authorities with respect to dealing with this issue. I expect this will be an issue at least until November of this year when a U.S. presidential election will occur.

Mrs. Driedger: So is the minister fairly confident that the position that the MSOS was putting forward

that he is in disagreement? He is saying that we really do not have the kind of drug shortages they are worried about, that we do not have a pharmacist shortage that they are worried about, that drug prices are not rising according to how they are worried.

Mr. Chomiak: I did not say that.

Mrs. Driedger: The federal government, Mr. Boudria, on April 20 of 2004, introduced a motion to ban Internet pharmacies. The motion read: "That on or after Tuesday, May 4, 2004, that this House call upon the Government to take all necessary steps to ban forthwith the cross-border Internet sales of prescription medicine from Canada to the United States of America."

Has the minister been in any discussion with Don Boudria or anybody in the federal government in terms of this particular motion that they have put forward?

Mr. Chomiak: No.

*(16:10)

Mrs. Driedger: Can the minister tell us where the three new heads for the cardiac program are? They have not been hired. It has been quite some time since Doctor Koshal put forward that report.

Mr. Chomiak: We are in the process of dealing with this issue. I will leave it at that.

Mrs. Driedger: I know that the Government is in the process of dealing with it. I also know that they are having some trouble because there are a number of doctors that do not want to come here and work. Does the minister have any indication as to when these positions will be filled?

Mr. Chomiak: I am quite confident that we will be in a very positive position in this regard shortly.

Mrs. Driedger: Can the minister tell us if there is any funding in this Budget for an ER patient tracking system, in our major ERs at least?

Mr. Chomiak: There is funding for a variety of technological innovations in the system, and if requirement is for an ER tracking system, I am sure that we will have an ER tracking system.

Mrs. Driedger: Does the minister support the decision to remove cholinesterase inhibitors from Alzheimer patients in personal care homes?

Mr. Chomiak: I do not think there is a policy to remove it from people in personal care homes. In fact, there is a much more broad-based policy that is based on utilization, based on testing, et cetera, with respect to providing those kinds of drugs. I might add that we have the most generous provision of those drugs in the community with respect to people that have been institutionalized. We also do testing and reassessment with respect to the outcome indicators with respect to those drugs.

Mrs. Driedger: I would like to ask the minister how he can possibly support his Government spending \$100 million on new VLTs when we are seeing the kind of problems we have in health care in the province, with the kind of addictions that come with VLTs, with his leader talking about VLTs being the crack cocaine of gambling. How can a Health Minister possibly, possibly support his Government with them moving in this direction?

Mr. Chomiak: I support a government that has seen 879 new nurses working in Manitoba that have not been in place for four and a half years. I support a government that has 156 more doctors working in Manitoba since 1999. I support a government that has finally rebuilt Brandon Regional Health Centre. I support a government that finally, after 30 years of being on the drawing board, we are building the critical services project at Health Sciences Centre. I support a government that put an MRI at Health Sciences Centre. I support a government that has 18 CAT scans around the province. I support a government for the first time that puts an MRI outside of Winnipeg. I support a government that is rebuilding and expanding surgery across the country. That is the Government that I support.

Mrs. Driedger: I note from the third-quarter financial statements of the RHAs that the bulk of them are running deficits. I note that administration costs in RHAs have gone up dramatically, and I wonder if the minister has reached a point of having more willingness to look at third-party review, an external review of regionalization.

Mr. Chomiak: Two things, Madam Acting Chair, if the member is asking me to bring Connie Curran back, it is an emphatic no.

The second point, Madam Acting Chairperson, is if one looks at an independent review done by the independent agency of CIHI that was done on administrative costs, it shows that costs have gone down at the regional health authority.

An independent third-party reviewing shows that administrative costs as a percentage have gone down since the time had the responsibility, together with her colleagues, for trying to manage health care in Manitoba.

Mrs. Driedger: Can the minister tell us if Doctor Postl is still doing clinical practice one day a week?

Mr. Chomiak: I believe that Doctor Postl's position is the same as it was when he was working with the members opposite as the Assistant CEO for the Winnipeg Regional Health Authority, at that time called the Winnipeg Health Authority.

Mrs. Driedger: He did not answer my question Madam Chairperson. Would he still be doing clinical practice one day a week?

Mr. Chomiak: I believe he is still doing the same form and type of practice as he did when the members opposite employed him in the Winnipeg Health Authority.

Mrs. Driedger: Madam Acting Chairperson, the minister is being totally evasive. Either he does not want to answer, or he perhaps does not know what is happening. I suppose it could be either one of those.

Madam Acting Chairperson, can the minister tell us what happened to his doctor profiles that he was so bound and determined, felt that they had to be out there, they would be good for health care, and what are we at about 19 months later? Can he tell us where those are at?

Mr. Chomiak: The member will note that we put through legislation permitting it and we are still in the stages of undertaking this venture. I might note that that did not happen from the period 1988 to 1990. It is being developed, and the member should stay tuned.

The Acting Chairperson (Ms. Irvin-Ross): Resolution 21.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$20,616,400 for Health, Health Accountability, Policy and Planning,

for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 21.3. RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,131,700 for Health, Health Workforce, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 21.4. RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,376,700 for Health, Regional Programs and Services, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 21.5. RESOLVED that there be granted to Her Majesty a sum not exceeding \$67,587,000 for Health, Provincial Health Programs, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 21.6. RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,947,174,400 for Health, Health Services Insurance Fund, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 21.7. RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,336,400 for Health, Addictions Foundation of Manitoba, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 21.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$82,474,200 for Health, Capital Funding, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 21.9: RESOLVED that there be granted to Her Majesty a sum not exceeding

\$3,836,300 for Health, Cost Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

* (16:20)

The last item to be considered for the Estimates of the Department of Health is item 1.(a) Ministers' Salary \$58,800, contained in Resolution 21.1. At this point we request that the minister's staff leave.

Resolution 21.1, shall the resolution pass?

Mrs. Driedger: Madam Acting Chairperson, I just have a few comments I want to put on the record and I put these comments on the record before and I would like to indicate them again to the minister that I very much appreciate the responsibility of his job, his workload, trying to juggle all of the competing interests in his very heavy portfolio, his contentious portfolio, his challenging portfolio, and I appreciate the efforts that any Minister of Health makes to address very complicated issues that arise in this particular area.

However, I worry about the sustainability of the kind of funding that has been put forward into the health care system, not just in this past year, but since 1999 there is a billion dollars of new money and we do not seem to be achieving the kind of success and results and benefits to patients that we should be seeing with that kind of infusion of money into health care.

I, certainly, worry about the lack of commitment that this minister has had to keeping his election promises. I am concerned about his mismanagement of several health care issues. We see diagnostic waiting lists that have gone up. We see hallway medicine still a real issue out there. We see an ER crisis where there are a number of problems in the ERs. We see rural hospitals closing. We have cardiac patients who have died waiting for care. We have had a—[interjection] Madam Chairperson, these are very, very serious issues and the NDP members that are sitting around this table right now should be taking this far more seriously, because we are talking about 14 patients that have died in the last few years because our health care system failed them.

We have had one mentally ill woman who fell through the cracks of the mental health system and

froze to death in the snow. We have an emerging orthopaedic crisis when somebody says what is the next crisis. The number of people on this waiting list who are waiting in pain with a very, very decreasing quality of life, I think, are what we see as an emerging crisis. I think the minister has actually been negligent in his handling of some of these issues, particularly the ER crisis and the cardiac surgery. I think I would even call that a crisis, because it is causing huge problems. I was just speaking with a man on the phone today who is a patient right now at St. Boniface Hospital; in fact I have not talked to somebody in a long time that is as upset as he is right now at the wait that he has.

This Minister of Health is dropping the ball far too often. He is making mistakes. The Minister of Healthy Living (Mr. Rondeau), well, I was expecting far more from this minister, but he has no budget. He was not allowed to answer some questions that the Minister of Health felt that he should be the one to put forward the information. The Minister of Healthy Living could not even answer on his own how many staff he had in his office, basic answers. He was turning to others for what he should say. His inability to articulate his role, his own position as well as his department, certainly does not give me any confidence in where he is going.

Therefore, Madam Acting Chairperson, I move, seconded by the Member for Arthur-Virden (Mr. Maguire), that line 1.(a) Ministers' Salary be reduced by \$58,785.

Motion presented.

The Acting Chairperson (Ms. Irvin-Ross): The motion is in order. Debate may proceed.

Mrs. Driedger: I would like to add one more point to this. That is related to the whole Pharmacare deductibles being raised by 15 percent over the past three years. I would like to say that the number of calls that we are getting and the concern out there on how tough this is on lower-income and middle-income people, on the disabled, on seniors is causing a huge amount of stress. People, particularly seniors and the disabled and the lower income, are having to choose between milk or medicine.

Seniors are being affected and children are being affected. It concerns me that we have seen this now happening for three years, this rising of deductibles.

Madam Acting Chairperson, the Minister of Health continues to justify his decision and continues to ignore the negative impact his decision is having on seniors, fixed- and low-income individuals. It is because of that that we have made the motion, and I did not make it lightly, I would never make this lightly, but that the salary was reduced to \$15, the Minister of Health, and the Minister of Healthy Living's salary should be reduced to \$15, representing \$1 for every one percent his Government has hiked the Pharmacare deductible.

The Acting Chairperson (Ms. Irvin-Ross): Is the committee ready for the question?

Some Honourable Members: Question.

The Acting Chairperson (Ms. Irvin-Ross): The question before the committee is the motion, moved by the honourable Member for Charleswood (Mrs. Driedger), that line 1.(a) Ministers' Salary be reduced by \$58,785.

Is it the pleasure of the committee to adopt the motion?

Some Honourable Members: No.

Some Honourable Members: Agreed.

Voice Vote

The Acting Chairperson (Ms. Irvin-Ross): All those in favour of the motion, please say yea.

Some Honourable Members: Yea.

The Acting Chairperson (Ms. Irvin-Ross): All those opposed to the motion, please say nay.

Some Honourable Members: Nay.

The Acting Chairperson (Ms. Irvin-Ross): In my opinion, the Nays have it.

* * *

Mrs. Driedger: Yeas and Nays, Madam Chair.

The Acting Chairperson (Ms. Irvin-Ross): Does the honourable member have support of another member?

An Honourable Member: Yes.

The Acting Chairperson (Ms. Irvin-Ross): The honourable member does have support. This committee will now recess in order to proceed to the Chamber for a counted vote. This section is now recessed.

The committee recessed at 4:30 p.m.

The committee resumed at 4:48 p.m.

Madam Chairperson in the Chair

Madam Chairperson: Committee of Supply, come back to order, please.

Resolution 21.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,755,800 for Health, Administration and Finance, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Madam Chairperson: This completes the Estimates of the Department of Health.

The next set of Estimates that will be considered by this section of the Committee of Supply is the Estimates of the Department of Conservation.

Shall we briefly recess to allow the minister and critics the opportunity to prepare for the commencement of the next set of Estimates? Five minutes? One minute? *[Agreed]*

It is agreed to briefly recess for one minute.

The committee recessed at 4:51 p.m.

The committee resumed at 4:57 p.m.

CONSERVATION

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Conservation. Does the honourable Minister of Conservation have an opening statement?

Hon. Stan Struthers (Minister of Conservation): Thank you very much, Madam Chairperson. I want to, first of all, say that I am very pleased to present the department's Estimates. I trust that the members opposite have had a chance to look over the supplementary information that we have provided.

Madam Chairperson, I also want to say that I am very pleased to be the minister of a department that has so much history, so much value, so much tradition and such a connection to the people in this province. Our department deals with a lot of issues that I have always been interested in. I am very pleased to be able to be the person that sits in the minister's chair and works on a lot of these issues.

I think this is a very important, very integral department to our Government and to the life and real community conditions that exist in Manitoba. I also want to say that it is a department that—well, before I was ever elected to represent the Dauphin-Roblin area, many of the issues that we deal with in Conservation have been issues of my interest for a long time and my family's interest for a long time. I know that members opposite have many stories and many experiences that deal with either the old Department of Natural Resources, or Water, or Wildlife, Forestry, the old Department of the Environment. Those are all brought together here in our Department of Conservation. I am very pleased to be able to sit across from my friends on the other side of the table to look through the Estimates of our department.

Madam Chairperson, I would also like to say, very clearly, that I appreciate and acknowledge the efforts of all of the people that work within the Department of Conservation. We have a very dedicated staff willing to put in long hours on behalf of the people of Manitoba. I want to make sure that Hansard is absolutely, unequivocally supportive of the people who work so hard in our departments. I offer the co-operation of everybody in the Department of Conservation to members opposite and to the people of Manitoba to continue working hard on issues that are so important to all of us in our province.

These men and women in the department have worked faithfully to fulfil the mandate of the department and to protect and manage our environment and natural resources for present and future generations. I would also like to note that the department has

undergone an organizational change during the past year, notably, Madam Chair, through the creation of the new Department of Water Stewardship. This year's Budget reflects those changes. I will highlight our progress over the past year and touch on some of the new and continuing initiatives for this fiscal year.

Manitoba Conservation is a service-intensive department. We are committed to delivering quality services to the public. Our goal is to address issues and problems without compromising the sustainability of our environment or our natural resources. Madam Chairperson, we believe integrated decision making is the foundation for resolving issues. We will continue to focus our efforts on ensuring the sustainability of Manitoba's natural resources by maintaining environmental integrity and biological diversity, while addressing important issues such as protected areas and forest health.

We will consult with local communities and stakeholders, particularly with Aboriginal peoples, in seeking meaningful input in advance of significant decisions. Madam Chairperson, we have a strong regional and community-based presence throughout our province, ensuring high visibility and access to our clients.

Madam Chair, we will continue to improve our one-stop approach and ensure consistent program delivery at the regional level. Our staff is dedicated to problem solving and customer satisfaction.

* (17:00)

The major planning initiative for the east side of Lake Winnipeg is nearing completion. Consultations with affected communities have been conducted over the past year, engaging 34 First Nations, Northern Affairs and Métis communities within the planning area.

Last month, Madam Chair, as a demonstration of the importance of this planning exercise, I took the opportunity, along with many of my colleagues, to visit these communities and gain a first-hand look at the region and also gain an understanding of the views of the people that live there. These communities are critical to developing an effective planning regime for the east side. We must understand and acknowledge their perspective.

With this in mind, an MOU was signed on April 22 of this year between the Manitoba government

and First Nations communities which will lead to a protocol to govern all future negotiations on the appropriate uses of land on the east side of Lake Winnipeg.

Further workshops and community events are planned to ensure proper consultations are accomplished and that all voices have been heard. A report with planning recommendations for the East Side Round Table to consider is expected to be completed shortly. A broad area plan for the region, based on the needs of the local communities and the principles of sustainability, will be the result.

Madam Chair, major steps have been taken under the Livestock Stewardship Initiative to work with livestock producers to better protect our land and our water. Amendments to the regulations on livestock production have been recently announced providing stronger, more effective protection to the environment. Our Government is committing the required resources to implement this new regulation. Staff resources have been designated to review and assess data from soil and water quality monitoring procedures conducted at livestock operations. Nearly \$600,000 in additional operating funding has been provided to support livestock inspection and monitoring procedures.

Madam Chairperson, an area that I am very interested in and I know members opposite are as well is protected areas. Our Government remains committed to the establishment of a system of protected areas that fully represents the tremendous biological diversity across Manitoba's natural regions. Since 1989 the area of protected land has increased from 350 000 hectares to 5.4 million hectares in 2004. This is approximately 8.4 percent of Manitoba's land that is now protected. As well, the department has designated the Bell and Steep Rock Canyons and the Little George Island Ecological Reserve as protected areas.

The focus for this year will be to advance consultations to establish a number of new protected areas in Manitoba. I am pleased to advise the committee that additional resources have been dedicated to support this priority initiative. We are also preparing plans to announce a number of new ecological reserves.

On March 19 of this year, Madam Chairperson, an MOU was signed by the Premier and myself, along with my federal counterpart, Minister David Anderson, signifying our shared commitment to

make progress on the Manitoba Lowlands National Park. I am happy to say my department and this Government have taken the initiative to make this a priority. We hope to conclude consultations and negotiations over the next 14 months resulting in the protection of this unique and ecologically significant land along the western shores of Lake Winnipeg. With a new national park, not only will we be conserving an important piece of Manitoba's natural heritage, but we will be providing economic benefits and new opportunities for those who reside near the proposed sites.

As members likely know, more Manitobans are enjoying our provincial parks every year. We operate nearly 6000 campsites for transient and seasonal camping. Providing infrastructure and opportunities for a weekend outdoors for Manitoba families is an important responsibility that Manitoba Conservation takes seriously. We annually welcome over five million park visitors including day users, campers, cottagers and organized groups.

To meet this demand we started an aggressive campaign to develop 1000 new cottage lots, 1000 new campsites across the province, and \$750,000 in new money was allocated for this initiative. I am happy to report that an additional \$350,000 has been approved this fiscal year for this program.

This program is well underway. Staff is busy identifying sites, determining the appropriate infrastructure requirements and addressing the potential environmental sensitivities. While this is a popular initiative with Manitobans, we must ensure that it is done right. Madam Chairperson, our commitment to recreational opportunities does not end there. We will continue to upgrade the existing government-owned facilities and parks around the province and ensure that camping and cottaging remains a desirable option for all of Manitoba's families.

Madam Chair, I want to talk just a little bit about the sustainable forestry unit. The Government is committed to expanding economic development opportunities in the North through its Northern Development Strategy and committed to expanding Aboriginal participation in the forest sector, as noted in the policy document, *Next Steps: Priorities for Sustaining Manitoba's Forests*.

The Sustainable Forestry Unit was established under the direction of the Premier's (Mr. Doer)

Economic Advisory Council and is housed within Conservation. The SFU was established in June '03 to implement the Aboriginal forestry component of *Next Steps* and assist to implement the community and economic development components of Northern Development Strategy.

During the 2003-2004 fiscal year, Madam Chair, the SFU staff played a key role in the following initiatives: establishing a foreign tech office in The Pas; identifying economic development opportunities for Aboriginal communities interested in entering or expanding; establishing a federal-provincial working group to address Aboriginal forestry issues of common concern.

The Northern Forest Diversification Centre received three-year funding assistance from the provincial government and the federal-provincial economic partnership agreement to establish a self-supporting enterprise. The centre is developing a non-timber forest products business and training partnership with Keewatin Community College.

The centre teaches northern residents to make non-timber products using resources from around their communities and markets and products on their behalf. Last year, the Northern Forest Diversification Centre doubled its sales over the previous year to \$250,000.

Madam Chair, the Wildlife and Ecosystem Protection Branch ensures the sustainability of the province's biological diversity, wild plants and animals, and land resources. Bovine TB is a contagious bacterial infection that can affect cattle, bison, deer, elk and sometimes humans.

Manitoba was given bovine TB-free status in 1986 but in 1991, cattle and elk in Manitoba had been found to be infected with this contagious disease along the boundaries of the Riding Mountain National Park.

The presence of TB is having a significant impact on the local cattle industry. Recent test results indicate that bovine TB may be more widespread in the Riding Mountain elk population than originally suspected and the area's deer population may also have a low-level prevalence of the disease.

Madam Chair, in 2001, a TB management task team was formed consisting of staff from Manitoba

Conservation, Manitoba Agriculture, Parks Canada and the Canadian Food Inspection Agency. Manitoba Conservation and other bovine TB task members will continue with programming targeted at eradicating the disease in the area's cattle, elk and deer populations.

Manitoba Conservation's contribution to these efforts will be \$130,500 for this fiscal year. Madam Chair, barrier fencing has already been installed previously around cattle-feeding sites and stored domestic forage. An aggressive disease-surveillance program was conducted including the collection of up to 500 elk, deer and moose samples annually from hunters in the Riding Mountain area for TB testing.

Chronic wasting disease continues to be a concern to this Government. This disease is a relative of mad cow disease, infects members of the deer family and is always fatal. It has not been found in Manitoba and we have taken necessary steps to prevent its introduction. Madam Chairperson, a CWD surveillance program was initiated in the western part of Manitoba. Conservation remains concerned about the possible spread of this disease across our borders having a potentially devastating effect on wildlife populations and harming our domestic hunting and outfitting industries. For this fiscal year, the department is planning to again test deer and elk samples which have been harvested by hunters along our borders, and this program will operate on a \$125,000 budget.

Manitoba Conservation partners with numerous organizations across this province to promote, educate and conserve our environment and natural resources. These organizations have become familiar to many Manitobans since they are active on the landscape to facilitate change and promote awareness.

My department is proud to be a sponsor and partner with these groups who serve the public and have many dedicated volunteer members across Manitoba providing their time and expertise in promoting positive change.

Madam Chairperson, a sampling of the groups which will receive annual grants this fiscal year include Ducks Unlimited at \$200,000; Manitoba Eco-Network, \$50,000; the University of Manitoba's Natural Resource Institute, \$10,200; the Manitoba Habitat Heritage Corporation for the North American

Waterfowl Management Plan at \$645,000; and the Manitoba Trappers Association, \$60,900.

This is just a small sample of the organizations that we have developed partners with over the years. We will continue to nourish and foster our relationship as we move forward together to conserve Manitoba and make our society more sustainable. Working with these organizations will continue to be a priority for this Government. Madam Chairperson, that concludes my opening remarks. I look forward to hearing from the members opposite. Thank you.

Madam Chairperson: We thank the Minister of Conservation (Mr. Struthers) for those comments. Does the official opposition critic, the honourable Member for Portage la Prairie (Mr. Faurschou), have any opening comments?

Mr. David Faurschou (Portage la Prairie): My comments will be brief insofar as echoing the minister's remarks as they pertain to respect for the personnel within his responsibility in the Department of Conservation. I, too, share the respect for the challenges that the department personnel face each and every day, especially the natural resource officers who are charged with the responsibility of preserving and protecting our natural resources here in the province of Manitoba. I believe that this department is vital to the future of this province with the natural resources that are within his charge.

* (17:10)

I am, though, disappointed to see the reduction this year in actual dollars of expenditure within the department of 1 percent. I will note also that there is a decrease in every department with the exception of Administration and Finance. Perhaps the minister at some time will have opportunity to elaborate as we go through the Estimates in more detail.

I, too, Madam Chairperson, want to congratulate the minister on his appointment to this position and wish him well in his responsibility, but I would like, at this time, to yield the floor to my honourable colleague for Lac du Bonnet who has questions relative to his constituency.

Madam Chairperson: We thank the critic from the Official Opposition for those remarks. Under Manitoba practice, debate of the minister's salary is traditionally the last item considered for the

Estimates of a department. Accordingly, we shall defer consideration of this item and proceed with consideration of the remaining items referenced in Resolution 12.1.

At this time we invite the minister's staff to join us at the table and we ask that the minister introduce his staff present. Would the honourable minister introduce his staff, please?

Mr. Struthers: Sure, thanks. It is with a great deal of pleasure that I introduce the hardest working, best looking staff in the provincial government, beginning with my deputy minister, Don Potter, Wolf Boehm, assistant deputy minister in charge of Finance. I have Dave Wotton in charge of Conservation Programs, and Mr. Serge Scrafield, the assistant deputy minister in charge of Environmental Stewardship.

An Honourable Member: Fine looking bunch.

Mr. Struthers: They are, are they not?

Madam Chairperson: We thank the minister. We will now proceed to the remaining items contained in Resolution 12.1 on page 44 of the main Estimates book. Shall the resolution pass?

Some Honourable Members: Pass.

Mr. Gerald Hawranik (Lac du Bonnet): Yes, Madam Chairperson, I wonder if we might proceed on a global discussion basis, first going through line by line.

Madam Chairperson: Is it the wish of the committee to proceed on a global discussion basis?

An Honourable Member: Let us do global.

Madam Chairperson: Agreed? *[Agreed]*

The floor is open for questions.

Mr. Hawranik: I have a few questions, and they basically relate to constituent concerns. I am in Lac du Bonnet. I am in the Lac du Bonnet constituency. I have two provincial parks within the constituency. We have a lot of natural resources in terms of minerals and forestry and so on, so a lot of issues in conservation affect my constituency.

The first is with respect to a phone call that I received a few days ago. After that phone call, I

received a number of other phone calls from residents in the area, that is in the Mars Hills area northwest of Beausejour. It is a wildlife management area. It is quite a sensitive area because it really is pristine forest that is located on sand and gravel deposits. It is quite a sensitive area in terms of the environment. I have a number of residents there complaining that, on the weekends, people come in from wherever. They are not necessarily residents of the Lac du Bonnet constituency, but they come in and they use the forest for a racetrack for Motocross bikes. He says in some areas that track is three or four feet deep.

They have talked to the conservation officer in the area, Jack Kowalchuk, and he seems to think that he is powerless to stop it. As well, they complain on Sundays the forest is being used as a firing range for target practice, and that happens every weekend, particularly now in the summer. They are kind of concerned in terms of the environmental impact that this is having on the Mars Hills area and the disturbance, I think, to residents in the area.

I am wondering whether the minister can undertake to look at that situation, maybe speak to the conservation officer. I know it is Crown land; it is not private land. We are talking about Crown land now where people are—technically, I guess, they are not trespassing if they are on Crown land, but certainly, if they are creating damage in a wildlife management area and damage, particularly environmental damage, to that particularly sensitive area, I think that should be of concern to the minister.

Mr. Struthers: First thing I want to say is that I cannot agree more with the Member for Lac du Bonnet when he brags about his area, how scenic it is and what an important part of our conservation family of parks his area falls in. Many others would be jealous to represent the areas that he does, and I know that the conservation issues are important to him and to the people in his area.

Specifically, with Mars Hills, I thought maybe he was going to talk about wild boar. That is usually what I hear of in that area. Maybe that is coming later. In terms of a specific question, what I will do is follow-up with that. I will take him up on his suggestions that we should look into this particular issue.

Our goal always is to make sure that there is a balance of usage and that our parks and our areas are

there for everyone. If one activity is hampering or hindering or blocking another legitimate activity in our areas, then we do need to do something about that, so I will make that undertaking to him to follow-up with that.

Mr. Hawranik: Madam Chairperson, my next question has to do with, not something that happens in my particular constituency, but happened with respect to some of my residents in terms of hunting. In fact, I am an elk hunter. I know a lot of people in my constituency who are elk hunters, and they were really quite dismayed this past January, February, when departmental helicopters were chasing what they thought, anyway, the elk back into the park during hunting season. You extended the season for hunting into February.

You extended that season and it probably was justified because of the fact that there was a low harvest before that but, from their point of view, they bought a licence—you extended the season for them. They bought a licence; they made the effort to travel across the province to go hunting; and they get there and all they see is Natural Resources helicopters flying above them counting elk. Certainly, there has to be a better way of doing it. If you are concerned about elk population in Riding Mountain, why can it not be done before or between or after hunting season? Madam Chairperson, they were really quite dismayed after having spent the time, taking time off work, spent the money for a licence and went out there for a week and saw absolutely nothing. In their view, it was because of the elk counts that were taking place.

Mr. Struthers: Well, let me begin by thanking the Member for Lac du Bonnet for asking one of my constituency questions. You do not have to spend a lot of time in the coffee shops around Dauphin and Grandview and Roblin and Erickson to hear what the member has just put on the record here in Hansard. But the fact of the matter is, we have a very serious bovine tuberculosis issue that we have to deal with in and around the Riding Mountain National Park.

Madam Chair, we are working co-operatively with the federal government, the Parks people. We are working with our counterparts here in Manitoba with the Department of Agriculture. We are working very hard with local producers in order to try to eradicate this bovine tuberculosis. It is a big issue that we have to get control of, because you can go

back into those same coffee shops and listen to producers who are very worried about the future of the cattle industry because of this incidence of tuberculosis in our area.

* (17:20)

The member actually put his finger on one of the reasons why there has been activity in the sky above the park. That is counting, surveillance to provide numbers upon which we make decisions. I think that the member would be distressed if we were not counting the elk and then making decisions on how many tags to issue. Knowing that the member is an avid hunter, I should congratulate him on helping us with our TB problem by taking an elk out of that part of the world last fall.

The issue of the helicopters, helicopters are contracted by the federal government. We work with the feds in order to try to make sure that the work that needs to be done to control and eradicate bovine TB happens and that we do this with as little disturbance of the natural park and the activities that go on in the park. But this is an issue that has been an issue for quite some time. It predates my time here in the Legislature. I know there were complaints in this area for a long time. I want to assure the member that there is no conspiracy to keep him or anybody else from legitimately taking elk during the seasons and that our support for hunters and their abilities to get into our areas to take elk remains strong.

Mr. Hawranik: Madam Chairperson, I recognize the fact of disease spreading from elk to cattle is an issue. My main concern, and I do not expect a response necessarily from the minister with respect to this, was a lack of planning. I think it could have been planned out differently, and maybe for this hunting season. Maybe it was because the crisis situation happened that you could not plan it in advance, but I think that, with something like this, the department should learn something from this. Hopefully, there should be better planning next year. That is my only comment with respect to that.

I want to go on to the cottage lot issue, and I know the Premier announced in 1999 he was going to develop a thousand cottage lots. That is five years ago. He promised it again in 2003 during the election, and he has promised it again. He keeps promising and promising and promising. I know the

department is working on it because I get many calls, particularly from commercial operators upstream from Pointe du Bois power dam in the Pointe du Bois area, who are really concerned. Rumours seem to be running rampant in the community in terms of how many cottage lots are going there. I have heard anywhere from a hundred to a thousand and I know you are only going to be developing a thousand. I am certain it is probably not going to be a thousand, but they have some concerns because they are in a rather remote area. There are four outfitters, four lodges that are on that river upstream from Pointe du Bois. The first one you can drive to, and then there are three others you cannot. When you go fishing there, it is almost like going in to a fly-in fishing lodge. So their concern is, if you put too many cottages there, it in fact will change the nature of their business and maybe put them out of business.

My suggestion to you, if you are thinking of putting them there, is—I cannot change that because it is your prerogative. First of all, they do not want any cottage lots there. That is the first thing they tell me. The second thing, though, is that if there is any they would prefer to see a limited amount or cottage lots between the Slave Falls Generating Station and the Pointe du Bois Generating Station, which would be a little more acceptable to them and would affect them less. So, with respect to Pointe du Bois, I think that is the position that people who have cottages there take and the commercial operators as well. I have to sympathize with them, because particularly after 9-11 there are fewer Americans coming up to enjoy the services that they offer.

Secondly, I have written not to Mr. Minister, but to your predecessor, with respect to Bissett; we have a community in my constituency in the North that is really suffering financially and really suffering in terms of population. That community council is really in favour of cottage lots in that area. The Bissett community has a lot of services like hydro, telephone and so on, and Rice Lake and other lakes in that area can be developed. So I would encourage development there. As well, near Pinawa, upstream from Pinawa on the north shore of Whiteshell Provincial Park is probably a good area. But, with that particular area, I would caution you in terms of before you do any development in that area, and I understand it is rumoured to be so, that you in fact talk to the council and you talk to the community and make sure that it is in keeping with the nature of their community. While it is an urban community, it is a

community that is very much in touch with the surroundings and the environment. So, before you put anything there, I would suggest that there be some public hearings in that community.

Having said that, I would like to know how many cottage lots you have got scheduled for the constituency of Lac du Bonnet, if you can give me that information, whether public hearings are going to be held within the constituency, and the schedule that you might have for development.

Mr. Struthers: The member has put his finger on a very important issue and a very high priority for our department in terms of the commitment to 1000 cottage lots. I also want to acknowledge that the advice that the member for Lac du Bonnet has generously imparted to me on this issue over the last number of weeks and months. I can understand completely that, given his area, given the way it has been set out in the Canadian Shield, with the forest and the lakes, that there is going to be a lot of interest on his part, but also on the part of local municipalities, local folks who want a cottage. I can understand that people who are already on the lakes, who already have cottages there, are going to be worried that we take our 1000 cottage lots and just slap them right there into the middle of the Whiteshell.

I want to assure the member and his constituents and cottagers in the area that we are looking around Manitoba. We are looking for good cottage lots, affordable cottage lots, because there are so many things out there to enjoy for Manitobans. I do not want a Manitoban to be unable to participate and not have a cottage to spend our beautiful summers in because they cannot afford it. So one of the guiding principles that we have been working under is the principle of affordability and making it so that as many Manitobans as possible in every region of Manitoba have a shot, a legitimate shot, at receiving a cottage.

The other part of this that is very important, the other principle that is very important, is the principle of environmental sustainability. We have to be very careful that we leave as small a footprint on this one as we possibly can. I do not want to be in a position where we load up a lake with a whole bunch of cottages and add a whole lot of stress to the water, to the wildlife, to the trees. So the other principle that guides us is the environmental principle. We are not

going to get ourselves in a position after making such good progress with waste water regulations and those sorts of things, I do not want us to get into a position where we put undue stress on the lakes and rivers and forests, on the environment in his area, or in the area of Portage la Prairie, or my area of The Parklands, or Brandon, or in the north, or anywhere in this province. Those are the principles that we are guided by.

We also want to be aware of the economic impact that we will have on some of the people that the member for Lac du Bonnet talked about, outfitters, people who make their living guiding, people who make their living in the hotel business, ecotourism. Madam Chairperson, we do not want to have a negative economic impact, a negative financial impact on the people who are already there, who are already contributing to the local economy, who are already deriving their lifestyle and their occupations there out on the landscape, so we are going to be mindful of that as well.

I did go to the meeting of the Whiteshell cottage association. I had a very good meeting.

Madam Chairperson: The time being 5:30, I am interrupting proceedings. The Committee of Supply will resume sitting tomorrow (Friday) at 10 a.m.

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 Executive Council. Would the Premier's staff please enter the Chamber. We are on page 20 of the Estimates book. Questions?

Hon. Jon Gerrard (River Heights): Just allow me to put my questions in a variety of areas in context for the next few minutes. One of the things that the Premier and his Minister of Finance (Mr. Selinger) have talked about is accountability, transparency and setting priorities. It occurs to me that one of the things that we need in terms of increased accountability and clear priorities from this Government can be looked at in the context of how the Government is using, for example, the equalization transfers from the federal government, which in the 2003-2004 fiscal year were \$1.414 billion. These equalization

transfers are for making sure that Manitoba is able to apply the services on an equivalent basis with other provinces.

I would ask the Premier what his priorities are for the expenditures of the transfers on equalization that he receives and that Manitoba receives from the federal government.

Hon. Gary Doer (Premier): The Constitution of Canada is our priority.

Mr. Gerrard: Mr. Chair, normally a government sets out some strategic priorities and lines up its budgetary expenditures in the same direction as those priorities. So, you know, I do not see an expenditure line for the Constitution of Canada. What I would like is an expression of how the Premier prioritizes his spending in evaluating his expenditures based on the revenues that are received in transfers from the federal government.

Mr. Doer: The Constitution of Canada provides for comparable services in Canada at comparable taxation rates. That is what we follow and that is what we will continue to follow.

Mr. Gerrard: I am trying to get an understanding of where the Premier perceives the services to be behind, so that he needs to be able to spend transfer dollars in order to make sure that we have comparable services.

Mr. Chair, the Premier and his Government have talked about water stewardship. We saw that the budget for Groundwater Management, Surface Water Management and Aquatic Ecosystem Management have been decreased over the last several years. This would appear to be not a priority in terms of expenditures of equalization dollars which have increased over that period.

Mr. Doer: Well, the member just looks at one set of numbers. If he looks at the commitment we made with Canada, and I want to applaud Reg Alcock, the agreement to have infrastructure dollars directed to the sewage treatment in Winnipeg, if he looks at the number of boil water orders, if he looks at the drainage policy, if he looks across departments, then he can go beyond the superficial analysis that we just received and into a more in-depth discussion.

Mr. Gerrard: I am just trying to ask a fairly straightforward question in terms of the Premier's

priorities for the expenditures based on the transfers received from the federal government. What are the Premier's priorities for spending those dollars?

Mr. Doer: Our priorities are to live within the Constitution of Canada. I am very concerned about living within the Constitution of Canada and that is to provide comparable services to our citizens at comparable tax rates. That is the Constitution. That is the constitutional dictate under which the program operates, and that is how this Budget implements the constitutional requirement.

Mr. Gerrard: What I am just trying to understand simply, is the spending on health care, for example, a priority of the use of those equalization dollars coming from Ottawa?

Mr. Doer: Again, I follow the Constitution of Canada: comparable services at comparable taxation rates. That is the requirement out of the Constitution. We think the application of the Constitution by the Liberals is wrong going to a five-province average. The member might know that nationally the amount of money per citizen went down in Manitoba in the last year. It went down in Canada in the last year. The federal budget I think had projected \$12 billion last year and it is down to \$8.7 billion this year, but we follow the Constitution of Canada. Any other answer to the member opposite would put me at peril with the Constitution of Canada, and I do not want to be at peril.

Mr. Gerrard: I do not understand why the Premier thinks he would be in peril if he told me what his priorities are for spending the equalization dollars transferred from Ottawa. Is it health care? Is it education? Is it water? Is it justice? What is it?

Mr. Doer: Mr. Chair, I will get the exact quote. I think I am quoting it fairly accurately. I will get the constitutional provision for the member, but the constitutional provision is comparable services at comparable taxation rates.

Mr. Gerrard: Let me approach this question slightly differently. In the Budget you have just completed, the 2003-2004 fiscal year, the equalization transfers increased some \$77 million. Mr. Chair, is the number I have based on the forecast estimate which is in the Budget and that increase from the previous year of \$77 million, what, in terms of the Government's priorities, was the use of those dollars? How were

those dollars used? Is the Government going to provide us some accountability?

Mr. Doer: Mr. Chairman, the member might know that we received an increase in equalization based on our increased population, so an increased population means that there are more people to provide comparable services to at reasonably comparable taxation rates. We fulfilled the constitutional obligation to more people.

Mr. Gerrard: Is the Premier indicating that those dollars were spent on the increased services for Manitobans for health and for education and for roads and for water services, or for what?

Mr. Doer: I am required under the Constitution of Canada to provide comparable services at reasonably comparable taxation rates. That is what we are doing in our Budget and that is what we are committed to doing. The only difference this year was there was a decrease in the per citizen grant on the basis of a decline in the economy in the five-province average and there was an increase in our population based on a very, very successful government in growing the economy, that, in turn, with more people, they require more services. The bottom line is we are following the Constitution of Canada.

Mr. Gerrard: All I am asking is in which services in particular can the Premier give us some details?

Mr. Doer: Mr. Chair, the Constitution of Canada does not provide for a delineation of comparable services and so I have to say that I have to follow the Constitution of Canada, which is comparable services at reasonably comparable taxation rates. That is the constitutional requirement.

Mr. Gerrard: I would have to assume that he, as Premier, has some idea of which kind of services he wants to make sure are comparable and which services do not have the same priority and he does not feel need to be comparable.

Mr. Doer: I do not go by feelings; I only go by the word of the Constitution. I do not have a "feeling" issue. It is comparable services at reasonably comparable taxation rates.

Mr. Gerrard: The Premier (Mr. Doer) talks about comparable services and comparable taxation rates instead of talking about priorities. It seems to me that

one of the problems here is that the Premier is not actually setting priorities except under this rubric comparable services and comparable taxes. I give the Premier another opportunity to provide some indication of what his priorities are for making these expenditures.

Mr. Doer: The constitutional requirement is the paramount document that I have as Premier, to operate under, and that is exactly what I am operating under.

Mr. Gerrard: Mr. Chairman, I would submit to the Premier that the average Manitoban is concerned about specific services, is concerned about the Government's priorities and would like to know what the Government's priorities are for its expenditures, particularly for those expenditures which are received and transferred from Ottawa. I would give the Premier one more chance to tell us a little bit about his priorities for these expenditures.

Mr. Doer: My priority is to live under the Constitution of Canada.

* (15:10)

Mr. Gerrard: In the most recent budget, the Budget clearly shows that, when we look at the general purpose debt of the Province, that debt has risen by \$54 million based on the pattern of expenditure and revenue last year. Under normal approaches, as most of us understand accounting, balance our budget in terms whether it is a home or a business or a government, one would consider that \$54 million a deficit. Yet the Finance Minister and the Premier have talked about having a balanced budget. I would ask the Premier to provide an acknowledgment that \$54 million has had to be borrowed, that it really is a deficit.

Mr. Doer: We are following the law of Manitoba, the balanced budget legislation. That was our election commitment. Mr. Chair, I re-read the member opposite's election promise, notwithstanding the fact that he could not afford the \$900 million in tax cuts that he made primarily to the banks and argued that the economy would go from 3.2 percent to 3.4 percent, which was quite an interesting exercise in fiscal predictions. I am following the law of Manitoba. That is the commitment I made. I noticed the member opposite did not campaign on getting rid of the balanced budget legislation.

Mr. Gerrard: Normally, when you have to go out and borrow \$54 million, one considers that a deficit rather than a balanced budget. I would just ask the Premier to tell us whether he considers this a deficit or a balanced budget.

Mr. Doer: Well, the amount of money we are utilizing in this current government's expenditures for expenditures and revenues is exceeded by close to 100 million, because there is a \$96-million debt payment and that is why the debt payments in the Government books have gone down. The Crown corporations have a projected surplus situation, although we do not run the Crown corporations to utilize the Crowns to balance the budgets of the operating side of government.

We run Crowns, at least we do in Manitoba, to have the lowest rates in North America. That is what they do. If we were to use it as some instrument under the balanced budget legislation, and we do not, then there would be a requirement to deal with the rates. Our job in rates is to keep them as low as possible, not to run big surpluses.

Mr. Chair, there was, in 1962, the Conservative government eliminated the payment of the employer's portion of civil servants' pensions. It also eliminated the Crown corporations' employer payment. It also eliminated the teachers' payment. The NDP in the seventies, when they created a Manitoba Public Insurance Corporation, started that Crown corporation with fully funding the pension liability. It also, in the 1980s, and I know, I was minister responsible, started funding all the Crown corporations' pension liability. If the member opposite will read the Julian Benson audit of 1988, he will find the liability on the civil service and teacher pension plan signed with 1.2 billion and if he will read the Deloitte Touche audit, it was up to 2.9 billion.

The only part of government that has a fiscal challenge is a pension liability created in 1962. So was there a challenge to deal with that in 1962? Yes, there was. But, Mr. Chair, there is no deficit on the operating side of government. There is a debt payment. Our debt payment as a percentage of GDP in our Budget, I, quite frankly, think, is certainly in better shape than when the member left office in Ottawa in 1997, not that I want to be political about it.

But there is a pension liability. Member opposite, we are the only ones dealing with it. Since 2002, we put together a 40-year plan including paying new civil servants when they come in because we have a high turnover rate with the baby boomers retiring, plus we have a high retirement rate in the institutional parts of government. For example, the correctional institutions and mental health institutions, we are not having a situation where civil servants that are being employed are being employed at 93 percent of costs. We are the first ones to do that.

Now the member opposite should pay attention to the Moody's upgrade, and its new upgrade. They acknowledge for the first time ever that somebody has got a long-term plan to deal with it. I was not elected, I think I was still in grade school when the pension liability decision was made. The best time to have dealt with it was—it is like planting a tree, the best time to plant a tree was 20 years ago. The second best time, as they say, is today. We are dealing with it today.

Mr. Gerrard: Let me return to the issue here which is that the general purpose debt, which was 6.316 billion has gone up to 6.37 billion and that increase in debt represents an increase in 54 million. That is irrespective of the Crown corporations—[interjection] Yes, that is where we are, 54 million. That is based on the performance last year. That is on table B26, net, direct and guaranteed debt, general purpose debt has had to go from 6.316 billion up to 6.37 billion, an increase in 54 million. That is based on the performance last year. So I would ask the Premier once again whether he considers that a deficit or a balanced budget.

Mr. Doer: Mr. Chair, we are balanced under balanced budget legislation, point No. 1, which is our political commitment, and the member opposite did not campaign on eliminating the balanced budget legislation. Secondly, we are balanced on the operating revenue and expenditures of government.

Thirdly, we are projected to be balanced on the Crown corporation side and fourthly, there is a pension liability deficit. We have 210 million, I think, this year, and we are correcting that in two ways. We made the \$75-million debt payment on September 30, 2003. We made a \$75-million debt repayment, and for the last three years we have hired people on the basis of paying their pension liability.

We have said publicly that it makes sense to take a 40-year error of pension liability and correct it over 40 years, and that is what we are doing. The member opposite did not say, "Vote for me and I will pay your pension liability off faster. Vote for me and I will change the balanced budget legislation." We have a democratic mandate, which includes a 40-year plan. We put it out there, right there for the public to see. The reason why we have been given two credit upgrades, and the member opposite can say what he wants, but the financial institutions are more credible to me in terms of their independence than the member opposite, with no disrespect, because they look at the fiscal situation, and they make judgments and they assign report cards.

The member opposite likes his subjective report cards every year. He hands them out. But there actually is objective reporting on financial situations, and the objective reporting is that, since we have been elected, our credit ratings have improved. Would the member not agree to that? Does he not agree that we have a better credit rating today than when we came into office, from the Dominion Bond Rating agency and Moody's?

* (15:20)

Mr. Gerrard: I am just trying to get an answer to a very simple question, and that has to do with the deficit or a balanced budget. The reality is that the Government on the general purpose debt, which does not include the Crown corporations, now has a debt which is \$54 million higher as a result of the performance last year.

Now, irrespective of how this is recorded in the balanced budget legislation, most of us would look at that and if you have to go out and borrow 54 million as a deficit. So I would ask the Premier: Does he consider this a deficit or a balanced budget?

Mr. Doer: Well, I just pointed out to the member that we also paid down \$75 million in direct pension liability plus another \$21 million in debt payment. So 96 minus 54, the fact that it is on a different liability line with the pension is a surplus. We are balanced under balanced budget legislation, but not only that, we are dealing with payments on the pension liability side. We could have done it in the general purpose debt only, like the previous government, the Filmon government. The problem with that is, if we continue to do that, in 40 years we would have paid off the \$6

billion in general purpose debt but we would have \$6 billion in pension liability.

So the one change we made, well, a number of changes we made, the reason why we have a better credit rating today than the Conservatives did when they left office, we disclosed the pension liability. We have developed a plan to pay it down. The plan is a gradual plan because we do not want to take a 40-year error and increase taxes or decrease investments in health and education. That is why, when you take in \$96 million and when you have liabilities, even with the whole issue of emergencies of \$74 million, you are still close to \$30 million to the better. So that is balanced under anybody's definition. The fact that \$76 million went to the pension liability, you have to look at a different page than the member is looking at.

So the answer to your question is both balanced under balanced budget legislation and balanced in that the amount of money we took in and the amount of money we paid down in terms of debt is a surplus, and it has been a surplus for four years. The only difficulty we have is the pension liability, and that is displayed for the member.

If we would have kept it secret like the former government, we would not have been doing the public any service. Mr. Chairman, I think you should be congratulating us for displaying it. It lets you criticize us, but, at the same time, it is displayed for the first time. You go back to the '98 budget and '99 budget, and it was not displayed. It was not displayed, and the Auditor said the books do not fairly represent the affairs of government. He may now argue about the treatment of this. That I would argue, balanced budget legislation is legislation. It is an act of this Legislature.

The member opposite did not promise to change the balanced budget legislation when he was running for office. He promised to give more tax breaks to banks, capital tax breaks, some huge ones. I have never seen actually more corporate tax cuts in my life than when the member opposite campaigned. But he did not campaign on the basis of "I will pay down the pension liability." He campaigned on "I will give more profits to the banks."

Mr. Gerrard: I think what is clear to most people is when your general purpose debt goes up it indicates you have to borrow more money and the net result is

that it is deficit financing. Mr. Chair, that is the Manitoba financial statistics, 10-year summary, same thing year after year. I think that, regardless how you treat that under the balanced budget legislation and, as we are finding, there are ways—and you found them—for finding loopholes in the balanced budget legislation and exploiting those loopholes in order to claim that you have a balanced budget.

Let me move to one of the areas I think is pretty important, and that is the area of health care. We have had a report on health care in the Assiniboine Regional Health Authority quite recently. The report has made some observations, observations which could lead one in a number of different directions.

Just, again, Mr. Chair, to return to this issue of priority and to try and understand what the Premier's priorities are with respect to the Assiniboine Regional Health Authority, that is one example of how one approaches health care.

Mr. Chair, that report has suggested that within the regional health authority there should be a move to circumstance where physicians have call about one-in-five nights, that you have circumstances where you have eight to ten physicians working together. Right now there are 20 acute care facilities in the Assiniboine Regional Health Authority.

Many in the area whom I have talked to are unsure whether the Government is going to follow this approach, and if they are going to follow the approach, how they are going to follow the approach. What is the vision? What are the priorities? What is the plan? This regional health authority is an example of where and how the Government is setting priorities in the area of health care.

Mr. Doer: I better take a look at the list of Estimates because I thought the Department of Health was up right now, while we are speaking. So I assume that they are dealing with that report there. I have not got a recommendation from the Minister of Health (Mr. Chomiak). I will not comment on it.

Mr. Gerrard: That has been discussed. I asked the Minister of Health some questions on this report. But the reality is that what I am trying to get from the Premier is the big picture view of where the priorities are in terms of health care and in the delivery of health services in rural areas and the access to health services.

I mean, there are a whole lot of issues around this report which are important and can be used as an example of how the Government is setting priorities on health care. It is disappointing that the Premier, when I ask him what his priorities are, they are the Constitution of Canada. When I ask him what his priorities are in terms of rural health care he says, "Well, I won't comment on it."

Surely this is an opportunity to give the Premier an opportunity to speak on his priorities as they apply to the delivery of rural health care. So I would give the Premier one more chance to talk to his priorities in this area.

* (15:30)

Mr. Doer: Well, the expenditures in our rural health care are reflected in four budgets, and that is the big picture. I am glad the member has discussed the report with the minister. The first place he is getting advice is from the people living in the area and the people serving the area. Then, when he has completed that process, he will make recommendations to us. I do not want to say anything that can be used. It is a pretty sensitive time right now and I do not want anybody to misuse any words I might mention. So that is my big picture, to be sensitive to people. I am sure the member would respect that.

Mr. Gerrard: Let me move to another area, again on the theme of priorities and transparency and accountability. I know that the Premier has taken up on the theme, the initiatives, that we have talked about within the Liberal Party. That is, having better accountability of the money which is raised in gasoline and fuel taxes and expenditures on building and maintaining highways. It is fairly easy to find the money raised on the revenue side of the Budget, but in the expenditure side it is not clear precisely how the two match up. What I am asking the Premier is whether, in fact, the Premier is going to wait until the legislation is passed and then provide some changes in the reporting for next year so that there will be a closer, clearer understanding of the link between the money raised and the expenditures made?

Mr. Doer: Well, Mr. Chair, I will have to check my facts, but I believe the member opposite was part of a government that raised gas taxes 2 cents as a deficit-fighting measure and promised when the deficit was to be slain that they would then reduce the tax. I will check the dates on that.

We have the second-lowest gas tax in Canada. Mr. Chair, we are proud to bring in The Gas Tax Accountability Act because it will more than demonstrate our actual expenditures, consistent with the law. This is the first jurisdiction in Canada to do that, and it will be, I think, helpful.

Mr. Gerrard: We are pleased that is the direction the Government is moving, because we believe, at the provincial level, it is very important to do that, and we campaigned on, in fact, exactly that approach to improving the accountability and the transparency in the way expenditures are made.

My question really relates to just how the reporting mechanism and how the Premier plans to demonstrate the correspondence putting the dollars raised to the dollars spent in the next budget cycle and what his approach is going to be.

Mr. Doer: Well, the member is putting me in a little awkward position because the bill has not passed the Legislature, has not gone to public hearings, and it has not been reported out. I do not want to be in contempt of the Legislature.

Mr. Gerrard: I am not asking the Premier to be in contempt of the Legislature. I am just trying to see whether the Premier, in fact, will be moving to look at ways to make a clearer relationship between the dollars raised and the dollars spent.

Mr. Doer: Yes.

Mr. Gerrard: I thank the Premier for that. Just a couple of clarifications around this, there has been passed, now, a bill which deals with the circumstance with ethanol and what that will do is, in fact, take money that would have gone to tax and put it into building the ethanol industry. I think it is quite reasonable to build the ethanol industry, but it would appear that money going to the ethanol industry would not be available then for maintenance and construction of roads. I am just trying to get clarification on that point.

On the second point the Government has raised, the diesel tax in this Budget, and that the money that is raised by the diesel tax presumably will be part of the dollars which go to the expenditures on the maintenance and construction of roads. Is that correct?

Mr. Doer: Well, the member will note that we have increased the amount of money for the capital

expenditures over the amount of money we have raised in the gas tax. The member should also know, if he read *The Globe and Mail* yesterday, we have the second-lowest gas tax in Canada. If he looked at the survey yesterday, notwithstanding the difficulty people are having with taxes, with gas taxes and gas rates in Canada, he will see Winnipeg is quite a bit lower than any other province except Alberta.

Mr. Gerrard: I want to move to look at one of the things which the Premier has talked quite a bit about, and that was the approach that his Government has taken in terms of costing of cataract surgery and comparing the costs from one institution to another.

The Premier, I know, made some statements that buying the Pan Am Clinic enabled costing of surgical procedures in comparison with surgical procedures in other institutions. Doctor Postl said that the costing was actually based on costing at Misericordia, but the principle, regardless of the institution here, is similar, that by comparing the costing, one can look at comparative costs from one institution to another. It seems to me that the Premier at one point was quite proud of the fact that he had brought down the average cost of one particular procedure from \$1,000 per procedure to \$700.

I would ask the Premier whether he is going to follow through and use this approach in other areas. What is his current view of this?

Mr. Doer: Well, I do not want to replicate what is going on in the Department of Health. I am dealing with the Premier's Estimates. The Minister of Health (Mr. Chomiak) is dealing with his Estimates. We are going on simultaneous to that. He has all his officials there. I think it was a good example of where we renewed a contract for a particular procedure at quite a bit lower rate based on a potential to move to utilize Misericordia and expand the Pan Am Clinic at a lower rate, and then the other company came back with the lower rate and that is what happened.

But I am not going to speak to the whole issue of what other procedures we are going to utilize. I notice that Paul Martin is very strongly in favour of the Canada Health Act, and we will follow the Canada Health Act.

* (15:40)

Mr. Gerrard: I wanted to bring this up because I know that the Premier has talked about this on a number of occasions, and clearly I think it is important that we follow the Canada Health Act, but we need to work within the Canada Health Act to look at ways that we can improve the delivery and the cost-effectiveness of how we deliver health care. In that context it was an interesting comment from the Premier in this area with his statement that he was proud of his Government's record in lowering the cost of health care in this particular area. I just wanted to get a little bit more of a view from the Premier in terms of how he perceived this fit in the larger picture of the delivery of optimum health care in Manitoba.

Mr. Doer: I would welcome the member to attend the primary health care unit in the River East area of Winnipeg, and there are going to be more of them. That is obviously the new capital expenditures we are making, equipped to deal with more out surgery and day surgery and less stays. Again, I do not want to replicate what is going on in the Department of Health, but part of what is going on is there is increased demand for people to get services, and there is also increased technology that is aiding us to have some of the costs flattened out. But I do not want to have a situation where the Minister of Health (Mr. Chomiak) is answering detailed questions in the Health expenditures. I think the macro priorities are in the Budget and have been over the past four or five years.

Mr. Gerrard: I would like to get the Premier's view on the northern university. I know that the Premier and his Government have talked quite a bit about the northern university and its importance and so I would like, since it seems to be a priority, if the Premier could tell us how he plans to roll things out in the northern university over the next several years?

Mr. Doer: Well, the legislation is before the House, and again we have the first part of the rollout is the legislation, and I am sure the member will be asking detailed questions in the department of education and training to the minister. The member probably read Duff Roblin's book and probably read Duff Roblin's report on post-secondary education, fairly consistent with those recommendations.

Mr. Gerrard: Mr. Chair, can the Premier give us any indication of the extent of investment his

Government plans to make over the next number of years in terms of the northern university, the people, the facilities and so on?

Mr. Doer: Again, we have a piece of legislation before the House. I want to be very careful to respect the constitutional authority this Legislature has, and I cannot presume that the law is going to pass.

Mr. Gerrard: We in the Liberal Party are certainly strongly in support of the northern university.

What I think is fair, we have asked for a number of years that when bills are introduced that there be some amount of cost-accounting provided at the time. It would have been very helpful to have an understanding that if the Government is going to bring forth a bill that they are actually going to make some expenditures in this area, not just have a piece of paper and a bill. One would hope that they are going to, in fact, follow through on this. So I would give the Premier an opportunity to indicate that there is a little more substance here, that they are actually going to make some investments in the North.

Mr. Doer: I guarantee the member opposite that we will provide more substance to the costing, after the bill is passed, to the member than he provided to the people of Manitoba with those bank-cut tax breaks and of the other \$900 million of expenditures that he had in the election. I promise him more than that. That is the test I will meet. I will meet that test.

Mr. Gerrard: I will wind up my series of questions here, but I must make a comment here. It is the big picture, what is done over a number of years and how we position Manitoba in a competitive position, both in terms of services and taxes, which is very, very important. In order to do that effectively, it becomes very important to set some priorities, both in terms of expenditures and in terms of how funds are raised, so that we are able to have that kind of competitive position that will allow us to attract and retain people.

So, Mr. Premier, I would thank you for your answers today, and I would pass on to the Member for Kirkfield Park (Mr. Murray).

Mr. Stuart Murray (Leader of the Official Opposition): I am delighted to take part in this love-in and would like to—*[interjection]* I wonder if the Premier could share, if there is any information at all,

just with respect to the new or hopeful announcement, I mean it is, perhaps, rumour, but just in terms of what the federal government might be announcing about the centre for disease control. I know that the Premier has been working very hard on behalf of Manitobans and, I think, certainly, we offered our support and would be there 100 percent, as I believe the leader of the Liberal Party would. I wondered if the Premier has any notion or if there is any sense, I am not asking you to put yourself in a, scoop any announcement that might be coming, but just wondered if you could share any updates, if there are any.

Mr. Doer: Well, there is a vigorous debate going at the highest levels of the national government and we have relied more on medical experts in that debate because we think we have, after the community spoke out as one voice, to deal with the total community view across all party lines, with the business community, the political community, we felt the medical community is best able to make the medical case.

So I think they are still working in Ottawa on a, quote, "final, final" decision. I do not want to say anything that will prejudice that, if the member can appreciate it. I just know we live in very interesting times. I hope it is interesting times in a positive way. I think for the patients of Canada, and for the citizens of Canada, having a public health dimension to the existing high-quality lab here in Winnipeg is very important. I think having more science located adjacent to the lab is very important. The key for us is science. We do not expect the political apparatus from the federal Department of Health in Ottawa to be located away from the political arm. When we boil down all the terms, we want the medical scientific assignments to be made where the medical and scientific people and experts exist.

Beyond that, I think we felt comfortable about the lab report, the bio-med city report that we started a year ago. It is probably good that we did that, because we were well prepared for the various arguments when they became more, how should I say it, small "p" political. It got a little bit too regional at one point, in my view. We wanted to deal with our regional, view with science leading, in Ottawa about six weeks ago.

I do not want to say anything. I read a lot, I hear a lot, I can interpret the entrails of these comments to

be positive. I can interpret them to be negative. I will not, therefore, interpret them at all until I hear exactly what the decision is from Ottawa. I think now there will be something that is more Canadian in its announcement. It will have roles for all of us to play, all of us being Canadians. The description of winners and losers is not what we want. We want Canadians to win and we want science to prevail here in terms of the assignments in Winnipeg. I do not know.

* (15:50)

We are getting reports every hour. This minister meeting with that minister. This regional minister is supporting us, this head of medical school is supporting us. Beyond that, I just want to be very careful. We are working as hard as we can on the people that we think are important on the scientific side. If science is not considered in a pre-eminent way, we are going to have quite a file to show.

I think our lead minister is doing a good job. I think Reg Alcock is doing a very good job. I want to give him credit. I will send him the Hansard tonight so that he can bring it into the PM the next time he talks to him. I actually think he is doing a good job, and I thought the Prime Minister asked all the right questions. He was not one of these presentations where it was thank you very much and next appointment. He asked tough questions and good questions and, obviously, was thinking about it. He was asking questions that meant he was thinking about it, both in terms of what is best for health care, what is best, obviously, as Prime Minister for Canada, and what are the political considerations. I think we are in a politically sensitive period of time. I think he was asking all the right questions and we will see.

I remember Jake Epp and Howard Pawley were involved in this deal in 1987, and remember former Premier Filmon reminded the government in November of 1988, most of the coverage was on the Berlin Wall coming down and Clyde Wells railing against Meech, but there was other stuff on that agenda that day at the First Minister's meeting in November of 1988 and Jimmy was at all of them, including writing the constitutional section on equalization, with Mitchell Sharp I might add, also from Winnipeg. He used to deliver *The Tribune*. So I do not know. I appreciate the question, I appreciate the support of the member opposite. It is good for our community, good for our kids.

Mr. Murray: The Premier (Mr. Doer) has ventured into some public-private partnerships with tourism—the announcement that was made—has done so with respect, I believe, to education. I think those are some of the things we on this side would support. We think those are good initiatives.

I am going to make a comment, and then I am going to ask about a hopeful meeting that will take place this summer. I think there has been some reference to a meeting with the Prime Minister of Canada specifically around health I think with all first ministers. At least, I hope it actually takes place.

I know there has been discussion on it, but you know, just interested to see the federal Minister of Health make a comment about the private sector in health care and then kind of do a one-eighty within hours after making it, but I just would like to get the First Minister's views. There is good work being done, I think, private-public partnerships on education that you have entered into, we think that is great.

We think the tourism piece has some good merit and I think the Economic Advisory Council made a good recommendation to the First Minister. Just wondered if you could share your thoughts as to, sort of, that transition then, the opportunities that might exist in that same relationship with respect to health care.

Mr. Doer: Well, there is private educational and government support and federal support for, say, the St. Boniface Research Foundation. There are connections with Mayo Clinic, which is an American facility which is non-profit.

Mr. Chair, there is the nutraceutical centre at the University of Manitoba which has both private and public money in it, and we are going to move to more functional foods, which both has some private benefit and it has some public benefit in terms of health care.

The bottom line is the Prime Minister has said at the lunch, and I think I did in your question to me pursuant to Mr. Pettigrew's comments when you latched upon that statement, simultaneous question with Stephen Harper's in the House of Commons, the bottom line is the Prime Minister stated that he is committed to the Canada Health Act and so are we. There are innovations taking place, but we are

committed to the Canada Health Act. It is interesting the way the study came out of the Hopkins University too. You could argue that both ways in terms of Canada and the United States, but they did point out 45 million people were not covered under a so-called American system.

I think this issue, Mr. Chair, before we will discuss it in any detail as Premiers, will be, quite frankly, the Canadian public it sounds like is going to have a say on this, and I hope they have a say on the substance of it as opposed to the symbols of it, but I am sure the member opposite will be part of that debate.

I think last election he would not take a position about who he was going to support, but I think that was solved for him with the MacKay-Harper marriage and its subsequent Conservative Party. I wonder whether the member is changing his name from Progressive Conservative to Conservative.

An Honourable Member: You do not make reference to same-sex marriages.

Mr. Doer: No, I would not. I could not possibly talk.

Mr. Murray: I just find that if there is an opportunity, it would seem to me, and I appreciate the reference that the Premier made to the research at St. Boniface, an excellent facility, no doubt about it, the pharmaceutical facility, the nutraceutical, I apologize, is, but from his perspective of seeing the rising costs in health care. Certainly, in the House we hear from the Minister of Health (Mr. Chomiak) on an ongoing basis that one of the biggest single increases in costs of health care, the burden of cost is in the cost of drugs, and so we have seen that happen in the province of Manitoba and across Canada. On the simple basis that, if somebody wanted to come in and if they were given the opportunity, from the private sector, to put a facility in that housed an MRI, just as an example, and the Government was able to purchase services from that organization, whatever they may be, an individual or a group of people, there is the private sector putting an investment into health care that is not coming out of taxpayers' dollars. Yet the Government is being able to buy services.

Again, because of the fundamental economics of supply and demand, when you have the perception that health care is really free in the sense that you are

not paying for it, when in fact we know that 42 cents, and rising, of every dollar is going into health care, let me ask it in a positive way: Would you support that kind of an initiative that would allow for a private-sector initiative that would put in the bricks and mortar, buy a piece of equipment, but that you would allow the government to not have to have that capital expenditure but be able to purchase services so that Manitobans would not have to pay for that? There would be savings ultimately because of the capital savings to the government of the day.

Mr. Doer: The latest report out of Johns Hopkins is a couple of years out of date—not out of date, but the data is not current. It indicates the cost of the health care system in the American system is \$5,000 per citizen in the United States and 45 million are not covered. I had other analysis about some of the weaknesses in the Canadian health care system relative with the Americans, and it had some of the strengths. They came to the conclusion that, for something almost half as much in costs, we got equal, although different, results and outcomes. I am going to follow the Canada Health Act.

That is what we are going to follow, and I would not want to spend taxpayers' money if the Canada Health Act allows for certain private investors to make investments, but it also provides the federal government a right to claw back comparable amounts of money, depending on what it is. So we have been trying to follow the Canada Health Act.

We are going to follow the Canada Health Act. We are not going to stray outside of the Canada Health Act on any new initiative. . . . can build a building and put in an MRI. There is nothing illegal about that.

Mr. Murray: For example, Mr. Chairman, as I understand it, MPI was dealing with the Maples Surgical Centre, in other words, buying some services from them. Again, my understanding is that the medical doctors that were working there they were quite satisfied with the way that it worked there because of the way they would sort of record ongoing procedures they were doing which allowed them to be fairly efficient from a medical doctor's standpoint. It does exist.

* (16:00)

The First Minister can maybe correct me if I am wrong. I do not believe that they were breaking

anything to do with the Canada Health Act, what they were doing at that point. In other words, to be clear, my understanding was that that facility was providing a service, that government, through MPI and others, was purchasing services through the Maples Surgical Centre. That is the model, I guess, what I am talking about. It is not a matter, as you refer to, of the Johns Hopkins study that talks about people being without health care coverage in the United States.

Again, it would be a matter of ensuring that services would be purchased, but it strikes me that a lot of the cost that goes into health care, certainly, drugs we have noticed, and it has been brought forward in the House here, but some of the capital costs. It is not a matter of privatization. It is really a matter of using the private sector to make an investment that would, ultimately, save taxpayers' dollars. The fact that it was being done at the Maples Surgical Centre says to me that there is an opportunity. If the bottom line is to ensure that we provide more timely access to care for patients in Manitoba, and that it is not a user-fee pay, but it is a purchase by the provincial government, where do you see that as being either offside with the Canada Health Act or being offside with providing good service to patients, or more timely access to care for patients in Manitoba?

Mr. Doer: Well, I cannot answer the question. The only thing on the Maples Clinic, I have seen ads about, it looked to me, mostly cosmetic surgery ads in the paper. I do not know what else it does. Secondly, and I have not been interested in cosmetic surgery although a lot of people would argue that I need it, so I have not pursued very much. So the Minister of Health (Mr. Chomiak) is doing his Estimates now, you can ask him more specifically about this kind of stuff. I do not know a lot about it. I do know that the former government, Noralou Roos/, who is being honoured soon—what is that?

An Honourable Member: Who is Noralou Roos?

Mr. Doer: She is your neighbour. She did a pretty good study on health care having parallel systems and she came to the conclusion it cost more—three conclusions. One is those people who had money would get access quicker than others, point No. 1. Point No. 2, it would cost more generally because the

best staff would be skimmed away. Three, the majority of the public would have longer waiting lists. So that was a study that was conducted not by the big bad NDP, but this is your neighbour doing a study for your former Premier.

Mr. Murray: I am not going to sort of get into a to-and-fro about neighbours and reports and that sort of thing. I just ask the Premier, I mean, if you are not aware there were services being done at the Maples Surgical Centre, I would certainly take you at your word. I would be a little surprised that you were not aware of some of the services that were being done there because of the report that talked about expanding the Pan Am Clinic, as they are doing now, taking those services that were currently being offered at the Maples Surgical Centre and putting them over at the Pan Am Clinic.

I just would like to, rather than cite a report, if the private sector came in and built a place where there was an MRI that the government provided services for, you will have to take a while to try to explain to me why it is that those people with money would get better service. It is being purchased for those people by the Government of Manitoba. It is not a matter of saying "First come, first served," or you know, "Here is our price tag, if you want to get in you have to pay X number of dollars." No, that is not the issue. The issue is simply that, much like an X-ray clinic, it is privately owned and run, the government provides the service, people show their Manitoba Health card, they get service. So, in the same way, I just do not know how you could argue that only the wealthy or the rich or those with money would get service. It would be purchased by the Government of Manitoba.

Your argument, or even the argument in that report, that somehow people would be skimmed away, I fail to see how that is relevant when the government is ensuring that they are covering everybody the same way they do. The principle is not to say that we are going to put up a price tag here and if you cannot afford it then you are at the back of the line. The principle is that there is, to use an example, 300 people waiting for an MRI and if the private sector comes in and builds a building and puts one in, and the government buys services, whoever person number one is regardless of where they lived, their value, their education, their whatever, number one goes in. Once they are finished then number two goes in. It is not a matter of saying,

"Well, wait a minute, number two, how wealthy are you?" It is irrelevant. It is basically offering that service to the public that is purchased by the government.

I do not look at it as a parallel system. I look at it simply as the private sector coming in and buying bricks and mortar and, perhaps, buying equipment, saving taxpayers' money, but the government buying services.

Mr. Doer: Well, I have to make evidence-based decisions. That is why the Filmon report and the Romanow report are pretty comparable conclusions. So I am using evidence and that is what I will continue to use.

Mr. Murray: Why do you think people went to Grafton?

Mr. Doer: There are less going today.

Mr. Murray: Why is anybody going to Grafton?

Mr. Doer: There are less going to Grafton today.

Mr. Murray: This is the unfortunate part, where the First Minister says that he hopes the public will get involved in this debate. You do not want to debate it. That is a very simple question. Why is anybody going to Grafton today? Whether there are less, or the same amount, should be irrelevant. The question is simply: Why is anybody going to Grafton? I am not going to get into a discussion with you about what you said in the campaign and go back and forth on that. That is not the purpose. I just simply want to know, from your perspective, why is anybody going to Grafton.

* (16:10)

Mr. Doer: Well, I know of people, oh, I cannot mention names, it is against privacy so I cannot go into any detail. The bottom line is there is more diagnostic equipment today than there was before. The waiting lists are reduced, not eliminated, and we will continue to work at eliminating the waiting lists.

Mr. Daryl Reid, Acting Chairperson, in the Chair

Mr. Murray: Welcome to the Chair, Mr. Acting Chair.

I do think that I will move on, but I would like to certainly point out to the First Minister that the kinds

of answers that were given, I think, point to one of the fundamental problems or flaws that we have around the health care debate. I think it was the former federal leader of the NDP who made such a big hurrah about why there should be, sort of, two-tier health and how awful it was and how it should never be, and sort of went on a fairly lengthy tirade about it, only to find out that her mother was going to the States for treatment.

I guess it is unfortunate that if politicians will not allow the debate to take place that maybe it is not going to happen because people should not be frightened by the debate, but it should be a fulsome debate. I am always amazed when there are opportunities to look at how to improve a system and I think that Mr. Romanow, frankly, I thought he could have been a real true pioneer. I think he chose to go in a different direction. But, that is his decision and the taxpayers of Canada paid \$10 million for it. I think that is an unfortunate position but, anyway, that is your position. *[interjection]*

I think you talk all about Romanow and that is what you keep going back to is Romanow. I talked to Senator Kirby and he had his program that he went across the country. I thought that he had some pretty interesting ideas, but I do not know if it is because he did not have the budget that Romanow did or he did not have the play, or was not given the playing field. I do not know. Again, I will maintain that if there is an opportunity for the private sector to put equipment in that was purchased by the government, there was one payer, I fail to see any of the arguments that say the rich would get better service or the people would leave because it is not the intent of the argument at all.

Could the First Minister just give an update on where the maternity ward at Victoria Hospital stands?

Mr. Doer: It exists at Victoria Hospital.

Mr. Murray: Enlightening.

Is it going to remain open?

Mr. Doer: It is certainly open today. I am not aware of any recommendation to change that.

Mr. Murray: Just for clarification, if I understood it correctly, you said you are not aware of any

recommendation to change the maternity ward at Victoria General Hospital?

Mr. Doer: Well, you use the term "change" and we constantly change because we have to. There are some reports, the coroner's report has some impact on it, as the Minister of Health (Mr. Chomiak) has indicated. As I say, Mr. Chair, change, we always change. We constantly change. The world changes, people change, habits change, intake changes. There was a maternity ward at Victoria Hospital yesterday, there is a maternity ward at Victoria Hospital today, and there is going to be a maternity ward at Victoria Hospital tomorrow. It has changed, by definition, already, with the number of births that have been made available, or have taken place. I want to get the right term here. I get traumatized when I get into the birthing room. It has only been twice, so help me.

Mr. Chairperson in the Chair

Members opposite have made predictions. They had made predictions we are getting rid of the balanced budget legislation, too. So I just say that there has been no recommendation to me, and I am not aware of all the deliberations that are going on. I listened with interest to the debate that was going on in the House. I had interesting reactions, even on the streets after it was reported in the newspaper. There is no decision sitting here that I am not giving you because right now the decision is it exists at Victoria Hospital.

Mr. Murray: I do not know what time you were at the maternity ward. I was in the emergency ward at the Victoria Hospital. I did not see you there.

So, just for clarity, what you are suggesting is that the maternity ward at the Victoria Hospital will not close, as you have stated in the election campaign.

Mr. Doer: If there was zero births there—*[interjection]* Yes, we did build that. The evidence was there. There is no recommendation to me to close the maternity ward of Victoria Hospital. There is none. If there was, I would read it.

We are very aware of what is going on at Waverley West. We are aware of the reductions, so far, in the hospital. We are very aware of new information that has come forward in the reports dealing with an incident at the hospital. We are very

aware of what pediatricians say in the area. We are very aware how nurses feel in the area. We are very aware of all of that, but there is no recommendation to me and to us. There is a report that was conducted. I am not talking about the Victoria Hospital, but there have been statements that we have made in the past, I am including myself, and they are overridden with concerns that are raised for the safety of the majority of Manitobans.

For example, some of the advice we received on cardiac care meant we had to change what we were doing. Thank goodness, we did not close St. Boniface, because that might have actually been a problem. If the previous government had been re-elected in '99, they were going to close St. Boniface. I guess, when you look at the reports that were conducted on cardiac care and the report that was completed last summer, or at least last August, both of us did not get it totally right, but we do have the ability now to maintain the St. Boniface Hospital cardiac co-ordination similar to cancer care. If we would have closed it as Wade-Bell had recommended, that would have been a problem. No, Wade-Bell had not recommended it; ministers Praznik and Stefanson were proceeding that way.

So, sometimes we get reports from experts, that are much—Koshal, I think his name was, Doctor Koshal. Mr. Chair, this is an example where we get recommendations from experts that speak to the fundamental safety of patients. We, sometimes, have adjusted our decision making because of safety for patients. I would suggest to the member opposite he also have a caveat for safety of patients, because if he makes a political statement or a policy statement that is overridden with evidence from somebody that—I acknowledge that Doctor Koshal, for example, has more experience in cardiacs than I do. So I am just trying to answer with a different question. I have a big heart. I have to try harder, and I would suggest so does the member opposite.

* (16:20)

I know that job. I know the role. Do not lose your heart, but I also suggest do not lose your head, too, because sometimes you get evidence that is given to you that says, okay, my instincts, my political policy sense, even with the best work, even with doctors giving you advice about what you should do can be overridden by somebody that is even more of an expert, like Doctor Koshal. I am

using that example as an example of how I have changed on cardiac care from what I thought was the right thing to do, based on doctors' advice, but it was not totally right.

Doctor Koshal has given us a new direction for change. The word "change," will you not change something? Well, you always have to change something. You always do. That is not a yes or no on Victoria, but there is no recommendation to the Cabinet or the Government or, I do not think, at the Winnipeg Regional Health Authority board. I am not sure whether those decisions even come to us, but I know it will come to us if we make a change for you—I know that part—as it should; as we would expect it would.

Mr. John Loewen (Fort Whyte): Mr. Chair, I would like to just give the Premier, maybe, a little different view of what the constituents in those areas feel, those in Fort Whyte, in Fort Garry and St. Norbert, because it might be a little different view than what he gets from a report from Deloitte & Touche or some information from the medical experts, but this is what I am hearing on the street from the people and, in particular, from the doctors. As he is aware, Victoria Hospital had a tremendous reputation over the years for delivering non-threatening births, and has provided a very, very wonderful service to the neighbourhood.

The difficulty is that, over the course of the last four to five years, the maternity ward at the hospital has not been funded as it should have been. There has not been an obstetrician there on a 24-hour basis. The difficulty with that is that most of the deliveries there are done by family practice doctors in the area. As the minister is aware, it is an area full of young families. Richmond West is filling out, as we speak, with young families. Whyte Ridge is full, and, of course, Waverley West at some point in the future.

The issue for the doctors is that it becomes virtually impossible for them to run a family medicine practice and take care of deliveries, if they have to do the deliveries out of the Health Sciences Centre and St. Boniface, simply because it is too far away to leave the practice, go all the way downtown or all the way to St. Boniface to deliver a baby. It is too disruptive to their schedule.

So, Mr. Chair, when they see that the resources are not being put into the Victoria Hospital, their first

tendency is to say, "Well, we are not going to take any new deliveries. We are not going to take any new obstetrics cases." The result is that women who are pregnant and going to have babies have to look for those services outside of what has traditionally been, sort of, the general practitioner role in the area. So it is a much different situation than just health or safety. It is a whole interaction between the doctors that are providing services in the area and the mothers, in particular, and the families that are having babies.

So I would hope, when the issue does come forth, and I am very concerned that this side of the equation will not be presented to the Health Minister, or by the Health Minister, as the decision goes forward for a final result. If that maternity ward is closed, it will have, I think, a very, very negative impact on the community as a whole, in terms of not only the delivery of new babies, but in the whole kind of family practice and community practice that is involved in that community.

There are a number of medical buildings on Pembina Highway that are the offices for the family practice doctors in the area. Part of the reason for them being there is that they have had, historically, the availability of the maternity ward at the Victoria Hospital. If the maternity ward is closed, they will be faced with a very serious dilemma. If they want to continue to deliver babies, and they decide to continue to deliver babies, they will likely want to move their practices physically closer to a site where they can deliver babies. That would either mean moving their practice closer to Health Sciences Centre or closer to St. Boniface Hospital.

Under that scenario, the community will lose the services of those physicians, or if they decide to stay with those physicians they will have to travel a lot further.

The second option is for those doctors to say, "Well, you know, we are not going to move our practice, but, given the maternity ward is either closed or closing or threatening to be closed, we are just going to make the simple decision that we are not going to take on any more obstetrics. We are not going to deliver any more babies. Our patients that come to us who are pregnant will just have to find those services somewhere else."

Not only do you lose the continuity of care, but we will lose a very vital community service. So I

hope, when the Premier (Mr. Doer) gets to the point where, perhaps, the Health Minister is bringing forward some of this information, he has maybe a fuller understanding of the total impact on the community. It is not just about the maternity ward. It is about the whole nature of care. I think the Government has taken the right step with opening the health centre off Henderson Highway to provide community care for the neighbourhood. It is not an exact parallel, but, certainly from a philosophical perspective, it roughly amounts to the same thing.

You know, I do take a bit of exception to paying rent on a building for a year and a half before it is housed, but that is a different issue. I just wanted to put that on the record and give that information to the Premier, so he understands that it is going to be a broader discussion than just a maternity ward. When I look at the money that is going into health care, and the Government has been generous in their funding of the hospital, I will, certainly, concede that point.

It is not too many extra funds to get a 24-hour obstetrician on service at the hospital. It is not too much capital to do the necessary equipment upgrades that would be required to keep that maternity ward open. I guess the biggest fear, well, not the biggest fear, but certainly one fear that constituents have is that it is sort of death by a thousand cuts. It is not even so much cuts, it is just not a reinvestment in their community facility.

I know the Premier is interested in re-investing in community care. I just want to say, on behalf of my constituents, I hope the Government will take that issue very, very seriously and look as quickly as possible to see how the situation can be resolved, because, as long as there is uncertainty there, doctors are going to make choices by default, day in and day out. That is an unfortunate circumstance to leave the community in. It is an unfortunate circumstance to leave those expecting mothers in. It does not really do justice to the doctors who have decided to set up practice to service clients in that area. I would hope that the Premier would look forward to providing the necessary resources to Victoria Hospital to ensure that the maternity ward stays open.

I would just be curious to know, he says that he has not had any proposals before him to close the maternity ward, has he had proposals before him that he is aware of to fund a 24-hour obstetrician or to fund the necessary equipment to make sure the maternity ward is state of the art?

Mr. Doer: I know there is a global budget at Victoria under the regional health authority. I also want to point out—I do not know the exact proposals within the lines. I just want people to know the regional, in terms of the constituents, there are people who represent Fort Whyte, there are people who represent Fort Garry, people who represent St. Norbert, Riel and Seine River; they are very aware of what their constituents are saying as well.

Mr. Murray: Could the Premier explain what the job of an Order-in-Council officer is?

* (16:30)

Mr. Doer: Mr. Chairman, it is a person who has been there, I might say, from former Premier Filmon. She will just be really happy to hear that you are raising questions about her job. There is a whole series of legal mechanisms with a thousand—how many Orders-in-Council, a thousand—so that position, the incumbent, obviously, when we were elected we did not exchange prisoners on the Manitoba-Ontario border.

We have two incumbents right in front of us who stay long after the politicians go, and the Order-in-Council person does more than just that, but she is the designated individual to deal with the legal. She is not just doing that. She does do the Orders-in-Council and they are legal documents. There are all kinds of issues of legality.

She also has the responsibility of co-ordinating these documents with the Lieutenant-Governor. For example, if I do not sign things on time, there might be a change on that position in the next period of time. If Peter is listening, I hope he is doing well because I just read the newspaper. I do not know what is going on. I mean His Honour, rather.

Report

Ms. Bonnie Korzeniowski (Chairperson of the section of the Committee of Supply meeting in Room 255): Mr. Chairperson, in the section of the Committee of Supply meeting in Room 255 considering the Estimates of Health, the honourable Member for Charleswood (Mrs. Driedger) moved a motion to reduce the ministers' salaries. The motion reads as follows:

THAT line 1.(a) Ministers' Salaries be reduced by \$58,785.

Mr. Chairperson, this motion was defeated on a voice vote and subsequently two members requested that a formal vote on this matter be taken.

Formal Vote

Mr. Chairperson: A recorded vote has been requested. Call in the members.

All sections in Chamber for formal vote.

In the section of the Committee of Supply meeting in Room 255 considering the Estimates of the Department of Health, the honourable Member for Charleswood (Mrs. Driedger) moved a motion to reduce the ministers' salaries. The motion reads as follows:

THAT line 1.(a) Ministers' Salaries be reduced by \$58,785.

This motion was defeated on a voice vote and, subsequently, two members requested that a formal vote on this matter be taken.

We shall proceed now to vote on the motion.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 19, Nays 29.

Mr. Chairperson: The motion is accordingly carried.

Some Honourable Members: Oh, oh.

Mr. Chairperson: The motion is accordingly defeated.

Mr. Chairperson: We shall now resume the Committee of Supply. As soon as the staff of the Executive Council returns, then we can resume—the minister's staff of the Executive Council.

The table is now open for questions.

Mr. Murray: I would like to, just for the record, read into the Hansard the good work that is being done by Peggy Barta and the Order-in-Council officer. I was just explained the role that Ms. Barta does. I understand it is exemplary and so I am delighted to have that acknowledged in the House, Mr. Chair.

I wonder if I could move on with the First Minister and just ask if he supports a smoking ban in enclosed public places in the province of Manitoba.

Mr. Doer: Well, Mr. Chair, I await the passage of the legislation. I am a servant of the Legislature and the legislation is before the House. Again, when legislation is before the House, I am always careful not to presume.

Mr. Murray: He has cited other reports in other discussions that we have had on health care. Does he support the reports that show that, from a health perspective, there is evidence that supports that second-hand smoke in public places increases the ability for cancer to those people, whether they smoke or not, but that are subject to second-hand smoke? Does he believe and support those reports?

Mr. Doer: Well, I brought in the first non-smoking legislation in Manitoba dealing with day cares, child cares, schools, areas where children were located, and I did so on the advice of experts involved in the Manitoba Lung Association and the Manitoba Medical Association and received quite a bit of negative calls and letters on it after it was passed in the House.

Having said that, I respect the work conducted by the all-party committee. At this point, I am looking forward to the public hearings because I think now the all-party committee has heard from people. It has prepared a report. It has recommendations and, hopefully, it will go before the public soon and we can hear what they say.

Mr. Murray: Was it the intent of the First Minister to bring in that first bill because he felt that for those people that might be exposed to smoking, it was a health issue for those who might be exposed to second-hand smoke?

Mr. Doer: I brought it in for a number of factors, but one of the factors, also, is that children did not have a choice where they were going to be and, obviously, that is different from other issues that are dealt with in this proposed legislation that the minister brought in. So there are a lot of reasons for it. There will be decisions made, but the Government has brought in a government bill based on the all-party committee, and we will proceed.

Mr. Murray: I should have known; I was not aware that you brought in that bill. I applaud you for it. One of the reasons that you claim you brought it in was because children do not have a choice of where they play, so making sure they were not subject to second-hand smoke was one of the reasons I think you referred to. Could you just refresh me or let me know what other reasons you had for bringing in that bill.

* (16:50)

Mr. Doer: It was a while ago. It was one of the first bills we brought in. The legislation before the House today is consistent with the all-party report and that is what we are proceeding with.

Mr. Murray: I am sure that the First Minister is not at all surprised where my discussion will go—

An Honourable Member: I am not surprised where it is going at all.

Mr. Murray: —but I would ask for him to rationalize how we might find ourselves with a smoking ban in public enclosed places. Yet we might find ourselves, also, in the province of Manitoba with one place that may not be. Of course, he knows that is the Aboriginal casino. We have had the potential that the Aboriginal casino is going to be built. We have had this debate before but, perhaps, under these circumstances where we have a bit more chance to have discussion and dialogue, does he support a smoking ban in public places? That would be the extension that would be asked on whether that would include the Aboriginal casino that may be built. I believe it will be built in Brokenhead. Would he support a public ban of smoking in that public enclosed place as well?

Mr. Doer: There is no casino at Brokenhead.

Mr. Murray: If a casino gets built at Brokenhead, if a casino gets built in Manitoba, in any place in Manitoba, an Aboriginal casino, would the Premier support, as he did and as he claims? The legislation that is before the House is quite similar to what he himself brought in to Manitoba. Would he support a smoking ban in any new casino that would be built in Manitoba?

Mr. Doer: We are implementing the all-party report.

Mr. Murray: I think one of the members from the all-party committee who I believe was very eloquent

in this House was the honourable Member for Carman (Mr. Rocan), who introduced it as a private member's bill that obviously came into the House as a government member's bill.

I think the Member for Carman was quite taken aback and Hansard would certainly show that he was not under the understanding that there would be any exemptions under this. So I know that there have been some discussions. I know that the First Minister has been on record. He says it was in a joking manner, that he believes that a cigarette and a beer go hand-in-hand. Regardless, we will say that he was in fact joking, because this has shed new light on the fact that he brought in this first bill to ban public smoking. It was a revelation to me. I apologize to the First Minister that I was not aware of that, but it obviously shows his belief and his support to ensure that there is no second-hand smoke in enclosed public places.

So in the event that there is an Aboriginal casino, and he is very much aware that there are discussions going on, I see that the minister who normally sits behind him is not in the House to corroborate what I am about to say, but I believe there is an Aboriginal casino that is certainly on its way to being built somewhere in Manitoba. By the way, I was delighted to hear that the casino in The Pas has voluntarily made a non-smoking policy in their casino. I applaud them for that.

I would just ask and I understand that the First Minister has agreed to support the all-party task force but with the clarification that was brought forward by one of the members, the honourable Member for Carman, who felt that it would be a smoking ban in all public places which would include an Aboriginal casino.

In that event, would the First Minister take a position on supporting a ban in an Aboriginal casino that will be built in Manitoba?

Mr. Doer: I support the all-party report. Even when I brought in the bill in 1989, it did not deal with all issues of all locations. Even today, when you have a ban that is probably as comprehensive as the one that is before the House consistent with the all-party report, you still get criticized. There are people now, I mean, there are people who are talking about outdoor patios. There are federal institutions like military bases, prisons, airports. We follow the City of

Winnipeg by-law in the casinos in Winnipeg. I was already aware that the Opaskwayak Cree Nation had already made a decision on their own shopping mall where there were VLT machines placed before the smoking ban took place in rural and northern communities.

Actually, quite frankly, some of these decisions are made by people in their own communities. There are two parts to it. There are a number of elements to a decision, but people coming to their own conclusion first and educating people why is also useful because it explains to people why there are challenges. I do not smoke cigarettes. I smoked two cigarettes in my life. That is full disclosure. I found them so disgusting.

An Honourable Member: Back to back?

Mr. Doer: I have not even had the wacky tobacco, you know. I know the member opposite is on record, not that there is anything wrong with that. I am an Okie from Wiscokie. No, we are not going to do that. So, Mr. Chair, the bottom line is—[interjection] No. The member from Fort Whyte, I think, is the only snowboarder. We will have to check that out.

An Honourable Member: He is a good snowboarder too.

Mr. Doer: Greys on trays, they call them.

But the bottom line is that I am implementing the all-party report. I think it is good that they say the mall of the Opaskwayak Cree Nation has gone ahead. I really think we should be respectful of the all-party report because I think there is a little wisdom in it. It is not only what we are trying to do, but also why. If the why is explaining different communities, I think, at the end of the day, it is always better for all of us to make our decisions ourselves rather than somebody else telling you. If we understand why we are making the decisions, we have a lot more commitment to making those decisions work.

Now, the member opposite is going to continue to ask questions about the Brokenhead casino, and there are none. I cannot answer hypothetical questions.

* (17:00)

Mr. Murray: Of course, it is just evident to the First Minister the reason that I would continue to ask the

questions is that there is hole in the doughnut, in the logic. *[interjection]* Hang on, now, just a minute. The hole in the doughnut is that if it works in building A and it works in building B and it works in building C, it should work in buildings D, E, F and G.

I just think that if we are trying to put something in place for Manitoba because we believe—and I go back to Heather Crowe. I was surprised when she came. I thought she made a tremendous plea and, speaking personally, she changed my mind. I believe that a lot of times people should make decisions on their own merit. I am a reformed smoker. I must tell you that I have had probably more than two—*[interjection]* What is that? No. I am not happy when—I do not want people to smoke in my house. I think it is not on—I send them outside, except for Harry. I would never send Harry Enns outside. He is always welcome, or he could smoke wherever he wanted.

I just believe that consistency, I think, is a model that we should try to adopt. The fact is if we are going to ban smoking in the province of Manitoba and all public enclosed places, that should be a smoking ban in public enclosed places, period, full stop. That is exactly where it should be.

Mr. Chair, I wanted to just ask the First Minister. We have not really spent much time talking about balanced budget legislation. I know that he is on record saying, time and time again, that he supports balanced budget legislation that was brought in by the previous government. I should clarify that. He supports it now that he is the Premier. He did not support it when he was in opposition, but he supports it now that he is the Premier.

I wondered if the Premier has a sense of where the Auditor, the provincial auditor, is going on generally accepted accounting principles making the budget process more transparent. I just wonder if maybe I could just ask the First Minister where he stands with respect to the current balanced budget legislation as we know it, and the recommendations that the Auditor General, the provincial auditor, has recommended that governments of the day, and just this particular government is now in, so it is not a matter of political parties, it is government of the day. Where does he stand with respect to adopting generally accepted accounting principles on the budgetary process?

Mr. Doer: The disclosure of the unfunded liability pensions and the summary financial statement was introduced by us. We have a 40-year plan to deal with the unfunded liability of pensions. It was not displayed prior to us coming into office. A plan was not displayed. Civil servants were not having their pension plan paid for. Hundreds of employees now, since we have changed that policy, are having their pension plan paid for. The decision in 1962 by a Conservative government to stop paying the pension I think was a mistake and we are correcting it and we are displaying it. We are displaying not only the liability but a plan to deal with it. That is why the rating agencies have given us an upgrade.

I did not agree with the idea that you could sell a Crown asset like a telephone system and balance the books with that under the balanced budget legislation. We corrected that. Members opposite voted for our amendments. To me, we committed ourselves to living under the balanced budget legislation. We have improved the disclosure. We have not had an audit yet that said, like the '98 audit and '99 audit, where the words "fairly describes," the word "fairly" was taken out. So we have not had a situation where that term has been used.

The real issue here is the liability and pension are displayed. Part of our debt repayment is going to pension liability and part is going to operating debt. If we would have carried on the way we had planned, we would have had a debt repayment potentially of \$6-billion-something paid off in 40 years. Under the Stefanson-Filmon plan, we would have had a pension liability that would have grown to \$8 billion. So having this strategy of paying both in the long run would be better off for the citizens of Manitoba; but it means displaying a liability and paying it down. Paying it down in two ways. One is paying for employees. Now when we hire an employee, before we came into office, the government was only paying 93 percent of the costs. Now we are paying 100 percent of the costs. That is why we got two credit upgrades. We got two credit upgrades because we have actually improved it. The interest rates have improved but the cost of borrowing has gone down. The credit rating has improved.

I think, quite frankly, the commitment I made to follow the balanced budget legislation of Premier Filmon was correct. But I did say we would amend it to deal with Crown corporations. Little did I know in 1995 when we said they were going to sell an asset,

we were right. That is the part you can sell, an asset, instead of putting it toward debt, you can put it in a fund and then use it to draw down on the—like the telephone assets, you undersell it, then use the assets to go toward balancing the budget. That is why this Budget is the first time since '96 that it has a paydown to the debt. But I think we are wise to stay on the track of the pension liability mistake being paid over the 40-year period that we have laid out.

I noticed that the member opposite did not talk about increasing the amount of money that would go the pension liability every year beyond the debt payment of \$96 million. I think it goes to \$110 million in a couple of years. We started off the debt payment was \$75 million. We would have done with that discipline. We think the discipline is good. I also do not think you should use a Hydro surplus which happens four out of five years to potentially mask an operating deficit in the government expenditures side. So there are three elements. We are going to stay under the balanced budget legislation.

Mr. Murray: Did the First Minister just say he does not think that the government of the day should use surplus from Manitoba Hydro to mask an operating deficit?

Mr. Doer: If you were to include the summary payments—in Saskatchewan they have a system, just to delineate. In Saskatchewan they have a system where the surplus from Crown corporations and the surplus or deficit from the government, over a four-year period, has to balance. That is, notwithstanding the dividend, they take of \$100 million minimum from Crown corporations.

B.C. takes \$500 million from BC Hydro. Québec takes a dividend. The dividend though is within the revenue expenditure of the Crown and the surplus is beyond that. So I am consistent, but if you want an explanation, I have just given it to you.

Mr. Murray: Does that dividend include water rental rates from the other Crowns?

Mr. Doer: What is that? Sorry.

Mr. Chairperson: The honourable Leader of the Official Opposition, the question please.

Mr. Murray: I was just saying you have to go nudge the Premier for the answer. I think he is—

Mr. Chairperson: Will you kindly repeat the question, Leader of the Official Opposition.

An Honourable Member: Sorry, the affairs of state sometimes, not that there are only affairs of state but, sorry, apology.

Mr. Murray: Could the Premier just share the affairs of state?

Mr. Doer: Yeah, Ginny will meet me at 6:45 at the Special Olympics dinner. Be on time. Change your shirt. No, it is more than that, but thank you for the interest.

* (17:10)

Mr. Murray: I was asking the Premier when he went on talking about how various Hydro Crowns throughout the country take dividends, just for clarification, do those dividends include the water rental rates?

Mr. Doer: No, they do not.

Mr. Chairperson: The honourable First Minister: "No, they do not."

Mr. Murray: There is a ventriloquist in here. I am surprised. It is fantastic.

Mr. Chairperson: It has to be recorded correctly if we follow the rules. We do not.

Mr. Murray: So you were not answering for the First Minister.

Mr. Chairperson: No, I am just helping the recorder.

Mr. Murray: Yes, okay, and doing a very good job, Mr. Chair.

Mr. Chairperson: The rule here is, unless you are recognized, you do not speak, but we do speak even if we are not recognized, so there is some confusion.

Mr. Murray: I apologize.

Mr. Chairperson: Sorry.

Mr. Doer: I apologize, too.

Mr. Murray: Would the First Minister agree that we should be in Manitoba looking at strengthening

balanced budget legislation with respect to some of the recommendations that the Auditor General is recommending?

Mr. Chair, that is going more toward generally accepted accounting principles, taking in revenues and expenditures on a given year and showing that as revenue and expenditures versus, as I believe took place where the accounting error, which I think was unfortunate. You know, it is unfortunate that it happened to any sitting government regardless of their political stripe. But it did happen and I believe the Government, this Premier decided they would bury it into debt.

Yet, when the \$141 million in revenue and the error that was made through accounting, not accounting error, sorry, the census error that was made for \$141 million was taken into revenue, that just does not, sort of, follow generally accepted accounting principles.

Mr. Chair, I just wondered, can the Premier see his Government moving toward more of a transparent, accountable process that would show those issues according to GAAP that they would be recorded in the year of the budget?

Mr. Doer: Mr. Chairperson, we did a very good job of taking the \$900-million liability that we had and we could have had it assigned in the year it took place, which would have been '93, '94, '95, '96, '97, '98, '99 and it would have made the previous government look much more deficient, but that would not have been very good.

In political terms, it may have made a more debatable point about balanced budget legislation and GAAP and everything else, but it would not have been very intelligent for the people of Manitoba. The extra revenue in equalization came about as a result of increased population, increased numbers of people to provide services to. It is consistent with the Canadian Constitution of comparable services at reasonably comparable taxation rates.

It is too bad that auditors in Ottawa and in Manitoba did not catch the accounting error. You talk about accounting, we had to deal with a pretty big mess when we got notified, I think it was February 2001 or 2002. I could not believe it, it was \$900 million, it was unbelievable; it was back to '93.

So I think we managed it as effectively as we could. In fact, we had to hold our whole budget up that one year. We had it almost completed, and then we got hit. By the way, it has a structural impact of about \$100 million in revenue a year.

So the retroactivity of it was tough, but the structural go-forward was tough, too. Obviously, if you made an error, your base is lower.

Mr. Murray: A couple of municipalities have brought to my attention that they have been sent a bill by, well, obviously, it would be coming from the regional health authorities, but directed by the Minister of Health and by this Government, that they are going to be paying for doctor recruitment.

I just wondered, is that going to be a position that the Government, that this Premier is going to impose on municipalities, that they now have to pay for doctor recruitment as was the issue that was brought to my attention.

Mr. Doer: I will inquire with the Minister of Health (Mr. Chomiak). I am not aware of it. Certainly, I am not aware of the circumstances. I know communities in the past, when I was opposition leader, were providing houses, cottages, and other amenities to try to attract doctors when there was a shortage. But I am not aware of the role of municipalities directly, and I do not think there has been a, quote, "policy change," but I will inquire with the Minister of Health.

Mr. Murray: I appreciate it and I will more than likely get to that answer specifically in concurrence, but is it the policy of this Premier to charge municipalities to recruit doctors?

Mr. Doer: I know of municipalities going out and recruiting doctors using some incentives, and I can mention cottages in the north or houses. I am not aware—I know the municipalities had a role in that. I will have to look at the specific question. I am not aware directly. There is no generic policy that says you cannot get a doctor unless you provide this. But I am not aware of specific municipalities who are very worried about the doctor retention in their own communities. I am not aware of that, what they have done, and whether they have done it on their own or not.

I just want know more about what has happened and why it happened before I can answer what we did.

Mr. Murray: I draw a distinction, because I think there are some municipalities that I am aware of, some communities, frankly, that have pooled their own money because they believe that they want to take the initiative to go out and get doctors to come to their rural communities. Frankly, if that is what they want to do I guess that is up to them and that is part of their initiative.

This was a specific bill that was given to the municipality that itemized kind of a cost of what it would cost to recruit a doctor and it was given to the municipality from the regional health authority. Again, I would just ask, is that something that the First Minister agrees is something that is going to become the norm for his Government, where they are going to start charging municipalities for doctor recruitment?

Quite different from the municipality making their own initiative to raise money, however they may do it, to go out and recruit doctors rather than coming as a bill for doctor recruitment that is being directed by the Government through the regional health authorities. I can certainly give him the specifics and we can get into that, but it is more of a generic question in terms of the direction that his Government is going.

Mr. Doer: We have made no generic change in that regard.

Mr. Murray: So, Mr. Chair, in this instance, where this municipality has been given a bill by the regional health authority, the First Minister would say that the instructions based—from what I understand, the municipality should refuse to pay it on the grounds that the First Minister is stating that that is not the policy of the Government.

Mr. Doer: Well, I am not sure whether that exists under a policy before I got elected. So I will double-

check the case. I am sure the Minister of Health (Mr. Chomiak) will be aware of it. I will check.

Mr. Chairperson: Ready for the question?

An Honourable Member: Question.

Mr. Chairperson: Resolution 2.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,600 for Executive Council, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

The last item to be considered for the Estimates of the department is item 2.1.(a) Minister's Salary, contained in Resolution 2.1.

At this point, we request the minister's staff to leave. The floor is now open for questions. There are no questions?

* (17:20)

Resolution 2.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,048,000 for Executive Council, General Administration, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

This concludes the Estimates for the department of Executive Council. The next set of Estimates that will be considered by the section of the Committee of Supply is the Estimates of the Department of Finance.

The hour being 5:30 p.m., I am interrupting the proceedings of the committee. The committee will be recessed until 10 a.m. tomorrow (Friday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 6, 2004

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