



First Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(Hansard)**

*Published under the
authority of
The Honourable Louise M. Dacquay
Speaker*



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Members, Constituencies and Political Affiliation

<u>Name</u>	<u>Constituency</u>	<u>Party</u>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David	Riel	P.C.
PALLISTER, Brian, Hon.	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 30, 1995

The House met at 1:30 p.m.

PRAYERS

MATTER OF PRIVILEGE

First Minister's Comments

Mr. Oscar Lathlin (The Pas): Madam Speaker, I rise on a matter of privilege.

I want to start off by saying how disappointed and hurt I was last evening by comments made by the First Minister (Mr. Filmon) in regard to myself. The First Minister made comments to the effect that I am a racist. From his seat, the First Minister very clearly told me that I was a racist. The First Minister went on to say that the people in The Pas say: You are a racist. That is how you deal with people—in a mean-spirited way.

Madam Speaker, these comments came about as a result of my response to the throne speech last evening. In my speech last evening, not once did I directly tell the First Minister that he was a racist. Throughout my speech I made reference to policies of his government regarding aboriginal people that in the view of many aboriginal people, including myself, believe to be racist.

Then I went on to list or substantiate my statement by talking about the kinds of programs and services, the kinds of legislation that the Premier and his government have enacted in this Legislature since I have been here, and that is nearly five years. I talked about programs that have been eliminated. For the most part, those programs are being run and administered by aboriginal people. He eliminated, I told him, funding for AMC, for MKO. He eliminated funding for the friendship centres.

I went on to explain to the House, Madam Speaker, that programs which are geared specifically for aboriginal people such as ACCESS, BUNTEP, New Careers have either been severely cut back or eliminated.

I also mentioned legislation like Bill 10. I made the assertion last evening, which I have done before in

committee, telling the Premier (Mr. Filmon) that, in our view, Bill 10 was a back-way approach to attacking treaty and aboriginal rights. In committee, I had asked for an amendment to the legislation. It was not able to go through.

I said last evening that I could go on and on. I mentioned the AJI-293 recommendations, 101 of which do not need federal government authority. One hundred and one recommendations of the AJI are strictly provincial. The provincial government could have gone ahead and implemented some, if not all, of the 101 recommendations in the AJI. I mentioned a whole host of other programs which, in our view, reflect the attitude of the Premier and his government, Madam Speaker.

Now when the Premier got up to make his speech, he, of course, went on to talk about his trips into northern Manitoba when he was younger and then started to attack me, not only me personally, but I think the Premier has attacked also the people of The Pas.

The Premier knows very well that when I was chief of The Pas Band, and I was chief there for nearly six years, I worked very hard with the town of The Pas, the mayor and council. As a matter of fact, the former mayor, Bruce Unfried, and I took great pride in the way that we tried to work together in bringing the communities together.

* (1335)

When the AJI hearings were being held in The Pas, Madam Speaker, I always took precautionary measures in my dealings with the press that we do not overdo it, that we do not cross the line. In other words, what I tried to do in my dealings with the press then was that I tried to create balance between the two communities, and that was a difficult job.

I want to conclude by saying that the Premier not only attacked me personally but he also attacked all aboriginal people. He attacked the citizens of the town of The Pas, because he said that the town of The Pas says: You are a racist. That is how you treat people in a mean-spirited way.

Madam Speaker, as I said, I can handle a lot of things but when I have to listen to the Premier belittling me, calling me a racist, trying to turn things around—he first blames aboriginal people for coming into the city and creating havoc with his child poverty statistics—and then he goes on, when I ask questions, to call me a racist. I have been here four and a half years. I do not know all the rules and regulations, but I think those comments made by the Premier were unparliamentary, uncalled for and I believe that the First Minister should be made accountable for making such irresponsible comments in this Chamber.

Therefore, I move, seconded by the member for Thompson (Mr. Ashton), that the member for Tuxedo (Mr. Filmon) be asked to withdraw his comments concerning myself made yesterday in the House and that he apologize as well. Thank you.

Motion presented.

Hon. Jim Ernst (Government House Leader): Madam Speaker, the question of privilege in this House is one that is very serious in nature and one which all members ought to take very, very seriously. It ought not to be raised very often because it is so serious and because the individual privileges of members are sacred to the parliamentary process.

* (1340)

The question, of course, that is being raised by the member for The Pas has to be raised at the earliest opportunity. A prima facie case has to be made with respect to the whole question of whether or not his privileges have been impugned in the manner suggested.

Madam Speaker, first of all, I think we have a question related to the matter of the prima facie case. First of all, we do not have Hansard from last evening with which to peruse other members on that side or members on this side to determine what at least Hansard heard and reported on, so that makes it extremely difficult and perhaps needs to be taken into consideration. Secondly, I think what we have here is a question of unparliamentary language as opposed to a matter of privilege.

The matter, Madam Speaker, as Beauchesne 485(1) says: Unparliamentary words may be brought to the attention of the House. When the question is raised by a member, it must be on a point of order not as a question of privilege.

Secondly, Beauchesne 485(2) says: "Except during the Question Period, the proper time to raise such a point of order is when the words are used and not afterwards."

Now that is exactly what happened. At the time that the alleged words were spoken, the question was raised as a point of order, I believe, by the opposition House leader. At that time, you took that matter under advisement and said you would peruse Hansard and report back to the House. That matter, I presume, has not yet occurred because Hansard is not yet available. So rather than a question of privilege here, albeit the member may well be offended, I do not think his privileges or rights as a member of the House have been impugned, but rather that perhaps certain words, parliamentary or otherwise, were used last evening in the debate. We do not know that; we have to peruse Hansard in order to determine if that is the case.

But I submit, Madam Speaker, that we have a case here of order as opposed to privilege. The fact that it was raised at the time and that you did take it under advisement—and we will deal with the matter in an appropriate period of time—is the case and not a case of privilege.

Hon. Gary Filmon (Premier): Madam Speaker, I wish to rise and speak to the motion of privilege that has been put forward by the member for The Pas.

The member for The Pas, of course, is raising an issue today of what he alleges to be privilege on the basis of a debate that took place last evening. A debate which he initiated by virtue of numerous occasions during a diatribe of some 20 minutes, he made the statement that he objected to the racist policies of this Premier and this government. As supposed evidence of those racist policies, he raised, for instance, the issue that he has now repeated, of a withdrawal of funding to MKO, the Assembly of Manitoba Chiefs and the Indian and Metis Friendship Centres, three aboriginal organizations.

What he did not say was that at the time that funding was withdrawn from those three organizations, funding was withdrawn from more than 50 agencies and organizations, which were primarily advocacy organizations. It was a policy decision of this government to remove funding from all primarily advocacy organizations. They happen to be three of more than 50 organizations that were affected. In no way was that a racist policy or a discriminatory policy.

He went on to repeat the allegation about this Premier and this government being accused of implementing racist policies—again, as he has said today—by virtue of what he said was cutbacks in funding to ACCESS, BUNTEP and New Careers. What he did not say was that, as part of the overall attempts to restrain the expenditures of this government, they were treated, as were literally dozens and dozens and hundreds of aspects of government expenditure, as this government, during that particular budget year, during consecutive budget years, had to reduce its overall expenditures in all of the areas of government, including health, education and social services over periods and in specific areas.

It was not racist, but it was in fact fiscal policy of the government of Manitoba, and the Estimates will demonstrate that there were numerous areas of government in which expenditures were reduced.

* (1345)

Madam Speaker, as I have said on many occasions, the expenditures of my department of Executive Council were less in 1994-95 than they were in 1988 in the last budget of the policy of the Pawley administration. There were reductions in funding throughout government, not a racist policy, not a discriminatory policy.

The charge of racist policies is not one to be made lightly. Yet this member for The Pas (Mr. Lathlin) rose in the House and willingly and knowingly made those charges time and time again throughout the remarks that he made last evening. Indeed, it is that kind of behaviour and it is that kind of attitude that I believe does not have any place in this Chamber. Indeed, if I am to be accused of saying—what I did say, which was that people in The Pas made the same allegations with

respect to the member for The Pas, then, Madam Speaker, if this is out of order then it is out of order on both sides of the House and by all members of the House regardless of their own personal circumstances, regardless of their race or colour or religious background or whatever they represent in this House.

The rules of the House apply equally to all members of the House and the privileges of the House apply equally to all members of the House. If this member for The Pas wants to be able to be treated as an equal, then he ought to treat others as equals and not make the kind of discriminatory, inflammatory and irresponsible allegations that he made in this House last evening, because the fact of the matter is that this government has worked and has worked closely, as I said on numerous occasions last evening, with him, with the people of the North, with people of all backgrounds.

In fact, I was privileged to be able to work closely with the member for The Pas when he was chief of The Pas Indian band at that First Nations band at that time in the evolution and development of the northern and native nursing baccalaureate program. I stood on the same forum as he as he complimented me and our government for those initiatives.

I take very seriously his allegations, and I suggest that he ought to take seriously his own words as he looks for comfort in this circumstance.

Mr. Steve Ashton (Opposition House Leader): This is not the first time we have had a matter of privilege raised regarding comments made by members of this House. I do not believe we are dealing here with strictly a matter of unparliamentary language.

To stand up in this House, for any member to accuse any other member—we are not talking about policies here. We are talking about the First Minister, of all people, saying to a member of this House that he is a racist. That was the direct comment. He said that people in The Pas were saying he was dealing in a racist manner with issues. I have never seen anything of that nature in the entire 13 years I have been in this House.

When a member, in 1989, had accused another member of being a disgrace—this is a direct quote—to

your community, the member who made that comment withdrew that prior to Speaker Rocan having to make a decision, and the Premier had that opportunity now to deal with the matter raised, the matter of privilege, which were the comments that were made by the Premier last night.

I want to establish why it is not strictly a question of language, Madam Speaker, unparliamentary language. If one looks at what privilege entails, one of the key elements of privilege is the member's capacity to serve the people who have chosen him as their representative.

The people of The Pas have chosen the member for The Pas (Mr. Lathlin) as their representative, and I have sat with him for four and a half years, and I have seen him speak out for each and every one of his constituents. No one can say that he has not done so. The fact that the people of The Pas supported him again—just over one month ago was clear evidence of that.

* (1350)

Privilege does include charges made against members, reflections made against members, and, you know, Madam Speaker, there is a long history of matters of privilege that have been raised often with comments that were not even made in this House, often in the media, but, you know, in researching this today, I was not able to find one similar charge by any member made against any other member of the House, not only in the time I have been in this House, but researching back into the last century, because the First Minister (Mr. Filmon) not only said, you are a racist, he accused the member of dealing with issues in a racist manner. What I thought was perhaps the most unfortunate use of phrase—and I could use other words, but I will leave it at that, was when he talked about people in The Pas saying that is the way the member raises issues.

You know, Madam Speaker, I have had the privilege to represent a northern community for 13 years. I represent First Nations people, Metis people, nonaboriginal people, and you know what? I have heard the racism, and, by the way, it is not racism that is directed towards myself as a nonaboriginal member.

Never once in representing seven aboriginal communities and many aboriginal constituents in Thompson, not once have I had anyone, any aboriginal person, make one comment towards me of any racist nature.

Madam Speaker, I have heard it all too many times, and believe you me, it is often targeted towards aboriginal people. I know the member for The Pas (Mr. Lathlin) did not say this in this House, but I think he can speak from personal experience about the reality of being on the receiving end of racism. I can think of nothing more offensive to any aboriginal person sitting in this Chamber than to have another member, let alone the First Minister (Mr. Filmon), accuse that member of being a racist.

I sat here yesterday, Madam Speaker. I heard the member for The Pas do what he is elected to do, which is to critique the policies of this government. He spoke out on behalf of his constituents who have very great concerns about the policies. As was the case in the House last year when there was clear precedent—[interjection]

Well, the member for Wellington (Ms. Barrett) talked about immigration policies, and there was a ruling from the Speaker that clearly this was not a reference to an individual member. It was made very clear. It was a description of a policy.

But do you know what I find perhaps the most disturbing here is we have—[interjection] Well, and to the Premier, I would hope that for once he would just listen. He had his chance to speak and to withdraw those comments, but if he would just listen for once.

We are all honourable members. The First Minister had the opportunity from his feet to do the honourable thing. The honourable thing is to withdraw the comments, some of the most offensive comments I have heard made in this Chamber.

I say to the Premier that if he believes that the member for The Pas (Mr. Lathlin) is only speaking from his own personal perspective, I would suggest he talk to not only the many people who have talked about the issues that were raised but even to perhaps some of

the people whom I am sure watching this today will be looking at whether there is not a growing gap in this province, a growing gap that he as Premier perhaps should do the honourable thing and attempt to bridge, because I hear from many First Nations people the alienation. It is not just from a government, the current government of the day, but it is a growing alienation, a growing sense of frustration at the poverty, at the fact of being ignored, and indeed, in many cases, and let us be up front about this, about racism, because it is a fact.

I say to the Premier, the honourable thing to do is two-fold. One is, on this very specific incident, to do what I think any member of this House would do, and apologize, but perhaps to take it as a lesson that we all in Manitoba I think have to do a lot to bridge the growing gap that is occurring out there that the member for The Pas (Mr. Lathlin) so eloquently spoke about last night.

I ask the Premier to withdraw his comments, Madam Speaker.

* (1355)

Madam Speaker: Order, please. A matter of privilege is indeed a very serious concern. I am going to take this matter under advisement to consult with the authorities, and I will report back to the House with a ruling.

ROUTINE PROCEEDINGS

TABLING OF REPORTS

Hon. Albert Driedger (Minister of Natural Resources): Madam Speaker, I would like to table the Supplementary Estimates for the Department of Natural Resources for the year 1995-96.

Hon. James McCrae (Minister of Health): Madam Speaker, I am pleased to table Supplementary Information for Legislative Review for the Department of Health 1995-96 departmental expenditure Estimates.

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, I would like to also table the Supplementary Estimates for the Department of Highways and Transportation for the '95-96 Estimates review process.

Hon. Eric Stefanson (Minister of Finance): I, as well, would like to table the Supplementary Estimates for the Department of Finance 1995-96.

Hon. Jack Reimer (Minister of Urban Affairs): I would like to table the Supplementary Information for Legislative Review for 1995-96 for the Manitoba Seniors Directorate.

Hon. Linda McIntosh (Minister of Education and Training): I would like to table the Supplementary Information for Legislative Review for the Department of Education for the 1995-96 departmental expenditure Estimates.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to direct members' attention to the Speaker's Gallery firstly, where we have with us this afternoon His Excellency Annan Arkyin Cato, High Commissioner for Ghana.

Also with us this afternoon, seated in the public gallery to my right, we have fifty-eight Grade 5 students from Dr. D.W. Penner School. These students are under the direction of Mrs. Pat Brolund and Mr. Larry Schroeder. This school is located in the constituency of the honourable Speaker of the Legislative Assembly.

Also in the public gallery this afternoon, to my left, we have from Ryerson Elementary School sixty-five Grade 5 students under the direction of Mrs. Marjorie Trenholm. This school is located in the constituency of the honourable member for St. Norbert (Mr. Laurendeau).

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

* (1400)

ORAL QUESTION PERIOD

Eye Examinations Deinsurance

Mr. Gary Doer (Leader of the Opposition): My question is to the First Minister (Mr. Filmon).

On Friday and again yesterday, we have been asking questions of the government dealing with the proposal from the provincial government's Medical Services Council to eliminate eye examinations as part of the medical care programs here in the province of Manitoba.

The Premier, in announcing his election campaign and his platform in the election campaign, said that they will now be emphasizing preventive strategies in health care.

Madam Speaker, Dr. Bourdon and other experts on preventive health care dealing with eye examinations have said that this move would work against preventive health care, would work against early examinations and therefore would be not a preventive program but would be in the opposite direction.

I would like to ask the Premier (Mr. Filmon), will he say no to this proposal and say yes to his promise in the election campaign?

Hon. James McCrae (Minister of Health): Madam Speaker, the matter of eye care is something that is being looked at at the present time by the Manitoba Medical Services Council. On the council are representatives of the government and the Manitoba Medical Association, the University of Manitoba Faculty of Medicine, also the Manitoba Centre for Health Policy and Evaluation, three people representing the public's interest, as well as the College of Physicians and Surgeons.

Those people are looking at all the matters relating to eye care, including the matters referred to by the honourable Leader of the Opposition. They have not made any report or any recommendation to this date.

Mr. Doer: Madam Speaker, I have a supplementary question to the Premier (Mr. Filmon).

During the election campaign, the Premier had ads out in that campaign saying he would not let anyone take health care services away from people. He wants the same health care services for his family as for all other Manitoba families. Clearly this would mean that some families who cannot afford it would have

different health care services. Clearly it was the Premier that promised to maintain these health care programs. He did not promise that the council would maintain those services. He promised personally to maintain these services.

I would like the Premier now to say no to deinsuring this proposal, Madam Speaker, on behalf of Manitoba families.

Mr. McCrae: Madam Speaker, my views very closely resemble those put forward by the Premier. The honourable Leader of the Opposition ought to apprise himself of the issues involved before he makes policy decisions.

He is putting his own opinion ahead of the opinions of all of the people that we have called upon in our consultation process to try to tell us how best, in the present circumstances, should we preserve and protect and have a sustainable health care system for many, many years to come.

Madam Speaker, that is what the Premier was talking about. That is what I am talking about, and that is what all of our partners in health are talking about. We wish the honourable Leader of the Opposition would join the partnership.

Mr. Doer: Madam Speaker, it was the Premier (Mr. Filmon) in his ads who promised he would not let anybody take anything away from us, from our families. He did not promise the Medical Services Council or somebody else would take care of this responsibility.

In light of the fact that last week, the Minister of Finance (Mr. Stefanson) indicated that they, the provincial Conservative government, have ample resources to deal with the extra funding necessary to deal with their broken promise of \$10 million on the Winnipeg Jets, does the government now have adequate resources to maintain preventive health care services, preventive programs for all Manitoba families equally by maintaining the eye examination as part of our basic medical program services in the province of Manitoba?

Mr. McCrae: Madam Speaker, after coming through the second worst recession in anybody's memory, after

dealing with very, very serious funding reductions coming from the federal government and with continuous reductions facing us in the future, we, in Manitoba, still come through with the highest amount of our budget being spent on health anywhere in this country.

The honourable Leader of the Opposition, I have not heard him say that. I have not heard him repeat that. I have not heard him talk about that.

We in Manitoba, not just this government which is obvious, but the people of this province, are committed to a sustainable health care system. So am I and so are my colleagues. We work very hard to maintain a health care system that will be sustainable for many years, nay, for generations.

Eye Examinations Deinsurance

Mr. Dave Chomiak (Kildonan): Madam Speaker, the minister has repeatedly refused to answer the question regarding the deinsurancing of eye examinations.

The minister signed an agreement that ordered the Medical Services Council to cut \$13.5 million. Section 9, subsection 15 of the agreement that the minister signed said, you will find \$13.5 million in savings, and now one of their recommendations is the deinsurance of this.

Will the minister say no to this recommendation?—a very simple question, Madam Speaker.

Hon. James McCrae (Minister of Health): Well, Madam Speaker, the honourable member has characterized the discussion to this date as a recommendation. I suggest that he talk, for example, to Dr. Patel, who is the president of the Manitoba Medical Association, who has made it clear that there is no such recommendation at this point.

This is a matter that is before the Manitoba Medical Services Council. It is the subject of discussion, as are many areas of the Medical Services appropriation of government. If we listen to the honourable member—and I am sure glad we have not been listening to everything he has said—if we had listened to what he

says and did what he says, we would not have a health care system, and that is not good enough for the people of Manitoba.

Mr. Chomiak: Madam Speaker, does the minister remember signing the contract with the Manitoba Medical Association, Article 9, subsection 15, whereby he indicated they must make savings of \$13.5 million in '95-96? Does the minister remember signing this contract?

Mr. McCrae: Part of the contract that I signed on behalf of the government and the people of Manitoba, Madam Speaker, is to work with our partners in health, those being the physicians working in the various subcommittees of the Manitoba Medical Association, to bring about the highest and the best practice methods of delivering health care services.

The old model, supported by the honourable member, is the one which was choking itself to death, and that is not what we stand for on this side of the House. The honourable member cannot have it both ways. He cannot support change and then say stop to every possible change that ever comes along.

Madam Speaker, the changes are to make our health care dollars, the spending on health care, a smarter spending, so that we can achieve some results for people. That is what we are trying to do, and we encourage the honourable member's support for that.

* (1410)

Health Care System Preventive Programs

Mr. Dave Chomiak (Kildonan): Madam Speaker, I take it the minister is saying—

Madam Speaker: Order, please. The honourable member for Kildonan, with his final supplementary question.

Mr. Chomiak: Madam Speaker, my final supplementary is to the minister.

Will the minister provide assurances today to this House and the people of Manitoba that there will be no

deinsurance of any preventive program presently offered by the Department of Health by this minister—no changes, no deinsuring of any preventive program?

Hon. James McCrae (Minister of Health): Madam Speaker, I think the honourable member would also advise, if given the opportunity, that we listen to the health care professionals who work in our health care system, that we work with them and that we devise strategies for the delivery of health care and health and wellness services across our province that make sense in the '90s and beyond.

The honourable member has suggested many times that we work in close consultation with the various professionals in the health care field. That is precisely what we are trying to do, Madam Speaker. He ought not to be discouraging that today.

First Nations Constitutional Jurisdiction

Mr. Oscar Lathlin (The Pas): Madam Speaker, my questions are directed to the First Minister.

Last week, the Premier told this House that First Nations people are refusing to work with him and his government because of jurisdictional issues. He also advised us that he represents all people in Manitoba, including aboriginal people and, finally, he has also repeatedly told the House that First Nations are a federal responsibility and that he has no jurisdiction when it comes to issues like social assistance.

Given the Premier's determination to delineate jurisdictional responsibilities, why then has he and his government enacted legislation, issued Orders-in-Council, that attack treaty rights directly?

Hon. Gary Filmon (Premier): Madam Speaker, the member for The Pas is attempting to confuse various different issues.

First and foremost, I have simply repeated for him the position of the Assembly of Manitoba Chiefs in dealing with the federal government with respect to aboriginal self-government in Manitoba.

They have said that the Manitoba government has no place at the table, because we have no jurisdiction and no fiduciary responsibility for the First Nations people of this province. That is fact. He may wish to discuss that, debate it and argue it with the Assembly of Manitoba Chiefs, but that is the position they have taken, and, as a result, we have not been allowed or invited to be at the table.

We as a government have our constitutional responsibility with respect to all sorts of issues. Under the Constitution, for instance, natural resources; under the Constitution, for instance, gaming; under the Constitution, many areas in which we have had interaction with the First Nations communities of this province, but we can only act on areas in which we have constitutional jurisdiction and responsibility.

Any legislation that we pass is able to be passed because the Constitution says we have jurisdiction and responsibility over certain areas, and that includes natural resources.

Mr. Lathlin: My second question is again directed to the First Minister, Madam Speaker.

Will the Premier advise us here today, once and for all, just exactly where the aboriginal people fit in in the Premier's government and how he intends to work with them?

Mr. Filmon: Madam Speaker, as I have indicated, we have our areas of interaction with and responsibility for various issues which involve the First Nations people of this province.

As a result of that, we are well along the way towards finalizing a settlement, for instance, of the Northern Flood Agreements with five aboriginal communities in northern Manitoba with hundreds of millions of dollars involved in transference to these First Nations communities as a result of the dedicated, diligent efforts of our government, something we have done in the seven years that we have been in office that was absolutely ignored and left aside by the New Democratic Party when they were in government throughout the 1980s in this province, did not make any progress or any commitment to settlement of that.

We have entered into agreements with First Nations communities that give them jurisdiction over gaming. In these co-agreements, they have been able to—for instance, in his own band, The Pas First Nations Band has received almost \$2 million as a result of entering into that agreement, generated by that agreement with respect to gaming.

With respect to a number of other issues such as taxation, we have entered into agreements that allow for the First Nations people—

Provincial Parks Cancellation

Mr. Oscar Lathlin (The Pas): My final question is again directed to the First Minister (Mr. Filmon).

Will the First Minister today rescind the Order-in-Council which created provincial parks in northern Manitoba, which directly affected treaty and aboriginal rights, and start all over, but this time work with the aboriginal people in a partnership way?

Hon. Albert Driedger (Minister of Natural Resources): Madam Speaker, I just want to inform the member—and I think I have done this many times already—and inform the public that, by and large, it has not impinged on any of the traditional rights of the aboriginal people in terms of hunting and fishing.

I have said this many times, Madam Speaker, it has not affected the way of lifestyle and the usage of the land in the area. I have also said that as we go through the process of enacting the parks legislation, that everybody, all Manitobans, will have an opportunity to again debate exactly how each one of these parks that we have in the province is going to be classified and categorized, and that opportunity is coming.

Gaming Commission Public Notification

Mr. Kevin Lamoureux (Inkster): My question is for the Premier.

June 1, or two days from now, is the deadline for registration for those interested individuals in the public to make presentation to the gambling commission.

I must admit, Madam Speaker, I am a bit disappointed in the sense that just over a week ago, there was a little advertisement that was put into the Free Press notifying the public on this very important issue, yet for policies which government is supportive of, there are more significant attempts to get the public to be better informed about making presentation.

My question to the Premier is, does the Premier believe that the public has been adequately informed about how to participate in this public inquiry into the effects of gambling?

Hon. Gary Filmon (Premier): Madam Speaker, I thank the member for Inkster for the question.

The fact of the matter is, throughout the period of time when we discussed concerns about gaming in this province, one of the things that members opposite, including members of the Liberal Party in this Assembly, pounded away at was that they wanted this to be an independent commission, a commission that would have the responsibility to go and do all of the things necessary to canvass public opinion, to investigate all elements, economic, social and other aspects of gaming in this province, the impacts, and they wanted them to be relatively unfettered, and so the terms of reference were left wide open.

The decision as to whether or not and how they held public hearings was left up to them, so that we could not be accused of political interference. Now he is saying to me that I ought to politically interfere with them because he does not like the ad they have run in the paper.

Madam Speaker, that is not the way to appoint an independent commission and to give them the responsibility to review a major issue of this nature.

Mr. Lamoureux: Madam Speaker, does the Premier believe that the public has had adequate notice, that the public is aware that this commission is actually out there and that they can actually make a presentation? Does the Premier really believe the public is aware that the commission is out there?

Mr. Filmon: Madam Speaker, the public response will dictate whether or not there has been adequate notice.

**Standing Committees
Manitoba Lotteries Corporation**

Mr. Kevin Lamoureux (Inkster): Madam Speaker, can the Premier indicate when he is prepared to call a standing committee to deal with the Manitoba Lotteries Corporation, something that is now almost two years since it has been before this particular Chamber?

Hon. Gary Filmon (Premier): I know that the House leaders will be discussing that scheduling. My understanding is that most of the committee work will be left until the session after summertime and that they will have that on the agenda at an appropriate time in the early fall.

* (1420)

**First Nations
Taxation Issues**

Mr. Eric Robinson (Rupert's Land): Madam Speaker, last night, the First Minister talked about progress that has been made on First Nations people and taxation issues. Given that, I wonder if the Finance minister could tell the House when he and his officials will resume their negotiations with the Assembly of Manitoba Chiefs on outstanding taxation issues with First Nations in Manitoba?

Hon. Eric Stefanson (Minister of Finance): Discussions have been ongoing between officials of the Department of Finance and the Assembly of Manitoba Chiefs representatives, but I just received a call recently from Mr. Fontaine to set up a meeting with myself, and we will be doing that very shortly.

Mr. Roberson: Very briefly, why has the Finance department been ordered not to meet or discuss this issue with the AMC for six months now?

Mr. Stefanson: No such order has been issued, Madam Speaker.

**Assembly of Manitoba Chiefs
Meeting Request**

Mr. Eric Roberson (Rupert's Land): Madam Speaker, when will the full cabinet then meet with the Assembly of Manitoba Chiefs to discuss outstanding issues such as treaty land entitlement, the new provincial parks, the

Aboriginal Justice Inquiry, taxation issues? Is there such a meeting being planned in the near future?

Hon. Darren Praznik (Minister of Native Affairs): Yes, Madam Speaker, first of all, I understand from some communication we have had, not directly, with Chief Fontaine that requests would be coming for having a meeting with the provincial cabinet. We would be very glad to facilitate that.

But I would stress to the member for Rupert's Land on many of the issues that he raises, particularly treaty land entitlement, that the 20-some bands who still have outstanding claims have their own process, the Treaty Land Entitlement Chiefs' Committee, that has been working for some time in which we were at the table and that the Assembly of Manitoba Chiefs are not necessarily an active part of that, that there is a separate component.

So on many of the issues which he raises, there are processes already underway in which negotiations are taking place to deal with specific interests, and the Assembly of Manitoba Chiefs is not necessarily the vehicle by which those interests are being dealt with.

**Aboriginal Justice Inquiry Report
Recommendations**

Mr. Gord Mackintosh (St. Johns): Madam Speaker, my question is to the Minister of Justice.

Manitobans are now approaching the fourth anniversary of the release of the Aboriginal Justice Inquiry report. The report, Madam Speaker, which concluded: "To fail to take every needed step to redress the lingering injustice will continue to bring tragedy and suffering to aboriginal people."

My question to the minister is, given no comprehensive or any response at all to the AJI report, would the minister stop playing on the hopes of aboriginal people and finally admit that, as far as this government is concerned, the AJI report is dead?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, the member knows that this government's answer has been one of action. This government has worked in a very

comprehensive way with aboriginal communities, and let me give the member some examples.

This government has moved into aboriginal policing agreements. This government has moved into community participation agreements to deal with probation. This government is working with Court Services. This government has also worked with aboriginal communities to make sure that the supports are there within our institutions.

So, Madam Speaker, our response has been action.

Mr. Mackintosh: Madam Speaker, to put this rhetoric to rest, would the minister finally table along with her departmental spending Estimates the AJI recommendations, the topics, the chapters, that she thinks have been implemented, as I requested last December?

Mrs. Vodrey: Madam Speaker, we certainly spent significant time on this in Estimates last year. I suspect that we will again this year.

As the member knows, the answers to the AJI have been done in a comprehensive way. We have looked at the meaning of what has been discussed, what are the issues, and we have made, I believe, some very strong steps in areas of action to deal with those. I can repeat them again.

We have looked at initiatives right from the policing end, entering into the First Nations policing policy, right through the courts end and into the area of corrections. We also have been looking at the appointment of community magistrates. So we continue to move to deal with the recommendations of the AJI report.

Assembly of Manitoba Chiefs Meeting Request

Mr. Gord Mackintosh (St. Johns): Would the minister at least do her part to convince cabinet to finally accommodate a request made by the Assembly of Manitoba Chiefs for a meeting, a request that was made last November, six months ago?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, I believe the

Minister of Native Affairs (Mr. Praznik) just answered that question in his most recent answer.

Collection Agencies Interest Rates

Ms. Marianne Cerilli (Radisson): Madam Speaker, my question is for the Minister of Consumer and Corporate Affairs.

Could the minister describe this government's policy on collecting overdue accounts from individual citizens, particularly from collection agencies, including the interest, and can he tell us what level of interest this government considers acceptable?

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): Madam Speaker, I do not have the general information that the member asked for.

If she has a specific case that is causing her some concern, I would ask her to provide me with that information, and I will certainly look into the problem on her behalf.

Public Housing Rent Arrears—Interest Rates

Ms. Marianne Cerilli (Radisson): My subsequent question is for the Minister of Housing.

Can the minister describe the policy of his department on using collection agencies to collect arrears from public housing tenants, including the interest level for those arrears?

Hon. Jack Reimer (Minister of Housing): Madam Speaker, I do know that there have been collections going to the collection agencies for the collection of overdue rents and that.

The interest rate that is charged on it, I am not familiar with. I will try to get that information back for the member.

Ms. Cerilli: Madam Speaker, can the minister assure the House that citizens as tenants in public housing will not be responsible for paying interest rates as high as 24 percent to collection agencies for rent arrears or damage to apartments?

Will he assure the House that this is the case in this province?

Mr. Reimer: Madam Speaker, if there is a specific incident that the member is referring to on a particular charge, one company that is charging that, I will certainly look into it on her behalf as to what has been transpiring.

Grain Transportation Proposal Pooling System

Ms. Rosann Wowchuk (Swan River): Madam Speaker, changes that have been made to agriculture supports by the federal government and supported by this government are resulting in a severe burden for farmers. Increased transportation costs will be devastating. In fact, Swan River farmers will be paying the highest freight rates in the country to ship their grain.

I want to ask the Minister of Agriculture why his government has accepted the changing to the pooling system which has moved ahead by a year, instead of waiting until 1996, when he has no clear indication of what kind of compensation farmers are going to be getting to offset these increased costs.

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I would like to advise the House and the member for Swan River that I have just today made arrangements to appear directly before the committee of Agriculture in dealing with the bill that is currently before the Canadian Parliament.

It will be proceeding through the legislation the week of June 5 to June 8. I have made arrangements to appear before the committee to indicate to the federal government precisely the concerns I share, that the member for Swan River brings to the attention of this House, the very significant, very serious impact that the pooling changes, including the St. Lawrence pooling with the elimination of the Crow, have on our producers.

What I am specifically trying to find out is the precise amount of compensation which Mr. Goodale has alluded to in previous meetings and conversations which will be forthcoming to help soften that change to

Manitoba farmers on August 1 when these changes go into effect. I would hope that within a very short period of time, perhaps by the end of the week, we will have some definitive word and details on this matter.

* (1430)

Committee of Agriculture—Federal Minister's Presentation

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I want to thank the minister for taking the concerns of farmers seriously.

I want to ask the minister if he will table in this House the paper that he will be presenting to the committee, so we can have a clear indication of what it is that he is asking for the Manitoba farmers when he goes to Ottawa.

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I have no difficulty in complying with that request.

Allow me to take this moment though to remind the honourable member that I am being guided by a coalition of farm leaders in Manitoba, which includes Manitoba Pool, the Keystone Agricultural Producers organization, all the farm organizations. They all spent considerable time in coming to a position on this very serious agricultural issue.

I regret to remind the House also, although I invited the honourable member for Swan River as a representative of the New Democratic Party and a representative of the Liberal Party to join us in bringing forward a common front on this important issue, that they refused to go along with this recommendation.

Quite frankly, Madam Speaker, there is little room for partisan bickering on this issue. It is of major importance, and they choose to continue to play politics.

Ms. Wowchuk: I would like to ask the minister if he will correct the record. In fact, he asked us to not participate in the committee but to view the committee. We were not invited to participate. I would ask that he correct the record.

Mr. Enns: Madam Speaker, there were sufficient members there, about 15 or 20 farm leaders from across Manitoba who spent a long Friday afternoon, as I recall, trying to arrive at a consensus to give this Minister of Agriculture, this government, some direction, some information. She had every chance, as much opportunity, to have direct input into those decision makings and to provide that advice.

However, Madam Speaker, I will certainly be more than prepared to share the information that I will be putting before the Agriculture committee in the House of Commons next week.

Mystery Lake School Division Funding Formula

Mr. Steve Ashton (Thompson): Madam Speaker, I have a question for the Minister of Education.

The School District of Mystery Lake was the hardest hit of any school district in the province because of the cuts by this government, losing 10 percent of its funding over a three-year period. [interjection]

Madam Speaker: Order, please. The honourable member for Thompson now has the floor and is attempting to pose his question, and I am experiencing great difficulty in hearing the question.

Mr. Ashton: Madam Speaker, the School District of Mystery Lake is once again the hardest hit of any school district across the province. It has resulted in 25 teaching positions being eliminated, and the kids that are going to suffer are special-needs kids, L1 and L2.

I would like to ask the Minister of Education whether she will listen to the many hundreds, if not thousands of residents of Thompson who have petitioned this government for a fairer funding formula. Will she at least undertake to review the fact that the funding formula is impacting very significantly on the School District of Mystery Lake?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I should indicate, first of all, something that the member does know, and that is funding for students with special needs has been increased significantly under this government,

something that school divisions have been crying for for years and years under the previous Pawley government.

Nonetheless, I hear his cry that the people in Mystery Lake, at the school division there, are seeking more funding. I would suggest that funding to that particular division, according to the formula—a formula which was devised to ensure the kind of equity that was never there prior to our government taking place. Under their government, there was a formula that was so flawed that by the end of the process, I think there was one division left on it.

We now have a funding formula that does apply. Mystery Lake has been funded on a per capita basis as any other division in the province. I would suggest that all divisions, in exercising their budget-setting requirements, take into account that they have been funded fairly indeed.

Mr. Ashton: My supplementary, Madam Speaker, is, will the minister recognize that the formula has impacted on the school district of Mystery Lake because of a number of factors, including a 48 percent assessment increase, which was a result of direct action of this government?

Will she at least listen to the concerns of the people of the school district of Mystery Lake and look at the funding formula?

Mrs. McIntosh: Madam Speaker, as I indicated to the member, the funding formula has recently been revised in the last few years to ensure the kind of fairness and equity that was not there before. Mystery Lake is being funded, as other divisions are being funded, on a per capita basis. I understand that they are asking for more money. The whole world would like more money.

Mr. Ashton: Madam Speaker, will the minister recognize that I am not asking a question on behalf of a private school. My school district is getting cut.

When will she stop cutting the School District of Mystery Lake?

Mrs. McIntosh: Madam Speaker, in response to the member's initial statement, if he were asking for money

for a private school, he would be having to ask for a lot more than he is currently asking, because they have accepted a freeze on our special out-of-court settlement agreement with them for many years.

What I am saying to the member for Thompson is that the people in Thompson are funded according to a formula that is fair and equitable across the province. They are treated the same as all other divisions across the province. He knows that over the course of time that we have been in government, that overall, on averaging out on an annual basis, school divisions have received—the education in Manitoba has received a very good percentage increase.

Winnipeg Arena Contractor

Mr. Tim Sale (Crescentwood): Madam Speaker, it appears that we now have confirmation that the new \$111-million arena was initially designed in the United States, although the local firm of Smith Carter is the architect of record. The minister has now confirmed that there will be no tendering in the project.

My first question for the Minister of Finance is, will the minister confirm that the contractor is the Dominion Hunt company, who have promised a fixed-price contract?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I have not confirmed that there will be no tendering on activities if a new entertainment complex is going to be built here in Manitoba. What I have outlined is we are building on the work done by the Manitoba Entertainment Complex group over the past eight months.

Back in October of last year, they sent out requests for proposals to four firms to be the construction manager for the project. Three firms responded to that request for proposal. Their selection process led to a consortium called Dominion Hunt, of which one of the entities is Dominion Construction, who have been here in Winnipeg for some 35 years and developed projects like the TD Centre in downtown Winnipeg. That is the entity that the private-sector group does have a fixed guaranteed price from.

If an arena is going to proceed, we will be entering into discussions with the private sector about their ability to develop the facility for no more than \$111 million or else being responsible for any cost overruns. An element of that will be their entering into the contract with Dominion Hunt, but the subtrade elements, the other components, will be open to the tendering process and the bid process, so that Manitobans will have the opportunity to bid on those components and that the jobs will, in fact, stay here in Manitoba.

Contract Tabling Request

Mr. Tim Sale (Crescentwood): Madam Speaker, since the contract then clearly exists, will the minister table this contract with the House today, with the provisions for cost overruns and the provisions for the access of local firms and labour for tendering on the subcontracts within the project?—table it today.

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I indicated that the Manitoba Entertainment Complex have had discussions, had short-listed, had looked at entering into an agreement with Dominion Hunt. I have also outlined the process that we will be following with the private-sector group if an entertainment complex is, in fact, going to be built.

We have not entered into an agreement with the private-sector group. They have not finalized their agreement with Dominion Hunt, although they are the selected construction managers and the ones that they have a quote from for a guaranteed fixed price.

As I have indicated on many occasions to this House, if and when agreements are being concluded, we intend to make everything that we possibly can available on this entire issue.

* (1440)

Contract Legal Review

Mr. Tim Sale (Crescentwood): Madam Speaker, has the minister seen and studied this contract that exists? Can he state that in a full, legal sense—he understands this term—he has exercised due diligence on behalf of Manitobans?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I have just outlined the process that has been followed to date, the process that will be followed from this day forward.

Certainly, the MEC group has had legal representation in terms of their review of the issue to date, and as I have indicated, if and when we are at the stage of entering into any agreements with the private-sector group and they enter any agreements with entities such as Dominion Hunt, we will be making everything that we possibly can available on the issue.

I know, as I have said before, the NDP oppose the development of an entertainment complex. They oppose keeping the Jets in Winnipeg, although that does contradict what the Leader of the opposition party said less than a year ago, when he went on to say, I think some of the infrastructure programs we are now investing public money in are not nearly as important in my opinion as this Jets hockey team, and I just quoted two projects that are worth up to \$60 million. That is the kind of commitment from the Leader of the Opposition (Mr. Doer) less than a year ago.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, I rise on a similar point of order to what I rose on previously with the same minister, that being that if the minister wants to engage in debate on the Winnipeg Jets anytime, anywhere, with the arena proposal, but we would appreciate if he would follow Beauchesne and answer the very specific questions asked by the member for Crescentwood (Mr. Sale), not engage in that debate now—anytime, anywhere.

Madam Speaker: Order, please. I am sure all honourable members will have ample opportunity to debate this issue in full at various opportunities.

An Honourable Member: Was that a point of order?

Madam Speaker: No. I did not accept that as a point of order. That is a dispute over the facts.

* * *

Madam Speaker: Time for Oral Questions has expired.

NONPOLITICAL STATEMENT

Auctioneers' World Championship

Hon. Leonard Derkach (Minister of Rural Development): Madam Speaker, may I have leave for a nonpolitical statement?

Madam Speaker: Does the honourable Minister of Rural Development have leave for a nonpolitical statement? [agreed]

Mr. Derkach: Madam Speaker, I rise in the House today to express my most sincere congratulations to a young man who has won a very prestigious award. Mr. Mark Buleziuk attended the auto Auctioneers' World Championship last weekend in Halifax and brought home with him a grand prize of \$10,000 as the best auctioneer in the world.

Mark successfully competed against 26 competitors from all over North America and is the first Canadian to win this award since 1989. As a full-time employee of the Winnipeg Auto Auctioneers, Mark has proven his superior talent each and every day.

I am especially proud of Mark for another reason. Mark was my former executive assistant before he entered this profession. At only the age of 26 years, Madam Speaker, Mark has already received accolades that many twice his age have never achieved.

Once again, may I extend my congratulations to Mark Buleziuk and wish him the very best as he furthers his education at the University of Manitoba. Thank you.

ORDERS OF THE DAY

Government Motions

Hon. Jim Ernst (Government House Leader): Madam Speaker, I move, seconded by the Minister of Education (Mrs. McIntosh),

That notwithstanding any rule or practice of this House the steps or segments of the financial process introduced and concluded during the sixth session of the Thirty-fifth Legislature be forthwith reinstated in this the first session of the Thirty-sixth Legislature as follows:

The introduction, debate and adoption of the budget motion, the establishment of the Committee of Supply, the establishment of the Committee of Ways and Means, the tabling of the messages of His Honour the Lieutenant-Governor and the Estimates attached thereto and the referral of the said messages and the attached Estimates to the Committee of Supply

Shall be deemed to have been introduced, considered and concluded during the first session of the Thirty-sixth Legislature and that the ensuing steps of the financial process be continued at this or any subsequent sitting of this House in the current session.

Motion agreed to.

Mr. Ernst: I move, Madam Speaker, seconded by the Minister of Education (Mrs. McIntosh),

That notwithstanding any rule or practice of this House for the duration of the first session of the Thirty-sixth Legislature the following shall apply to sittings of the Committee of Supply:

the following shall be substituted for subrule 65.(5): The Committee of Supply, unless otherwise ordered, may sit in three separate sections, one section in the Chamber and two sections outside of it to consider the Estimates of separate government departments;

in subrules 65.(7.1) and (7.2) and rule 65.1(1) the words "all three" shall be substituted for "both";

in subrules 65.(8), (9) and (10) the words "Chairperson, Deputy Chairperson and Assistant Deputy Chairperson" shall be substituted for "Chairman and Deputy Chairman";

the Estimates of new departments may be introduced when the Committee of Supply is sitting after ten o'clock p.m.; and

the rules respecting votes in the Committee of Supply after ten o'clock p.m. shall apply.

Motion agreed to.

Mr. Ernst: Madam Speaker, I move, seconded by the Minister of Education (Mrs. McIntosh),

That the Rules, Orders and Forms of Proceeding of the Legislative Assembly of Manitoba be amended by adding the following new rules after 69.(3):

69.(4) Each standing or special committee shall elect a permanent chairperson and a permanent vice-chairperson at its first meeting in each Legislature, and in the case of a vacancy of either the chairperson or vice-chairperson by reason of the incumbent dying, resigning his or her seat in the Assembly, becoming disqualified from sitting or voting in the Assembly, or resigning from the committee, the committee shall forthwith elect a successor.

69.(5) If at any meeting of the committee, the chairperson is not present, the vice-chairperson shall act in the place of the chairperson.

Madam Speaker, after you have called for that motion, I would like to briefly address it.

Motion presented.

Mr. Ernst: I just want to address this particular motion. This comes as a result of the Fox-Decent commission which established permanent chairpersons and vice-chairpersons of the committees. As a requirement of that commission report, we are obliged to take this action.

Mr. Steve Ashton (Thompson): I move, seconded by the member for Wolseley (Ms. Friesen), that debate be adjourned.

Motion agreed to.

Mr. Ernst: Madam Speaker, I move, seconded by the Minister of Education (Mrs. McIntosh),

That for the duration of the first session of the Thirty-sixth Legislature Rule 9 be amended by adding to it immediately after subrule 9.(3) the following new subrule:

9.(3.1) At the commencement of this session, or from time to time as the necessity may arise, the House shall appoint an Assistant Deputy Chairperson of Committees of the Whole House whose duties shall be

the same as those of the Deputy Chairperson of Committees of the Whole House.

Motion agreed to.

Mr. Ernst: Madam Speaker, I would like to seek leave of the House to introduce a motion respecting the appointment of the Assistant Deputy Chairperson of Committees of the Whole House.

Madam Speaker: Is there leave of the House for the honourable government House leader to move a motion to appoint the Assistant Deputy Chairperson? [agreed]

Mr. Ernst: Madam Speaker, I move, seconded by the Minister of Education and Training (Mrs. McIntosh), that Mr. Gerry McAlpine, honourable member for the Electoral Division of Sturgeon Creek, be Assistant Deputy Chairperson of the Committees of the Whole House.

Motion agreed to.

Mr. Ernst: I would seek leave of the House to move a motion to establish the Estimates order for today.

Madam Speaker: Is there leave of the House to permit the honourable government House leader to move the sequence of the Estimates for today? [agreed]

* (1450)

Mr. Ernst: Madam Speaker, I move, seconded by the Minister of Education and Training (Mrs. McIntosh), that, by leave, for today, when the House resolves itself into Committee of Supply to consider spending Estimates, that Executive Council will be in the Chamber chaired by the Chairperson (Mr. Laurendeau); Health will be considered in Room 255 chaired by the Assistant Deputy Chairperson of Committees (Mr. McAlpine); and Rural Development in Room 254 will be chaired by the Deputy Chairperson of Committees (Mr. Sveinson).

Motion agreed to.

Mr. Ernst: I move, seconded by the Minister of Education and Training (Mrs. McIntosh), that Madam

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

Motion agreed to, and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty, with the honourable member for La Verendrye (Mr. Sveinson) in the Chair for the Department of Rural Development; the honourable member for Sturgeon Creek (Mr. McAlpine) in the Chair for the Department of Health; and the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for Executive Council.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

RURAL DEVELOPMENT

Mr. Deputy Chairperson (Ben Sveinson): 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 Rural Development. Does the honourable Minister of Rural Development have an opening statement?

* (1510)

Hon. Leonard Derkach (Minister of Rural Development): Yes, I do.

Mr. Deputy Chairperson, ladies and gentlemen and colleagues, it gives me great pleasure today to present the Estimates for the Department of Rural Development. The conclusion of the 1994-95 fiscal year marked the second full year that the department has operated under the new structure with two divisions, the Local Government Services division and the Economic Development Services division. This structure continues to provide services to local government while forming the vanguard of alliances with businesses and entrepreneurs to develop the new rural economy in a changing global marketplace.

For the Economic Development Services division the past year has been a banner year for assisting rural Manitobans creating jobs in a prosperous rural economy. For example, since I last reported to this Chamber during the department's last Estimates review,

seven additional Grow Bonds have been issued raising more than \$2,600,000 in local investment. These bond issues illustrate how local investors can successfully invest in themselves, in their neighbours and their local entrepreneurs.

More specifically, those Grow Bonds include \$700,000 for Gilbert International in Arborg, \$600,000 for Crocus Foods in Portage la Prairie, \$100,000 for Country Woodshed in Killarney, \$216,000 for Operation Fire Fly in Souris, \$250,000 for Westman Plastics in Dauphin, \$280,000 for RCS Greenhouses in Waskada, \$390,000 for Dyck Forages and Grasses in Elie.

With these seven issues of Grow Bonds local investors help create 192 jobs in their own communities. These jobs are a tribute to the success of this program and allows rural Manitobans to invest in their own ingenuity and their initiative. In total, there have been 18 Grow Bond projects that have been approved and have raised more than \$7 million in local investment while leveraging over \$21 million in capital investment in our rural communities. But, most importantly, about 450 jobs have or will be created for rural Manitoba.

Furthermore, I was encouraged to see several rural-based companies represented in Manitoba Business Magazine's recent ranking of the top 50 fastest growing businesses in the province. Two of these companies, Elias Woodwork Ltd. of Winkler and Farmers Co-op Seed Plant at Rivers were among the top 15. Both of these companies attracted local investment through the Grow Bond program.

The Rural Economic Development Initiative, or as many people refer to it as REDI, and its components continue to be highly valued and sought after for development projects in all of rural Manitoba. The components under the REDI umbrella include the Feasibility Studies Program, the Infrastructure Development Program, the Development Support Program, the Rural Entrepreneur Assistance program, the MBA Student Consulting Program for rural businesses, the Green Team program, the Partners with Youth program and the Rural Junior Achievement program, all providing valuable assistance to rural businesses and entrepreneurs.

To date, Manitoba Rural Development has facilitated total REDI project commitments of \$19.9 million, a commitment that has resulted in total capital investment of \$160 million and the creation of more than 1,060 jobs for Manitobans.

As an example of REDI success, it was our pleasure to be able to announce that we would be able to extend and expand the funding for the Rural Junior Achievement program. Over the next five years, we will be able to provide \$700,000 to deliver this program to rural, elementary and high school students in Manitoba.

Each rural school is eligible to receive funding over five years. The Rural Junior Achievement program has been extended until June 30, 1997, for new schools to register for the program. To be eligible, schools must be registered with Junior Achievement within the first two years of availability or prior to the end of the school year.

As part of the ongoing support toward community development, sewer and water programming has assisted approximately 90 rural community projects, with municipal water infrastructure, or PAMWI, assisting an additional 23 communities.

Support for conservation districts is also integral to the maintenance of conservation areas. In 1994-95, the department was pleased to support the formation of the west Souris River Conservation District, bringing to seven the total number of conservation districts. The Turtle Mountain Conservation District also has been expanded.

The growth of community round tables to its current number of 64 involves 124 rural municipalities and is an essential framework for grassroots participation in rural economic development issues.

Round tables will continue to grow in numbers and begin to address new economic activities as more round tables complete and implement their vision statements. Round tables complement other's ongoing economic initiatives. Their importance for now and for the future is evidenced in their ability to provide communities and municipalities with a process for people from all walks of life to get together to take a realistic look at their

community, develop a plan for the future and work together to implement it.

In our Local Government Services Division, there is a milestone being reached as I speak to you here today. The review of The Municipal Act and related statutes is drawing to a close after it started in 1993. Since it was requested by the Union of Manitoba Municipalities and the Manitoba Association of Urban Municipalities and local officials, the review panel has listened to countless rural stakeholders, read scores of written presentations and are now preparing their final report.

This report was a significant undertaking for this department. A discussion document had to be prepared and 2,500 copies were distributed throughout the province. Two rounds of regional consultation meetings were conducted as well as countless hours of reviewing the thoughts and opinions of those who depend on the delivery of services by their local government.

This division is also moving forward on its continuous improvement program that was initiated in June 1994. Clients of the division's Assessment branch are noticing higher quality products, prompter service and new means of achieving cost-efficiency. Integral to continuous improvement initiatives are the perceptions of clients regarding service, which will be used as a yardstick to measure effectiveness.

High quality service is dependent on staff feeling ownership and a sense of responsibility for Rural Development's product and services. As a result, the department wants to improve employee involvement in identifying opportunities for service quality. In addition, the processes by which assessments are produced need to be redesigned so that the assessments, reassessments and inspections can be achieved economically, effectively and on a timely basis.

Another process of change that we have been driving in the department has been re-engineering the way we administer the property taxation and assessment. This clearly has implications for all rural Manitobans and for local governments in particular. Maintaining a fair and stable tax base rooted in an accurate assessment is fundamental to all municipal operations. In fact, this

initiative is in direct response to the priorities and needs that municipalities have expressed to this government in recent years.

To help achieve this, we have computerized the assessment process allowing staff to more easily update assessments every three years as required by law. We have also made assessment notices and tax statements to the property owner more user-friendly. Rural Development staff are now working to bring the reinspection process in line with the reassessment cycle. Our commitment to you is to update our property information across the province in time for the next reassessment in 1997.

The department was also pleased to have been able to increase the overall funds available to Manitoba communities through provincial-municipal tax sharing last year by 4.1 percent. This year we are projecting an overall increase in the range of 6 percent. This was made possible by improved economic growth in our province.

Once again, Manitoba Rural Development is adding three more communities to our Mobility Disadvantaged Program as we try to do every year. This program allows communities to provide transportation for mobility disadvantaged residents as well as seniors by providing start-up grants, operating grants and capital grants.

Supporting the two divisions is the Corporate Planning and Business Development branch which serves two main purposes: first, to continue to assist the two divisions with a full range of rural development initiatives they are undertaking; and to facilitate strategic alliances with a number of key organizations who have a stake in rural Manitoba, including the Union of Manitoba Municipalities, the Manitoba Chamber of Commerce, the Manitoba Association of Urban Municipalities and the Rural Development Institute, to name just a few.

The branch has provided valuable research support towards The Municipal Act review and the assessment reform. The intent is to ensure that future growth and development of rural Manitoba occurs within a strategic framework, which will serve as a foundation for generations to come.

In support of business and community development, the branch strives to work in close co-operation with key rural stakeholders in building the Rural Economic Development Initiative keeping rural Manitobans informed and assisting them in celebrating their successes.

Implementation of the Rural Economic Development Initiative continues. A key issue will be the effects of the removal of the Crow rate benefit and options available for rural Manitobans. In addition, several information highway and technology activities will be pursued to ensure rural Manitoba has access to information and ideas to balance economic opportunities among rural communities.

Rural Manitobans have demonstrated their high level of interest in their futures, as has been evidenced in the participation levels at the Rural Development Forum '95. The event attracted more than 3,600 rural Manitobans who believe in the need to work together to collectively address rural economic issues, reach out for innovative alternatives and make the best possible use of our resources. Participation at this year's forum was three times larger than the previous year and included 800 registrants, 400 students, 300 volunteers and speakers and more than 2,100 visitors who took in the exhibits and the Flavour of Manitoba.

The Flavour of Rural Manitoba featured 28 entries and establishments which served up some of the flavours of rural Manitoba. The forum provided a venue for these establishments to be recognized.

* (1520)

In a similar fashion, we are keeping rural Manitobans informed about their achievements and key activities through Rural Development's newsletter, which has been extremely well received.

As well, in partnership with other government departments, we continue to support such projects as Bootstraps, an anecdotal accounting of Manitoba's entrepreneurial spirit, which is now in its fourth issue.

Partnering for progress, refocusing for economic renewal, enhancing services for improved program delivery and sharing information for a consistent and

open communication flow, these are the operative results we will strive for in '95-96.

In closing, the Department of Rural Development is working with rural Manitobans to adapt, change and assist them while they reinvent the rural economy and alter the perceptions and realities facing local governments. We have been getting positive results, and I anticipate the coming year will see rural Manitoba moving forward.

Mr. Deputy Chairperson, this concludes my opening remarks, and I certainly await with eagerness the debate that will ensue.

Mr. Deputy Chairperson: We thank the Minister of Rural Development for those comments. Does the official opposition critic, the honourable member for Interlake have any opening comments?

Mr. Clif Evans (Interlake): Yes, I do.

Again, it is indeed a pleasure to be able to go through the Estimates process with the Minister of Rural Development and his staff. I would also like to welcome any new members that are participating with us.

Rural development of course, and I have said this over the years many times, is an important cog in the province of Manitoba and an important department. Rural development and rural Manitoba need the uplifting that they have been receiving in the last couple of years with lottery monies.

We, of course, feel that there should be further improvements to the rural areas and working along with rural Manitobans in certain areas. Not all areas are getting their fair share of the Rural Development money that is available and services. We hope that will improve, and we will work with the department to make sure that does occur.

I would also like to state that during our process here, I would like to, in discussions with the minister, ask specific issues not only constituency-related but also related to the whole process through the whole province.

I also would like to say that the Grow Bonds issue, even though the minister says how wonderful it has been, we would also like to find out just exactly where we are going with the Grow Bonds issue for the future and for the different areas. We would also like to find out exactly where the jobs that he has indicated are, and are they full-time jobs or are they part-time jobs?

The infrastructure program itself in the province that Rural Development has been a part of, it has been indicated to us and to myself, that in some areas it is not what it is made out to be and that areas are having a tough time with the infrastructure program.

Accessibility, even though there has been some improvement—I brought this to the attention of the minister I believe last Estimates—that the REDI program itself, the accessibility to the program was not what the municipalities in the rural areas wanted or needed. Hopefully the matter has been addressed. As the minister has indicated, his department is making every effort to provide all the necessary resource information and people to assist in whatever projects or decisions that different rural communities are trying to make for the betterment of their area.

We are also very interested in The Municipal Act changes. I believe that it is time that changes were brought about. We would still like to, of course, hear from UMM and MAUM and other key players in the changes as to their concerns and if the minister himself is addressing and his department are addressing the concerns before The Municipal Act is enacted.

I look forward to, Mr. Deputy Chairperson, being able to be a part of providing rural Manitoba and rural areas with whatever possible resource that is available to them and whether it be in my own communities or whether it be in other communities around Manitoba. Hopefully, it is very, very important, I think, that we get rural areas back not only in population but back in economic development. I know that there are many projects out there that could use the support of government.

There are entrepreneurs that want to get started in different businesses, but it seems that at times when I have myself directed my constituents or other people to

programs within Rural Development, the REDI program, that people have found it difficult at times to meet the criteria. I know one in particular that just basically said that it was just not for him, not for their company. They had to go through too many hoops to be able to get what they wanted and that basically they could do it themselves. I think that is unfortunate. However, I do hope that through the REDI program and through Grow Bonds we can achieve. What we are hoping for is improved rural economic areas and increase our population in Manitoba back and even higher than what it has been.

So I look forward to working with the minister and his department and staff along with my colleagues to do that, and, hopefully, we can achieve that. Thank you.

Mr. Deputy Chairperson: We thank the critic for the official opposition for his opening remarks.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line.

Point of Order

Mr. Clif Evans: On a point of order, it certainly is up to the minister—I of course thank you very much for being allowed my opening remarks. I am wondering if we can allow the other member present to—[interjection] Yes.

Mr. Deputy Chairperson: Is there unanimous consent of the committee to allow the member for St. Boniface (Mr. Gaudry) to make an opening statement? [agreed]

* * *

Mr. Neil Gaudry (St. Boniface): Mr. Deputy Chairperson, I would like to thank the minister, he is a fine man. I have worked very co-operatively in the past with him and will continue to do so.

I would like to say that I am pleased to be back and asked to participate as critic for Rural Development. I have always had an interest. When there were issues

brought forward, I did bring them to the attention of the minister, and always with co-operation from his staff and himself.

I appreciate members opposite today giving me leave to speak and have an opening statement. It is well appreciated. The fact that we live in a democratic country, one of the main things is freedom of speech. I think I could have requested to speak. I am sure I would have been allowed to, but I am not the type to create these kinds of issues and appreciate what is being done here today.

Again, I would like to say thank you to the minister. He was over yesterday to ask if we were ready to come to Estimates today, and I said yes. At that time, I expressed the fact that we had not received the Supplementary. It was at my office this morning first thing, and I appreciate it very much.

Rural Manitoba, like I said, has always been very close to me. I was raised in rural Manitoba and continue visiting rural Manitoba on several occasions, and will continue to do that.

I think we are here, as 57 members of the Legislature, to work together for the benefit of all Manitobans, not just a section of Manitoba. Many feel that once you are inside the Perimeter you do not worry about outside Manitoba, but I do not think it is the case. It might be viewed as such at times, but it is not.

* (1530)

I look forward to working with the minister and his staff again in the upcoming years, four or five, maybe five and a half, we do not know. Like I say, I will continue to work with them and with everybody co-operatively and I look forward to being part of the debates during the Estimates. I thank you very much, and to the members and to the minister, thank you.

Mr. Deputy Chairperson: As I have said, the Minister's Salary will be considered last in the Estimates. 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.

Mr. Derkach: Mr. Deputy Chair, I would, first of all, like to introduce the Deputy Minister of the Department

of Rural Development, Mr. Winston Hodgins, who is no stranger to many of you. For the benefit of new members at this table, Mr. Hodgins joined my department about three years ago now. We were both newcomers to the department at the time, and since that time, he has certainly led this department in a very respectable and honourable way, and I am pleased to have him as my deputy minister at the table today.

Also, we have at the front here Mr. Brian Johnston, who is a chief financial officer in the department—he takes care of our scarce resources in the department, and we are happy to have him with us here today—Aline Zollner, who is the Assistant to the Deputy Minister, and my own special assistant Brenda Wild. Thank you.

Mr. Deputy Chairperson: For all present, we are on page 17 of the Supplementary Estimates book and on page 128 in the Estimates blue book. We are on line 1.(b) Executive Support (1) Salaries and Employees Benefits \$407,100.

Mr. Clif Evans: Mr. Deputy Chairperson, I am wondering, even though we are going by the lines from the book here, if it would not be the same as going on the page in the supplementary. Can we do that?

Mr. Deputy Chairperson: You may ask questions on your supplementary information booklet, but we have to pass it line by line in the blue book.

Mr. Clif Evans: I understand that. It is just for convenience for all of us here on this side so we know exactly where we are going from our supplement book in comparison to what you have there in the line by line from the main budget book.

Mr. Deputy Chairperson: That is why I read out both page numbers at first.

Mr. Clif Evans: I am not trying to make this difficult. You know what I am saying, Mr. Minister. For the supplement book that we have here, the line from the Deputy Chairperson's book, this is page 21 of the supplementary book. I would rather, when we are dealing with it, deal with that instead of just—specifically.

Mr. Deputy Chairperson: We will attempt to mention both page numbers.

Mr. Clif Evans: Thank you very much.

I would, of course, like to take this opportunity to welcome the staff. I have had the pleasure of dealing with most of your staff and been very well received, I must say. Welcome to your new staff member who I had not met until today.

I am wondering, the deputy minister, his availability to not only myself and the rest of the staff but to constituents or different people raising issues to me, I would like to say that, if possible, if the minister is available to speak to on a certain matter if it would be due process to bring the matter to the attention of the deputy minister, or who would the minister like me to bring a certain issue or question, information that is required, who would he prefer I speak to on that?

Mr. Derkach: Mr. Deputy Chair, I think the protocol that is followed is that if members of the opposition or colleagues have issues on behalf of their constituents that they want to deal with the minister's office that they would contact the minister's office. Then from that point, if the minister is not available, whether it is my department or any other department, they would be referred to either by the staff—and in my case it would be the special assistant who handles department matters. They would be referred to the appropriate staff through the deputy minister's office. Then at least there is some communication in knowing what the issue is and how it is being dealt with.

Simply going to people within the department without going through the minister's office does not allow for any communication and understanding of what an issue might be, and so for that reason there has to be some protocol in the way that these matters are raised with the minister's office. It is only so that we are abreast and aware of how the issues are to be dealt with. We certainly do not want to keep you away from staff; they are the people who run the department. We would be only too happy to deal with these matters together, or if I am not available, certainly you will be referred to the appropriate person in the department.

Mr. Clif Evans: I thank the minister for that answer. Basically, I did ask it in lieu perhaps of our new

colleagues here that would sort of have the interest, of course, in the Rural Development department and know just exactly what type of process we do go through. I have no further questions on that line.

Mr. Derkach: I would just like to say for the benefit of new colleagues at the table, Mr. Deputy Chair, if it is appropriate for you to outline the process of questioning so that members who are new to the table may get a better understanding of how they can pose a question and when.

Mr. Deputy Chairperson: We are going line by line, and if somebody would just raise their hand they will be recognized and will be able to ask the minister questions on that particular line, as the member for Interlake has already done.

Ms. Rosann Wowchuk (Swan River): Mr. Deputy Chairperson, I would like to ask the minister, we are in a time where we have a tremendous concern about environment and sustainable development and preserving our rural environment for future generations. I think it is very important that we do that. Can the minister outline to us what programs are in place or what programs are being developed by his department to ensure that we have sustainable use of both land and water in rural Manitoba?

Mr. Derkach: We do not have the mandate in this department to set some of those regulations that the member for Swan River refers to; however, I would have to say that we work in co-operation with the Department of Environment, the Department of Agriculture, the Department of Natural Resources in dealing with all projects and initiatives that come forward. As a matter of fact, as you know, in the Department of Rural Development we have two branches, if you like: one that deals with the economic development issues; the other that deals with the planning issues.

Our planning department works very closely with the Department of Environment and with the Department of Natural Resources when it comes to such things as planning initiatives for whether it is hog barns or any development issues to ensure that indeed our water supply, our environment is protected and that any initiative is carried out in a sustainable way.

So we do not act alone. But we certainly do work with other departments very closely. I guess in reference to the member's question the closest division of this department that would work on issues related to sustainability and environment would be our planning division that does do a lot of work with communities, with municipalities and with our sister departments.

Ms. Wowchuk: I am thinking more along the lines of sustaining the soil and drainages and things like that. The department is responsible for taxation of land, but municipalities that come under this department's branch make application for drainages and those drainages have impacts.

* (1540)

We look at the flooding that we have this year in many areas, and I guess I am looking to the minister for what direction his department is taking in developing policies and programs that will control the kinds of problems that we are seeing in some parts of the province as far as drainage.

We look at the problems that the minister had in his own constituency with water this spring. I look at my own constituency where we had serious flooding problems a few years ago, and we are on the verge of having them again.

When we look at many of those problems, those problems are man made to a great degree. Sometimes they are acts of God that we have no control over, but I think the department has the responsibility to put in place programs and show guidance to municipalities to ensure that some of the problems that have been created are corrected and that we do not create more of them. So what I am looking for is what is the department's position on management of water? I realize there is an overlap, but I do believe there must be a part of it that comes under Rural Development and guidance to municipalities on how they should be handling these water problems.

Mr. Derkach: We are a player in many of these types of programs and initiatives, but we are not alone. For example, when you speak of water drainage, although people point to that as being the problem this year, it

certainly is not. The problem, this year we had several things come together at the wrong time and it created a very awkward and a very difficult situation for many, and it is still doing that.

Specifically, we have a program called the Conservation District Program which we are trying to expand in the province, and we have expanded two conservation districts—or expanded one, created a new one—and there are now at least two other areas that are looking at new conservation districts. We have spent an additional \$200,000 in that area this year, and we believe that conservation districts can go a long way to helping manage some of the water situations that we have across our province.

I am well aware of what the member is speaking about in the Swan River area because we have seen them and I have been there when those problems arose. So it is simply not a matter of putting an end to drainage, it is a matter of making sure that we manage, as she has rightly said, the way in which perhaps drainage is carried out so that it does not impact negatively on people who live downstream. Of course, that was the whole reason for the creation of the Shellmouth reservoir, to help people who live downstream from the Assiniboine River.

Water Resources branch from the Department of Natural Resources is a branch that does a lot of work with municipalities and water drainage. So the Department of Rural Development, although it does not work directly with these municipalities in that respect, we do work co-operatively with Water Resources and municipalities to try and resolve some of the issues that we have with respect to water drainage.

We also have the Manitoba Water Services Board. The Manitoba Water Services Board is responsible for bringing to residents in rural Manitoba potable water for domestic use, for livestock use. Also, we work co-operatively with various projects across the province to make sure there is a water supply in communities for other activities such as irrigation or whatever the case may be.

I can tell the member that we have also tried to encourage and work with our conservation districts

with respect to water retention ponds and holding back water at certain times when there is an overabundance of it, especially in the springtime of the year, and then allowing it to leave those ponds at a timely basis which does not impact negatively on people downstream. So those are all kinds of initiatives that are ongoing. We are working with municipalities, with conservation districts right through the province where they exist. Although we do not have all the answers, certainly there is a need to pay some fairly acute attention to this problem or this challenge.

Additionally, we have the problem of the water coming in from the Saskatchewan activity, which is impacting quite negatively on some of the areas along the border. That too has to be addressed, and again it is not a matter of just shutting down every stream that is in existence. It is a matter of being able to manage them and manage them effectively and properly for the benefit of our residents.

Ms. Wowchuk: I guess I am looking to know what power the department has in cases where there are water problems, and this could happen in any place in the province. I am not looking specifically at any area where there are municipalities that authorize drainages that are not licensed.

What power does the department have in that case? Does the department have the ability to order the municipality to correct these problems, or does that come under another department, because I think this is something that has to be addressed?

Again, I look at the whole area of environment and sustainable development. It is not sustainable development when you have one person trying to benefit themselves and then creating problems downstream. There has to be a plan. I want to know what program it would come under or what power the department would have to enforce or correct problems that might be created by municipalities or by individuals within the municipalities, because lots of times the municipality does not know what is going on.

Since the department in their statement looks at promoting environmental and sustainable economic development, how does this fit in with the department?

How could the department deal with those kind of problems?

Mr. Derkach: Mr. Deputy Chairperson, we do not have a direct responsibility in that respect with regard to the water resources in the province. That is an arm or branch of the Department of Natural Resources. The Water Resources branch is under the Department of Natural Resources. They are the ones who deal with municipalities with respect to water drainage issues, provincial waterways and so forth.

With respect to municipal waterways, that is a municipal area of responsibility, and again, these people are duly elected by their residents and have the responsibility for that.

We certainly work in co-operation. I can tell you that I have looked at lots of drainage work and lots of dam work where an individual wants to hold water, and these are all fine. They are good projects for either improving the quality of the land or making it more sustainable. However, too often, not enough care is given to what happens to that water when it leaves that property.

It is true even with highways that are built today. We build a highway. We put in a big bridge where there used to be a culvert, and we forget that downstream there are other crossings that municipalities have where the structures cannot handle the volume of water that comes suddenly, and year after year we have damage that is caused, and it is costing us as taxpayers a lot of money.

So we are beginning discussions with municipalities, with entities around the province to see whether or not we can better manage the way in which water is dealt with in the entire province. I guess the best example of a bad situation is the one that is going on right next door to Manitoba. We do not have that problem in this province yet. We have, I think, managed our affairs better, but unfortunately the drainage that is going on in Saskatchewan is bringing a tremendous amount of water into Manitoba, I think, right from the Swan River area straight through down to, well I guess the Binscarth area and even south of that. There is no control of the water once it starts leaving the Saskatchewan boundary and coming into Manitoba.

* (1550)

It is creating a lot of problems for farmers, for municipalities, for residents in some of these communities, and yes, we do have to pay attention to that. But it is not one body that can do that. It is a combination of departments. My department is one, Natural Resources is another one, Agriculture is yet another department, and each department has some responsibility and onus in dealing with the situation.

Mr. Clif Evans: Mr. Deputy Chairperson, I think further to this the minister indicates that really it is other departments involved, but unfortunately, or fortunately, whatever way you want to put it, the municipalities or local jurisdictions that want to have these infrastructures improved, whether it be in the drainage of water, whether it be on roads, culverts, bridges, does come from local jurisdictions, requests for resolutions and that. They are under the Department of Rural Development, so I would think that the minister's department would probably want to have a bigger say when local jurisdictions go to the different departments, you know, requesting a new highway being built, a new bridge, et cetera, where again it would be somebody's responsibility to just see whether downstream of that development structure, or whatever it would be, another jurisdiction is not affected.

Mr. Derkach: Well, Mr. Deputy Chairperson, it is not just this department. I mean, we have a mandate that is given to us. That does not include the management of water resources in the province. That comes under the Department of Natural Resources. So when a municipality brings in a resolution, or if the organization of municipalities brings in a resolution, although they bring it into the UMM convention where it may be passed and then it goes from there to government, it does not mean that all of those resolutions fall under my jurisdiction. It does mean, though, that we as a department co-ordinate the responses to those resolutions from the various departments.

So in that regard we are seen as a facilitator or a co-ordinator for these activities, but it is not necessarily our job to go and fix a problem. We certainly do our

share in terms of making sure that other departments respond to resolutions that come forward.

Ms. Wowchuk: I think the minister has touched on what we are trying to get at here, and that is that municipalities come under this department's jurisdiction, and municipalities do take on the responsibility or pass motions or go to government with planning to the drainages or water or whatever. So what it does do is it comes back under this department. When these things happen, it is this department that gives the final say on whether or not those drainages—in conjunction with other departments. There has to be some planning done.

So this is what I was starting to look for. I think there has to be more accountability on the department, but this is what we are looking for. Who is responsible when these things happen? Drainages—I believe it is the department that says, in conjunction with other departments that say, yes, you can proceed with this drain or no, you cannot proceed with the drain. So, when they have an approved drain, that is one question, but when there are unapproved drains that take place and I am only using drains as an example. There could be roads, for example, within an LGD. It comes back to the department, I would believe, that would be accountable for these things that happen if they are causing consequences down the road.

Mr. Derkach: Mr. Deputy Chair, it is not our department alone that deals with each and every matter of municipalities. So we do not have the responsibility. There is not the licensing procedure in Manitoba for drainage as such. Some municipalities have passed by-laws, if you like, which request a farmer to get a licence from a municipality to do some drainage on his or her property. There is no requirement for that individual to come to the province to get a licence to do drainage on his land. If I have got a pothole that I want to drain, I do not have to get a municipal or a provincial licence necessarily to do it.

There is no such provision in Manitoba. Now, if you are talking about major drains, and you are talking about major water movement, if you like, that is an entirely different situation. That matter then falls under the Department of Natural Resources under the Water Resources branch.

Ms. Wowchuk: Well, the minister has raised an interesting point. I am quite surprised because I was always under the impression that you had to have licences. We will take this one to the Department of Natural Resources when we get to those Estimates, because if that is the case—[interjection] Small ones lead to major ones. If you get everybody draining their land, pretty soon you have a major—and we have incidents of that, where everybody has drained a little bit into one ditch and pretty soon you have a lot of water causing problems. Anyway, he has clarified that; it is not for this department. We will take that one to Natural Resources, but it is something that we have to look at. Thank you.

Mr. Deputy Chairperson: 1.(b)(1) Salaries and Employee Benefits \$407,100—pass; (2) Other Expenditures \$77,000—pass.

I would just like to mention for those new members that if they want to see 1.(b)(1) and (2), a further breakdown is on page 21 and you just follow along.

1.(c)(1) \$100,500.

Mr. Clif Evans: First of all I am going to apologize, because I am sure I asked the question before, when was the Brandon office established?

Mr. Derkach: Mr. Deputy Chairperson, I can stand to be corrected, but I believe it was either in late 1988 or 1989 when the office in Brandon was established. I do not have the exact date, but if that is an important matter, I can certainly get it for the member.

Mr. Clif Evans: Then the office in Brandon was established in whatever year that it was, for the purpose, as it says, to provide information and to provide resources for the western area of the province at that time. I see that there has not been much of an increase in resource, staffing, et cetera. In the past couple of years has the workload or the department there increased? Is there a rise in the—

Mr. Derkach: Mr. Deputy Chairperson, the office itself is a cabinet office outside of the city for the use of people and organizations who live a distance away from Winnipeg. We have one in northern Manitoba as

well. The reason for the office is to try and give a presence to communities outside Winnipeg, also to make it more accessible to people, in this instance, in the western side of the province who are a long way from the city of Winnipeg. It also gives us an opportunity as ministers to have a place where we can work out of when we are outside of the city and also to meet organizations and groups from the western side of the province. We do that on a fairly regular basis, and it is just not this department, but in fact it is other ministries who use the cabinet office as well.

* (1600)

In terms of the activity at the office, I would say it is probably held constant. It has not increased or decreased. They certainly handle their share of inquiries and telephone calls and all of those kinds of things and they do the co-ordination of meetings that have to be set up for cabinet ministers when they are there.

Mr. Clif Evans: The minister mentioned the northern office, that would be Thompson. I remember in Estimates last year positions that were there, that were proposed to be put in new positions for Thompson area, were they all filled?

Mr. Derkach: Mr. Deputy Chairperson, the northern regional cabinet office is not under my jurisdiction. That falls under the jurisdiction of the Minister of Northern and Native Affairs, so I do not know anything about the details of that office.

Mr. Clif Evans: I may be in the wrong line for this, but if the minister does remember, there were, I believe, seven positions that were advertised and there was some difficulty in meeting those seven positions. Have those positions been filled?—and I apologize for not remembering the exact name of the position.

Mr. Derkach: I am sorry, Mr. Deputy Chairperson, but I am not following what positions the member is talking about.

Mr. Clif Evans: Rural development officers.

Mr. Derkach: Oh, okay, these are economic development officers then, but they are not working out

of the Brandon office. The regional economic development officers have been situated around Manitoba in the various regional rural development offices which are quite apart from the cabinet office.

Mr. Clif Evans: Would the minister then tell us where are these people situated?

Mr. Derkach: We will be coming to that.

Mr. Clif Evans: Will we?

Mr. Derkach: Mr. Deputy Chairperson, if is agreeable to the member, we certainly will answer that question when we get to that section on economic development and regional offices and I would be happy to share that. If I could just come back to the cabinet office and when it was opened up. The information I have is it was opened in the spring of 1989.

Mr. Stan Struthers (Dauphin): I am very interested in this Brandon office. I would like to get a little further assessment from the minister on how successful he figures it is, and I would be very interested in knowing if the same kind of an office could be opened within the Parkland and let me put a plug in here for Dauphin.

Mr. Derkach: No, we are not going to be opening up offices in Parkland and Interlake and everywhere else. It would be nice, but there is a cost to these offices and the Westman office in Brandon does serve pretty effectively the region that goes all the way, I think, from Swan River down to the Manitoba-North Dakota border.

We have basically two regional offices in this province, one in northern and one in western Manitoba and then, of course, our big office here in the central part of the province, so there is no intent to expand, as far as I know, the number of regional cabinet offices in the province right now.

Mr. Struthers: So what you are telling me, then, is that the services provided to the constituents in the Roblin, Grandview, Dauphin area are sufficiently being served by either the northern office or the one in Brandon or the big one in Winnipeg, and you do not see a need for expansion of that at all?

Mr. Derkach: It might be a nice convenience to have more of these offices. I am not saying that it would not be. However, given the resources that government and the taxpayers of Manitoba have, I believe that we probably meet the needs fairly effectively of people who live in these regions of the province, if you like. It is not perfect by any means, but it is certainly a lot better than it used to be because our administration was the first one to open up regional cabinet offices, and we did two of them.

Anyway I would have to say that, by and large, folks in my experience who want to meet with me from Dauphin, I am usually up there to meet with them. I do the travelling in most cases. Sometimes they do come down to Winnipeg. I have never met somebody from the Dauphin area in Brandon. I have from other regions. The Grandview area, yes, I have met with them, and the people from the Virden area, we have met with them in the cabinet office in Brandon.

Right now there is no plan to expand them to other regions.

Ms. Wowchuk: The minister indicated that that Brandon office serves the whole Westman area, and he mentioned Swan River. I would find it highly unlikely that people would be able to use that office. I think that, although the minister indicates there are not a lot of funds right now, he should look seriously at the Parkland Region, a region that has some of the highest unemployment rates, a high rate of poverty, and is a very important region to the economics of this province, if it is given the opportunity to develop, and an area that is also quite isolated in some ways as far as transportation goes.

I would ask that he consider the possibility of establishing a cabinet office in the Parkland Region. I have heard my colleague say that he is lobbying for Dauphin, and I am sure if the minister had a choice, if there was to be such, he would be lobbying for Roblin. I could quite easily lobby for Swan River, but that is not the point of all of this. I think we should be looking at the situation in the Parkland area and the need for services in the area and consider that possibility.

I would like for the minister, if possible, to provide us with some information on the Brandon office as to

the number of calls that are made there or some demographics as to, do you know the number of people that drop in or the kinds of uses that are made of that office? We could find out from Northern Affairs how the office in the North is used, and how we can then look at that office and look at ways to provide better services to other parts of the province.

This office was established, as the minister said, in 1989. That was six years ago. Perhaps it is time to start considering bringing services closer to people in other parts of the province as well.

Mr. Derkach: You know, Mr. Deputy Chairperson, I am so happy to hear that from the member from Swan River, because it was this government, this administration, that moved on decentralization, and it was this administration that moved on regional cabinet offices, and I think they have been a positive experience all around.

Now, I am not going to sit here today and tell the member from Swan River that we are prepared to establish yet another cabinet office, because they do take dollars, and we want to make sure we are prudent in the way that we establish these offices.

She asked about the number of phone calls. In terms of phone calls, first of all, there are about 325 calls in the Westman Cabinet Office per month, calls with regard to boards and groups that have used the cabinet office and the liaison services. We have, I can read the list here, a variety of organizations, ranging from the City of Winnipeg through to the environmental departments, the MPIC, Lotteries Foundation, the Farm Machinery Board that meet there. Many of our boards that are working at the region, for example, the Surface Rights Board, will from time to time use the cabinet office board room to meet in there as well, so it is an office that certainly does have its benefits. Is it time to look at other areas? Well, I have not heard that to date, and perhaps the Leader of the Opposition is raising this issue with the Premier and Executive Council Estimates as well, because it is really a cabinet office that we are looking at.

* (1610)

Ms. Wowchuk: Thank you, and perhaps the minister has a list here, if he would be able to table it for us and

give us some idea of the use of that office. I wonder, when we look at establishing new offices and the minister talks about the various boards that have used it, whether there has been any analysis done of the comparison of the cost of running an office for this type of thing versus renting space for meetings. I think that is a legitimate question, to say, you know, has the department done an analysis of the value of having a cabinet office. Is it a cost saving? Is it a convenience for cabinet members? Is it image in the community? Have you done an analysis of what the merits are of having that office there versus renting space for committees when they have to meet?

Mr. Derkach: Mr. Deputy Chairperson, it is not just committees when they have to meet, it is certainly our staff who use it. My deputy, for example, will use that if he is in Brandon. I will use that as a cabinet minister in Brandon when I meet with groups in that Westman area. Has there been an analysis done? Not that I am aware of, but on the other hand, the member is advocating that we should perhaps open some other regional offices. At this point in time I can only tell you that there is no plan to open up any additional offices and that we will continue with the Brandon office for the Westman area.

Ms. Wowchuk: When I was asking whether there is an analysis, the government says, you know, we cannot expand offices because—we probably will not be able to expand because it is a cost factor. I am just saying, if it is a cost factor, then you should be looking at the cost factor of keeping this office open and looking at the merits of it.

The minister mentioned decentralization, and I want to say that—he said it was his government that started decentralization—I think that the minister should look very carefully at the record because, in fact, there has been criticism of some of the decentralization jobs that were moved out of the city under the previous government. So, although it did not have the title of decentralization specifically, our administration did move jobs. If I can remember correctly, there was criticism of the number of jobs that were in Dauphin under the NDP administration. So there was decentralization, and I hope that the minister will continue to look at bringing services closer to the

people, and, again, I look at places where there is high unemployment, places where people have difficulty getting access to government because of their finances, and looking at ways that we can bring services closer to all people in rural Manitoba, not just in the Westman area.

Mr. Deputy Chairperson: Item 1.(c) Brandon Office (1) Salaries and Employee Benefits \$100,500—pass; (2) Other Expenditures \$53,400—pass.

1.(d) Human Resource Management (1) Salaries and Employee Benefits \$113,700—pass; (2) Other Expenditures \$20,700—pass.

1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$250,000—pass; (2) Other Expenditures \$198,800—pass.

2. Boards (a) Municipal Board (1) Salaries and Employee Benefits \$402,200.

Mr. Clif Evans: Mr. Deputy Chairperson, in the notes that we do have on the expenditures of the Municipal Board, the increase under the lines Salaries and Other explains to us that from the '94-95 year we went from \$75,000 to \$134,000. It explains here, but can the minister explain why the problem of having to pay out two board members for the hearings? What caused that?

Mr. Derkach: That issue relates to the number of outstanding appeals and the number of appeals that the board has had to deal with. The increase in the appeals has meant that there has been much more board activity, which has resulted into a greater cost in terms of per diems for board members.

Mr. Clif Evans: Mr. Deputy Chair, well, I get to the question then—the minister says that there are more appeals through the process now since the '94 reassessment. Are we looking at even further appeals after the next reassessment? I know that this is speculating, but if such an increase has occurred, almost double in cost for board members just from the '94 assessment, what type of appeals are we looking at, what type of reasons? What is the board looking at at these appeals? Why are the people—

Mr. Derkach: Well, the reason for the appeals, Mr. Deputy Chairperson, is because of the reassessment within the city here. If the member would just go back a little bit, he will understand that the reassessment in the city of Winnipeg was one which has been undertaken in the last couple of years fairly aggressively and, before that, had not been undertaken for a long time, so that has resulted in a lot of appeals coming before the board.

Additionally, I have to tell you that the board has taken it upon themselves to try and reduce the enormous backlog that has been present before the board for a long, long time, and we have been able to reduce the number of cases before the board substantially. However, the bottom line is that the appeals from the city of Winnipeg have been larger in number as a result of reassessment, and indeed, this has caused a greater workload for board members and for staff.

Mr. Clif Evans: Mr. Deputy Chairperson, can the minister then—he answered a question I was going to ask about the backlog. Approximately what would the backlog be now? I must make mention that I am aware of a change of chairman because of an untimely death, but has the board been able to get back into the swing of things? Really, what kind of a backlog are we looking at—a month, two months, three months, a year?

Mr. Derkach: As of March 13, 1995, the appeals outstanding outside of the city of Winnipeg were 190, in Winnipeg, 446, for a total of 636.

Mr. Clif Evans: Winnipeg 446 and 190 outside?

Mr. Derkach: Yes.

Mr. Clif Evans: Mr. Deputy Chairperson, I know it is probably a tough question to answer, dealing with the '97 reassessment. When they have caught up with the appeals from the '94, will this expenditure, of course, go down then because it is on a per diem for when the board members have to meet?

Mr. Derkach: Yes, the costs will decrease. As the number of appeals are dealt with, then the number of appeals decreases as well.

Mr. Clif Evans: I do have a question that goes back to the last Estimates. We brought up a point with the minister about Gimli, Chudd's Chrysler. At that time, there was a board member who had filed the appeal notice for the decision to have that construction go ahead, the business go ahead with new construction. Can the minister tell me whether that board member is still not a board member?

* (1620)

Mr. Derkach: Mr. Deputy Chairperson, the board member resigned at the time, and has not been reinstated or reappointed. No.

Mr. Deputy Chairperson: Item 2.(a)(1) Salaries and Employee Benefits \$402,200—pass.

2.(a)(2) Other Expenditures \$202,100.

Mr. Clif Evans: The other expenditure of 134, that was basically for the salaries and per diem for the board members? The \$202,000 is related to what, other expenditures, such as hotel rooms, travel, meals?

Mr. Derkach: Yes, Mr. Deputy Chair, those expenses relate to the cost to travel, the meal and the accommodation costs of the board and the staff who have to travel to the hearings around the province.

Mr. Clif Evans: If memory serves me correctly, if there is an appeal hearing, there are three board members and the chair that attend and staff from your department.

Mr. Derkach: No, Mr. Deputy Chair, the staff from the Municipal Board are the ones who would attend, along with the chair of the board and usually three members of the board.

Mr. Deputy Chairperson: 2.(a)(2) Other Expenditures \$202,100—pass.

2.(b) Surface Rights Board (1) Salaries and Employee Benefits \$25,600.

Mr. Clif Evans: Just for information on this, I have always been sort of interested in this part of the department, even though the explanation in our supplement is here, if the minister could just provide

me with a quick review of what this board does exactly or what is its mandate?

Mr. Derkach: The mandate of this board is "To provide comprehensive procedure to adjudicate problems which arise between the operators (oil companies or their agents) and landowners or occupants in matters relating to surface rights." There is a five-person board that is appointed by the province to adjudicate these problems. These problems, largely, are in the area of the oil patch in the province of Manitoba. The board meets whenever there is a situation that arises, or, failing that, the board will meet from time to time to make sure they are abreast of what is going on in the whole area of the oil patch and surface rights that might be coming forward to the board at some point in time.

Mr. Clif Evans: So basically the board just specifically deals with that area that is involved with oil companies and landowners. There will be no other entity that would be under this Surface Rights Board.

Mr. Derkach: That is true, Mr. Deputy Chair. This board is made up of individuals who have some knowledge of the surface rights issues or issues as they relate to matters dealing with surface rights and the oil companies. So they are fairly, I guess, focused on that whole issue of the surface rights area, and they have no other jurisdiction beyond that.

Mr. Struthers: Mr. Deputy Chairperson, I realize that nine out of 10, 90 percent with 10 left over, is a good batting average in any league. I am concerned about the 10 percent that do not settle with the board. Is there any jurisdiction from your department, do you have any way of intervening to try to even improve the percentage that is there, the number of cases that are actually settled amicably in these kinds of cases? Do not get me wrong, 90 percent is great, but what about the other 10?

Mr. Derkach: The responsibility of this board is to try to resolve some of these issues without having them go through the courts and the legal procedures that would be very costly to the individuals and would be tied up for years. The purpose of the board is to try to resolve these matters so all parties go away feeling that they have been dealt with fairly.

In about 10 percent of the cases that maybe cannot happen. So in those cases we would then have to have a process through the legal courts to try and address the issue.

Yes, we try to endeavour to settle every issue that comes before the board, but that is not always possible.

Mr. Struthers: There is no provision for you as the minister or anybody in your department to come in between the decisions of this board and the legal system.

Mr. Derkach: That is what the board is designed to do, to be the intervenor, if you like, or the mediator of issues between an oil company and a landowner. For a minister to become embroiled in it after an appointed board has dealt with it would not be productive at all. As a government we try to make sure that every possible avenue is explored to resolve an issue but, failing that, through the board, if it cannot be resolved, then the owner or the oil company has recourse to the courts.

Mr. Struthers: There is no consideration then to install another level there before it gets to the court system. I am worried about creating a backlog again like there was at one time, and I would encourage the minister to look at another level in there where these 10 percent of people can be dealt with before it does head to the court system.

(Mr. Mervin Tweed, Acting Deputy Chairperson, in the Chair)

I also would be interested in knowing if I as a landowner have a dispute and I cannot settle it with an oil company and I go through the legal system, is there any provision there for financial assistance for the landowner when they go into the legal system, not through this department, or maybe another one.

Mr. Derkach: No, that is why we have the Surface Rights Board, and the amount of activity is very minimal at the Surface Rights Board level. The reason for that board is to try and limit the cost that might be incurred by a landowner in a dispute between the landowner and an oil company. So that is the province's response in trying to resolve this. Now, this

is a quasi-judicial board that has been put in place, and they do have some powers, but nine out of 10 cases is not a bad average.

Can we improve on that? We certainly will try. But as in any other situation, once you have exhausted the avenues of mutual agreement or an attempt to settle amicably, if that does not work then there is always an appeal, and that appeal is through the courts.

The Acting Deputy Chairperson (Mr. Tweed): No more questions?

2.(b) Surface Rights Board (1) Salaries and Employee Benefits \$25,600-pass; (2) Other Expenditures \$15,400-pass.

Resolution 13.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$645,300 for Rural Development, Boards, for the fiscal year ending the 31st day of March 1996.

Item 3. Corporate Planning and Business Development (a) Salaries and Employee Benefits \$614,200.

* (1630)

Mr. Clif Evans: Mr. Acting Deputy Chairperson, very well done.

I want to ask the minister, and again I do not want the minister to read from the book; I can read from the book too, believe it or not. This Corporate Planning and Business Development, can you give me a little bit of an insight as to what that part of the department does? Who does it? The type of employees? Is it administrative?

Mr. Derkach: First of all, I would like to introduce the Director of the Corporate Planning branch, Mr. Ron Riopka, who has joined us. This branch of the department is there to do the corporate planning for our department. They are there to liaise, communicate and ensure that matters that are being developed in the department are done in a way where there is co-ordination between the two arms of the department, the municipal services arm and the economic development arm.

This is the branch that plans such things as the Rural Development Forum; it has been a major part of its mandate over the past couple of years to plan and to actually carry out the responsibilities and the co-ordination of the entire forum. So they do spend a lot of time in that regard.

In addition to that, new initiatives which the department embarks on are usually dealt with through that part of the department because this is where we do the development of an initiative. This is where we ensure that whatever initiative it might be is well thought out, has got some research done on it, and before it comes forward for public announcement, all of the homework and all of the due diligence is done. So this is the arm of the department that does all that kind of work.

Mr. Clif Evans: Besides the forum, what other activities are in this part of the department? What do we see in the future as far as making plans for, besides the Rural Development Forum for next year? Anything else in the department?

Mr. Derkach: I cannot be specific about the day-to-day activities of the department or of that particular branch, but they also involve themselves in the planning issues with regard to planning districts around the province. They give assistance to planning districts around the province as well, so besides just the issues that I talked about they also carry on that responsibility.

Basically, if an idea is floated up through the department or from the minister's office or wherever it might come from, this branch of the department will research the issue and come back to us with regard to the viability, the feasibility or, if you like, the practicality of forging ahead with the initiative.

They are working on such issues as communication in rural Manitoba, the technologies, the information highway for rural Manitoba. There is a lot of work that goes on in the department from a day-to-day basis that, you know, we can read a list out of. I am just trying to give you a general flavour of what this particular branch of the department does.

Mr. Clif Evans: Mr. Acting Deputy Chairperson, anybody from rural Manitoba with any kind of

initiative or idea would not be coming to this department directly. They would be coming to your office, let us say. Then it would be passed on for this department to do the research and provide the advice and resource for that initiative from wherever it comes from, basically.

Mr. Derkach: That may be, Mr. Acting Deputy Chairperson, but that is not always the case. It depends on what the issue might be.

Let me give a for-instance. If a community wants to come forward with an initiative in the telecommunications area and if we needed some guidance and information and research to be done in that regard, the Corporate Planning branch is where we would probably go to give us some assistance in that regard.

Additionally, with a lot of the rural—for example, we have implemented what is called the rural strategy. I am sure the member for Interlake (Mr. Clif Evans) is aware of it. Again, the implementation of that strategy and the development of that strategy were, by and large, co-ordinated through this particular arm of the department.

(Mr. Deputy Chairperson in the Chair)

I could mention also, Mr. Deputy Chair, that Junior Achievement, which has been an overwhelming success in rural Manitoba, was also carried out by this branch of the department as well.

Mr. Clif Evans: It was just for clarification and better insight into the specifics of that area of the department. Thank you.

Mr. Deputy Chairperson: Item 3.(a) Salaries and Employee Benefits \$614,200—pass; (b) Other Expenditures \$72,700—pass.

Resolution 13.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$686,900 for Rural Development, Corporate Planning and Business Development, for the fiscal year ending the 31st day of March 1996.

Item 4. Local Government Services (a) Executive Administration (1) Salaries and Employee Benefits \$103,700.

Mr. Clif Evans: This arm of the department provides for delivery of services to local government, including assessment services except the City of Winnipeg. This department then would be the main body to help municipalities, LGDs, jurisdictions, with all their finances only.

Mr. Derkach: Mr. Deputy Chair, before I answer that question, if I could introduce to the table two staff members who have joined us: the Assistant Deputy Minister for the Local Government Services Division, Ms. Marie Elliott, and also Mr. Roger Dennis, who is the Executive Director of the Local Government Services Division.

Now, with regard to the responsibilities of this department, yes, they interact directly with municipalities on a variety of issues. In addition to that, the assessment area is carried out by this branch of the department. For example, another responsibility is the Water Services Board, which is also under this division of the department. So, basically, they provide support to local governments throughout the province. There are staff field officers out in the field who are constantly in touch with the municipalities and the problems that municipalities come up with on a day-to-day basis. We have regional offices throughout the province where staff from those offices are assigned to various municipalities and work with them on a variety of day-to-day issues.

Mr. Clif Evans: You say in the variety of areas now. What areas? Where are these offices?

* (1640)

Mr. Derkach: Well, Mr. Deputy Chairperson, every municipality has financial issues that they deal with. The Local Government Services Division of this department liaises with all municipalities with regard to their financial aspects that come up from day to day and from meeting to meeting, I guess. Also, by-laws that are passed from municipalities, those are issues that municipalities want advice from our staff. Again, this administration arm looks after that. Assessment and reassessment are a huge responsibility of this branch of the department, and also the whole issue of the various tax notices that have to go out and that sort

of thing are handled through this branch of the department as well.

The other thing I should say is with regard to finances, all of these municipalities prepare budgets for themselves, and our responsibility as a department is to make sure that someone reviews those budgets. Again, this arm of the department is responsible for that.

Mr. Clif Evans: Would this part of the department also be responsible for the local government districts as a whole?

Mr. Derkach: Yes.

Mr. Clif Evans: This is the main and still with the other municipalities, et cetera, but the LGD system as it is now falls under the direction of this department.

Mr. Derkach: Yes, this branch of the department also has responsibility for LGDs as well.

There was a question I did not answer, though. Our municipal services officers are housed in Brandon, The Pas and Winnipeg.

Mr. Clif Evans: Mr. Deputy Chairperson, I will find out what the minister said in reading Hansard tomorrow.

If I might, I think what I am trying to lead to with this is the problems that some of the municipalities, as the minister mentioned, the problems that they do have, ongoing problems, day-to-day problems, complaints, issues that have to deal with the local districts, local jurisdictions, municipalities or whatever, how involved can the minister's department and this department get when it comes to issues and some perhaps serious complaints about how the municipality is being run or a complaint against any councillor, any project that is being done in a municipality?

Mr. Derkach: Mr. Deputy Chair, yes, as long as the council and the councillors, if you like, are conducting their affairs in accordance with The Municipal Act, they are an autonomous body. They are duly elected by the residents of their municipality and there is a Municipal Act that guides their activities.

I know that we have received calls and complaints from time to time in various municipalities where residents feel that a municipal councillor or the municipality have not been conducting their affairs appropriately. However, as long as they are conducting them within the framework of The Municipal Act, we do not interfere.

Yes, we can consult with them. We can advise them as to what the appropriate ways to deal with the situation are, but in the end, it is the responsibility of the council because they are an autonomous body.

Mr. Clif Evans: I thank the minister for that. Unfortunately, that does not swing in some areas and in some issues and in some concerns all the time. I know what the minister is saying. I know that I have, in the past term, done my very best to sit down with constituents and people in other areas, not only my own, but in other areas, bringing matters to my attention on the goings-on within a municipality or a town or a village, LGD.

It is a difficult situation. I am aware of the fact that the minister said, these are duly elected by their people in their area, and it is a separate entity. However, there are people out there that feel that the government should be stepping in and doing things when they bring their issues to the attention of the department.

You know, there are times that it comes back to myself, and since I have been the Rural Development critic and previous to that, and we, as their elected officials in the province, have to do something about what is going on in Timbuktu, Manitoba, and I would like the minister's response to that.

Mr. Derkach: Again, as I said, municipalities are autonomous bodies by and large. As long as they follow The Municipal Act, we do not interfere with their day-to-day operations. However, when a problem arises, we do have people in the department who will consult with these municipalities, give them advice as to how they should deal with a situation. Again, that is about as far as we can go because we do not have authority to do otherwise.

In addition, to try and ensure that municipalities do their work appropriately, we do conduct an audit of all

of their affairs on an annual basis to ensure that the procedures and so forth are in place.

Beyond that, if you start interfering into their affairs, then I think you are stepping out of the mandate of the department, and certainly, you would be questioned about it, whether or not your actions are appropriate.

Mr. Clif Evans: So the minister is saying that if a constituent from any area in Manitoba came to his department with a complaint about his or her jurisdiction, the minister would indicate, or his department would indicate, that unless it is something that is not falling in within the guidelines of The Municipal Act, that they cannot, will not, should not do anything about it.

Mr. Derkach: If it is an area where we can advise council and be of benefit to them in that regard, we will, and if an issue is raised, we certainly have staff in the department who will go out and discuss it and consult on it with a municipality.

But our powers are limited, as they should be, because these people are duly elected by their ratepayers. Unless it is something that has been flagrant in terms of the way that a municipality has conducted itself, we are not going to interfere.

However, if a municipality, though, does come into financial difficulty because of its mismanagement, then it can be placed under the administration of the department, but that is probably the only instance where a municipality will be placed under the supervision of a department.

Mr. Clif Evans: If in letter or by phone call a constituent of a jurisdiction makes a formal complaint, will the minister's department, this arm of the department, meet with and hear out what the complaint is and whether it has any merit in following up, as far as going to the municipality with it?

Mr. Derkach: Yes, Mr. Deputy Chairperson, we will.

Mr. Clif Evans: So then, Mr. Minister, what I would appreciate is a further response to this in some sort of—and I will request it in writing also—a basic understanding of this so that when people come to me

I can assist them in telling them exactly, here is how it works.

Mr. Derkach: That is no problem, Mr. Deputy Chairperson. We would certainly be prepared to give the member that kind of advice.

Mr. Deputy Chairperson: Item 4. Local Government Services (a) Executive Administration (1) Salaries and Employee Benefits \$103,700—pass; (2) Other Expenditures \$32,600—pass.

4.(b) Assessment (1) Salaries and Employee Benefits \$5,557,300.

Mr. Clif Evans: Mr. Deputy Chairperson, this part of the Local Government Services—Assessment, Salaries and Employee Benefits, I see there are over 120 employees, 126 under this department.

Does the minister foresee any further expenditures or any further job openings when it comes to the reassessment?

*(1650)

Mr. Derkach: Mr. Deputy Chairperson, from time to time there are retirements and that sort of thing in that branch, vacancies that will be filled, but we have been fairly active in the last year with reassessment. The assistant deputy minister has certainly gone a long way in making sure that this branch of the department responds in a positive way to the clients that are out there so that people understand why it is reassessments are done and the benefits of reassessment. We have gone so far as to have open houses around the province in the last year to make sure that before tax notices are sent out people understand exactly what it is that the impact might be and why it is there.

Mr. Clif Evans: I was not trying to indicate that we should be providing jobs, more jobs, but what I was getting around to is that, because of the new assessment, the reassessment, the upcoming reassessment, the problems that have occurred with the reassessments in the past, we see why the municipal boards are having to do more. Basically, what I am saying is there an opportunity within this department,

is there an opportunity, or are we going to see more appeals, less explanation, less—

Mr. Derkach: Mr. Deputy Chairperson, I would have to say that in the last four or five years, there has been a tremendous amount of work that has been carried out with regard to ensuring better services to our clients. We probably have a better tax statement today than we have ever had, again as a result of trying to meet the demands of the clients that we serve. We are trying to ensure that our reassessments are done on a timely basis so that we meet the reassessment cycle in an appropriate way.

All of this is fairly recent and new in the department. I would have to say that with the staff resources we have there today, I think the job has been done admirably well. We have a lot more happy customers out there than we did four or five years ago. A lot of it has to do with computerization and having the technology available to do all of that.

Beyond that, I think we have a staff component out in the Assessment branch that view their responsibilities in a way where they are there to serve the clients, and they try to make sure that the communication part of it is just as important as the reassessment itself.

Mr. Clif Evans: Mr. Deputy Chairperson, I think that is basically what I was getting around to and down to the point. If all these services can be provided and everybody out there is understanding better the system and the process moving a lot better, then perhaps we would not need such lengthy appeal processes as we have now that have come at us since the '94 reassessment. Basically that is what I am also trying to say to the minister.

Under this line, can we foresee a need—at the beginning, would we have a need for further employees in that department to make the process even better? If the minister feels that, going along, those services will improve with what is there, so much the better, so the system is better.

Mr. Derkach: Mr. Deputy Chairperson, every department, I guess, would like to have more staff to carry out the responsibilities. We would like to do a

better service, of course. I think we have done a fairly good job with the number of staff we have.

In addition, we are doing a pilot on some self-reassessment which I think is going to help us in the long term. Again, it is just a pilot at this stage, and we will have to wait and see what the results of that are like.

I would have to say, at this time, staff is as shown here, and we are not looking at large expansions or reductions.

Mr. Clif Evans: The minister mentioned this pilot program on self-reassessment. Do we have a timetable as far as when this may come into play? Is it for the next—

Mr. Derkach: We will have a fairly good handle on how effective it is over the next year. Then we will have to determine whether or not this is something that our province is ready for and whether or not we should try it on a broader scale.

Mr. Deputy Chairperson: Item 4.(b) Assessment (1) Salaries and Employee Benefits \$5,557,300—pass; (2) Other Expenditures \$1,110,300—pass.

4.(c)(1) Salaries and Employee Benefits \$737,300—pass; (2) Other Expenditures \$366,900—pass; (3) Transit Grants \$1,325,000—pass; (4) Centennial Grants \$14,800—pass; (5) Municipal Support Grants \$1,001,000—pass.

Mr. Clif Evans: These Support Grants, can the minister indicate just how this money is distributed within the municipalities?

Mr. Derkach: Mr. Deputy Chair, the Municipal Support Grants are the payroll tax, I guess payments that are made to municipalities. The calculations are based on 4.5 percent of the previous year's payroll in the \$750,000 to the \$1,500,000 range and 2.25 percent over that. So it is basically the payroll tax rebate that is given to municipalities.

* (1700)

Mr. Deputy Chairperson: Order, please. Just to provide an explanation to our new members, when the

Estimates for Rural Development are next considered, we will pick up at the same spot where we left off today.

The hour is now five o'clock and time for private members' hour. Committee rise.

HEALTH

Mr. Assistant Deputy Chairperson (Gerry McAlpine): Would the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Health.

Does the honourable Minister of Health have an opening statement?

Hon. James McCrae (Minister of Health): Mr. Chairperson, I am pleased to present to this committee the Estimates of the Department of Health. They represent a very, very significant commitment to the health of our fellow Manitobans. I look forward to a useful discussion with my legislative colleagues about the priorities of the government of Manitoba with respect to social services in general and health services in particular.

I have to thank the Department of Health for the service they have provided throughout the year and, more specifically, just in the last 24 hours in helping me to get supplementary information to honourable members in as timely a fashion as we could do that. I have tabled earlier today in the Legislature the required number of copies I believe of the Supplementary Information for Legislative Review for this fiscal year.

I do not propose to make much further of an opening statement and look forward to the—well, I hope I look forward to the discussion that will follow. We have had quite a discussion over the last 21 months or so since I became Minister of Health in Manitoba. It has been a privilege to be able to serve in this capacity, a privilege to serve with dedicated people, not only in the Department, but throughout this province in the delivery of health care and health services to Manitobans.

It is a very big job but one that I enjoy doing and take very seriously, and I value the partnerships and

friendships that flow from being involved in such an important activity, and that includes my colleagues in the Legislature and my counterparts in the other parties as well. We seem not to agree from time to time on things, but that does not seem to get in the way of what I would call a courteous working arrangement, which I enjoy, and I hope I do not do anything to spoil that relationship throughout these discussions in the Estimates.

So with that, Mr. Chairperson, I thank you for the opportunity to make a few opening comments and, as I say, I look forward to providing as much information as is possible throughout the course of this Estimates review.

Mr. Assistant Deputy Chairperson: We thank the honourable Minister of Health for those comments. Does the official opposition critic, the honourable member for Kildonan, have any opening comments?

Mr. Dave Chomiak (Kildonan): Mr. Chairperson, I just have a few brief comments. I would like to commence by thanking the minister for providing me expeditiously the Supplementary Estimates book. I appreciate the fact that he and his staff worked together to put the information together to assist us in our deliberations.

I would also like to thank the department for their work over the year. You will probably hear a fair amount of criticism of the work of the department, but it is not directed at any individual and it certainly does not question the integrity and dedication of anyone who is working in the department. It is simply a difference in philosophy and a difference in opinion as to how matters should be dealt with in the province of Manitoba.

I also look forward to an informative exchange of ideas and information. Certainly, we take this process very seriously. The review of the expenditure Estimates on a line-by-line basis is something that is fundamental to our parliamentary system and also fundamental to the effective operation of the government of Manitoba and the Department of Health in particular. We look forward to the opportunity to have our questions answered and the information provided. Not solely for our purposes but through us

hopefully information can be communicated to all Manitobans. With those few comments, I look forward to the continuance of these Estimates.

Mr. Assistant Deputy Chairperson: We thank the critic for the official opposition for those comments. Under the Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line.

At this time we invite the minister's staff to join us at the table, and we ask the minister to introduce his staff present.

Mr. McCrae: Very quickly I would like to introduce our relatively new Deputy Minister of Health, Dr. John Wade, who is going through his first Estimates' review process, certainly as one sitting in the Deputy Minister's chair. I also have Tim Duprey with us. I am not very good with the titles, but he is Assistant Deputy of Finance and Management Services. My friend has the organizational chart, and Susan Murphy of that office is also with us. Thanks to Ms. Murphy's heroic efforts last evening, we were able to get that information to honourable members. I want to get that on the record. Thank you.

Mr. Assistant Deputy Chairperson: The first line item is 1.(b) Executive Support (1) Salaries and Employee Benefits \$594,800 on page 77 of the main Estimates book. Shall the item pass?

Mr. Chomiak: I would also welcome the new Deputy Minister of Health. I have heard very good comments about your past career, and I look forward to a long and fruitful career with the Department of Health. I also welcome back the other officials and thank them for also expediting this process.

At the commencement, in terms of clarification, generally we try to keep on the lines in order to make things as efficient as possible. I wonder at this time if I can give notice to the minister that there are several pieces of information that I would appreciate being forwarded as soon as possible to the committee that can relate to this line. It can relate later on, but I would like access to them as soon as possible.

Those items include the list that has been provided regularly by the department of the status of the various committees that are under the auspices of the Department of Health. I wonder if that information can be provided at an early date.

* (1520)

Mr. McCrae: I have a 14-page summary of the activities of the various health reform committees, Mr. Chairperson. It contains, I think, similar information to that given to the honourable member last year, however updated to account for activities over the past year. Very, very significant for this reason, and I pass this to the honourable member. I am tabling it so that the honourable member and others can access this information. It is a significant report in the sense that so much input into the reforms that are going on in Manitoba comes from Manitobans who are working in the various health professions in the various geographic locations of our province. So many times suggestions have been made that so much that is being done is being done without the benefit of very significant consultation with health care professionals and others, including consumers.

The document produced last year, the document produced again this year seems to indicate quite the reverse is what is actually happening. So I am pleased to provide honourable members with this information today.

Mr. Chomiak: Mr. Chairperson, that was quick. I appreciate the fact that this was provided forthwith.

The other information that we would like to have before the committee is information about the SmartHealth endeavour and preferably the contract. I wonder if that can be provided to us.

Mr. McCrae: I am glad the honourable member asked about this because, of course, we are just, all of us, off a hotly contested election in the province of Manitoba, and one of the parties attempted to make SmartHealth a central feature of the election campaign, indeed estimated at about a hundred-million-dollar contract. Although there is nothing in these Estimates for SmartHealth, one of the parties in the election

campaign had spent that \$100 million dollars seemingly over and over again, a hundred million dollars that does not exist.

In any event, I am bound, I believe, to proceed with this automated system for health care delivery in the province of Manitoba. We have very, very significant partners in the endeavour. It is, again, not simply a matter of the Royal Bank and a few highly placed individuals deciding that this is the way it is going to be. It never was that way and is not going to be that way.

In planning for SmartHealth, we have consulted very significantly with our partners in health care. In fact, it is those partners, those so-called stakeholders, that have been demanding a better information management system in our health system. After all, we have a very good data base in our province, said to be the best anywhere. Just think of the opportunities that exist for better service to patients and health consumers than a system that can be very responsive, responsive in a hurry when that is necessary.

I do not really need, I guess, to argue the merits so much because the honourable member is simply asking for a copy of the contract. The contract does not exist yet, at this point has not been signed. There sometimes is a sense or a conclusion reached that this contract has already been entered into. It has not. As I say, the contract will be something entered into extremely carefully.

We want to have multiple areas or modules, I guess you call it, in a contract like this. There are so many parts to our health system that there need to be a number of parts to this contract, and there have to be many places at which our committee that oversees the work can say, well, no, this is not going to be in the public interest, or this is going to be in the public interest, or this could be so much better if you did it this way or that way.

We need to have a contract that allows for that sort of approach, because the honourable member should remember who the partners are. I have outlined that for him before and he knows. We value their input, and if it is a no-go, then it is a no-go. It would be totally

irresponsible for us to fail to proceed with the SmartHealth arrangements. We will make as much information available to the honourable member as we can when it is available.

Mr. Chomiak: Perhaps the minister can explain why on December 12 the government issued a press release that said, and I quote: The contract for development of the \$100-million computer network was awarded by tender and subject to regulatory approval to SmartHealth.

That implies explicitly or implicitly to me that in fact there is a contract. I do not want to get into legalese, but the point is, the press release says there is a contract. There is an office set up, structured and running, information has passed hands.

Clearly, the press release and the activities to date do not just strongly suggest a contract, in fact, indicate a contract. I have a good deal of difficulty understanding what the minister means when he says there is not a contract.

Mr. McCrae: The honourable member is a lawyer, and it is refreshing to hear a lawyer say that he does not want to get into legalese, because that is important for me, especially in these discussions, that we not get into legalese.

The honourable member must have missed out on some really important developments in the last few months. It is true that in December or whenever the date of the press release is, it was announced that SmartHealth got the contract. It does not mean the contract has been signed. I mean, surely the honourable member would understand that what was being announced was that after all of these requests for proposals and all of that—I think there were some 33 invitations sent out for requests and about 11 returns, I believe it was, out of which the SmartHealth was the one chosen by the multisectoral committee that was involved in choosing which vendor was going to be the one to get the deal. The decision was made that the contract should go to SmartHealth and from that point forward you get to work on finalizing the details of the contract.

The reason I say the honourable member kind of missed out on something is that I recall fairly early, I think it was in the election campaign or maybe even before—I think it was a few days into the campaign, and the Premier (Mr. Filmon) of this province made it clear that no contract would be signed until after the election. This was an important matter. You know, New Democrats were saying, do not sign any contracts. I do not understand the honourable member coming along today and saying he thought there was one back in December when he is telling us not to sign one in the month of March or April.

So anyway, whatever, there is no contract signed to this point so, therefore, there would not be one that I could make available to the honourable member when one has not been signed yet. I expect that in due course there will be one signed and that we will be moving forward, because that is the thing to do.

Mr. Chomiak: So the minister is saying, there was a contract awarded but not signed.

* (1530)

Mr. McCrae: We had a group that invited 33 vendors to make proposals. What we have is a little problem with nomenclature here. The vendors were asked to make proposals, and they did, and from the 11 that were submitted the committee that reviewed these proposals awarded the tender to SmartHealth. From that point, you get down to the business of finalizing—the whole idea was to figure out, now, who is the best one, which organization is the best one to provide this very, very large, integrated information system for Manitobans so that having assisted Manitobans in putting that together they would go away and leave us with our information.

We have people in Manitoba, who actually went around telling people that the information would belong to the Royal Bank. Now give me a break. Nobody had that in mind and anybody who would put a thing like that across is simply trying to scare people. That is not what we are trying to do at all. Everybody knows it, but some people tend to put across something that they know is not the real state of affairs.

I am not in the business very often of awarding tenders and so on, but SmartHealth was chosen and from that decision then we get into the business of setting out work plans and putting that into contractual language and writing up in a contract, signing a contract and moving forward from there.

Mr. Chomiak: Mr. Chairperson, it is indeed unfortunate that the press release does not indicate what the minister just indicated and there seems to be a diversion and so we have now arrived at the fact that the deal with SmartHealth has not been signed.

Will the minister therefore undertake—I want to make that clear, because the press release says one thing and we know that SmartHealth is up and running and doing things and that implies a lot, but I will get back to that later. The question is now will the minister assure this committee and the Legislature and the people of Manitoba that prior to the signing of this deal, this contract and the terms and the conditions, because the minister has stated that people were going around irresponsibly making assumptions about this contract when in fact people have had to assume aspects of this contract because the government has not been very forthcoming at all with information on a \$100-million expenditure which is probably the largest single expenditure ever undertaken in the health care field and the government has been unwilling or unable to provide any information. Therefore, will the minister assure this committee and this House—surely, it would be I think incumbent upon the government to do so—that they will guarantee that this contract will come before the Legislature prior to them signing on the bottom line?

Mr. McCrae: First of all, as I said, the honourable Leader of the Opposition (Mr. Doer) was out merrily spending and spending and spending \$100 million that did not exist. There is nothing in this year's budget for SmartHealth and even SmartHealth. The financing of that contract is to spread over about five years. So how many times can you spend money that does not exist, and people do not believe you after awhile and that seems to be what happened on April 25, in my view, that people just—not enough people anyway—could not believe what the Leader of the Opposition and his colleagues were saying about some of these things. So that is why we are left where we are today.

But there is nothing in the budget for this year, so I do not even know how we got into this. On the area of Executive Support here we are talking about SmartHealth. But I guess we have sort of been a little bit flexible on these matters as we have gone through Estimates in the past and I do not really mind. It is just that I hope the honourable member is not going to ask a bunch of questions that I do not know the answers to and the only way I can get them is from the staff who are present. I might not have the right staff there for that although the staff that is here are very knowledgeable on many parts of the operations of the department.

* (1540)

I told the honourable member that I would be as open and forthcoming as I can possibly be when it comes to all of the dealings in health care, and I am going to be doing that. After all, we have many, many people involved in these very important matters. We have no intention of entering into any contracts that are not in the public interest. That is what we were elected to do is to govern in the public's interest and to enter into contracts that are in the public interest and, as I say, with the help of the various parties to the public health information system—I will just very quickly, if I can find it, make a reference to those partners for the honourable member. On the advisory committee to the SmartHealth—

Point of Order

Mr. Chomiak: Mr. Chairperson, the question was very, very explicit: Will the minister table this contract prior to signing?

The minister has gone on in the House on many occasions listing the members of this committee of this contract that he says does not exist, but the question was very explicit. I think the rules state that the minister should basically deal with the question, and the question was very explicit: Will the minister table this agreement prior to signing? It is very simple.

Mr. Assistant Deputy Chairperson: The minister is, I believe, getting around to answering the question, so I would ask the minister to continue with his remarks and to be as brief as possible in his remarks to the question.

* * *

Mr. McCrae: Mr. Chairperson, I was just about to tell the honourable member, or to put on the record the membership of our advisory committee for the public health information system.

They include the Assembly of Manitoba Chiefs, Cadham Labs, the Consumers' Association of Canada, the Canadian Mental Health Association, the College of Physicians and Surgeons, Emergency Services, Epidemiology—these are Manitoba Health branches—Healthy Public Policy Programs Division, the Manitoba Association of Registered Nurses, the Manitoba Cancer Treatment and Research Foundation, the Manitoba Centre for Health Policy and Evaluation, the Manitoba Medical Association, the Manitoba Nurses' Union, the Manitoba Pharmaceutical Association, the Manitoba Society of Pharmacists—

Point of Order

Mr. Chomiak: On a point of order, can the minister outline for me what question he is answering?

Mr. Assistant Deputy Chairperson: That is not a point of order that the member is raising. I would ask the minister to continue with his response.

* * *

Mr. McCrae: I thought it was out of a sincere wish on the part of the honourable member for Kildonan to learn as much as he could about the public health information system, and I am trying to impart information to him that I think will be helpful to him.

It should be helpful to him to know—now I have lost my place—that in addition to those organizations that I have already mentioned who are represented on the advisory committee, we also have: the Manitoba Pharmaceutical Association, the Manitoba Society of Pharmacists, the Manitoba Society of Seniors and the Provincial Lab Committee.

Because the issue of the privacy of people's health information is so very important to Manitobans, and it is to me, we have a special committee set up for that. These are the committees the honourable member says we should not have, but this is an important committee because, on the issue of privacy and confidentiality of

records, if this committee says, this is a no-go, then it is a no-go.

On that committee are the Consumers' Association of Canada, the Canadian Mental Health Association, the College of Physicians and Surgeons, the Manitoba Association of Registered Nurses, the Manitoba Pharmaceutical Association, the Manitoba Association for Rights and Liberties, the Manitoba Society of Seniors and the Provincial Lab Committee.

Point of Order

Mr. Chomiak: I believe in your previous ruling you indicated, the minister was about to provide his answer and we have now gone on seven minutes or so since the minister attempted to answer the question. I believe you ought to call the minister to order to ask him to answer the question as asked.

Mr. Assistant Deputy Chairperson: The honourable member does not have a point of order and I ask the minister to continue with his response.

* * *

Mr. McCrae: Well, I am basically finished, but the thing that really bothers me about what the honourable member just said, that is his third point of order in one response that I have tried to give. It is a little bit intimidating to have someone like the honourable member interrupt an answer three times and insist that the answer be in such and such a form.

In other words, he wants maybe to be the ventriloquist and I am supposed to be the dummy. I am not going to do that. I will do my best to be as responsive as I can, but I am no dummy—to the honourable member.

Mr. Chomiak: Mr. Chairperson, I had hoped we could get off to a better start in terms of these Estimates and have the minister provide information.

The question was very clear and direct to the minister. Will he or will he not assure the people of Manitoba that this contract will be made public prior to the signature by the government, a commitment of over a hundred million dollars in expenditures for supposed savings of \$200 million, I might add?

If the minister expects us to accept on face value a \$100 million expenditure on this government's track record of savings, that they are going to somehow save \$200 million, then I would be astounded. Manitobans simply will not accept that assurance. The question remains, will the minister or will the minister not provide us with a copy of this contract prior to signature?

Mr. McCrae: Mr. Chairperson, I do not expect the honourable member for Kildonan (Mr. Chomiak) to accept my assurances on anything. History has demonstrated very, very clearly that he accepts my word on basically nothing, so I am really left to do my best to communicate directly with the people of this province because there is no point trying to do anything through the honourable member because he is not going to pass on to Manitobans the correct information.

Indeed, I am sorry he feels that we got off to a wrong start. He says that every time we do this. No matter what we do, if it is not done just the way he wants it, Mr. Chairperson, then we are not off to a very good start or it is not a very good exercise. It is his way or no way, and I am sorry that is not the way the Legislature works.

The honourable member asked a specific question, I grant you. My answer is that I will be as open and forthcoming as I believe it to be in the public interest to do so.

Mr. Chomiak: Mr. Chairperson, is the minister refusing to make this contract public?

Mr. McCrae: An hour into cross-examination and the honourable member maybe wants to set some ground rules now. Is this going to be a useful exercise, or is this going to be fun and games for the honourable member for Kildonan (Mr. Chomiak)? I am serious about health care in this province and I wish the honourable member would be serious too.

Mr. Chomiak: Mr. Chairperson, I will ignore the personal accusations of the minister. I am used to that. It is certainly common.

I will repeat my question at commencement of this exercise of Estimates. Is the minister going to

undertake to provide the public of Manitoba with a copy of this contract prior to its signature—simple?

Mr. McCrae: The answer I gave last time is the one that stands, Mr. Chairperson.

Mr. Chomiak: It is very clear that the minister is refusing to provide us with information with respect—providing us with this contract. Will the minister provide us with an update to today as to what has been done on this particular project to date?

Mr. McCrae: Yes, Mr. Chairperson, last July 18 the Drug Program Information Network came on line. That was the combination of work that went back from that point—what, a year, a couple of years? A very significant amount of work went into the development in partnership with the pharmacists of this province of our Drug Program Information Network.

I did not hear very much praise being offered by the honourable member ever since last July 18 for the Drug Program Information Network. It has been used to help form the first spoke in that public health information system wheel that has provided significant benefit to Manitobans, especially seniors who have been getting instant rebates on their Pharmacare account. All of us have benefited, I suggest, by a better level of information being available to health professionals who dispense pharmaceutical products.

I do not have any numbers today, but one of the things that Drug Program Information Network is designed to do is to prevent negative drug interactions in our population. Statistics are very high.

Maybe Dr. Wade, I know he would be aware of this, about hospital admissions due to negative drug interactions. It is at an alarming, high level, and it does not need to be so if health professionals are working with the appropriate tools to prevent negative drug interactions. That is just, never mind the cost of hospital stays for people who unnecessarily get into this situation. What about the pain and suffering that people go through to go through a hospital admission and the negative drug interaction on its own?

So we were very proud to get on with that program last July 18 and to remind the members of the public

that safety was enhanced, that abuse was less likely to happen—I will talk about Leon in a minute—but abuse was less likely to happen and that the ease and convenience of our Pharmacare program had been enhanced because of the existence of this Drug Program Information Network.

As I say, this is the first spoke in this wheel of public health information that the NDP opposed all throughout the piece and continue to oppose. That is what you call progress and they are against it, and that is why they are where they are today and that is why it turned out the way it did.

From that point, the next step is to enhance and enlarge that Health Information System that was part of the Drug Program Information Network, and we are into those stages now.

Now, with respect to Leon, I think it is necessary when we are discussing abuse that Leon come into the story. Leon, as honourable members will know, was widely reported as having abused allegedly—I see the Attorney-General is here; you have to throw that word in from time to time—allegedly abused our Pharmacare Program and our medical services program and perhaps, allegedly, some others did too. Of course, some people would use that particular experience, a very unfortunate one, to bring negative attention to our Drug Program Information Network.

Well, if everybody uses it the way they are supposed to, you know, that Leon situation would not have developed, and so the Manitoba association of pharmacists and the Manitoba College of Physicians and Surgeons and the Department of Health are all working to ensure that those sorts of things do not happen again, that anybody who was engaged in any wrongdoing is dealt with very seriously and also the programming of the computer which runs the Drug Program Information Network is being looked at to ensure that we are not overloading our pharmacists with information that leads to perhaps some frustration with this automated system.

So, in a way, the Leon situation probably has more positive outcomes than some people would like to have you believe.

I would be very happy, by the way, not to try to get away from a discussion right now, because we can certainly have a general discussion, although maybe not quite so specific as you might like, but when we get to that line in the Estimates dealing with Information Systems, it is 21.2(c). I do not discourage the honourable member from raising whatever questions he wants to raise. It is just that I am probably going to have more detailed information for him when we get the manager of that particular branch in here to assist me.

* (1550)

Mr. Chomiak: Mr. Chairperson, if the minister will recall when I commenced this line of questioning it was to try to alert the government and the minister to information that I would be asking for during the course of the Estimates, and the call for the contract was an attempt, or an update as to what is happening on the contract, is forewarning of the information that we will be asking during the course of these Estimates.

So I am not asking the minister to provide specific answers to questions that may not be answerable at this point. I am simply forewarning the minister that we are going to be asking specific questions in this area, and matters could be expedited by, for example, providing the contract and certainly by providing us with an update when we reach that particular line or prior to our reaching that particular line during the course of these Estimates.

Mr. McCrae: Mr. Chairperson, it is very important that, certainly, with a thing like the SmartHealth proposal which is so very, very important in respect to the future delivery of services, that virtually every single Manitoban identifies with in one way or another or at one time or another, health services, that we bring as many people as we can into the discussion, that Manitobans be very much a part of the building of their health care system. It is not mine. It is not the honourable members'. It does not belong to the department. It does not belong to the doctors or any one particular group. It belongs to all of us, and we value it and treasure it very highly.

So I want the honourable member to understand that my wish is for as much information as can

appropriately be made available to be made available so that we can have a good and honest discussion about the issues. I do get frustrated, however, almost daily, but quite often, about how some information is—how shall I put it without being unparliamentary?—misused. I just think that there are a lot of seniors in this province who have really been mistreated in the last few years and certainly during the course of the election campaign by the NDP and by certain unions out there who have very clearly misled seniors in this province and frightened seniors in this province. On behalf of those seniors, I resent that very much and respectfully demand an apology, but I do not suppose I am going to get one from members of the New Democratic Party.

You know, the time is over when you can attempt to frighten elderly Manitobans. I know again this election—I have been through four of them now—that the New Democrats and their supporters did all kinds of things to try to frighten senior citizens and vulnerable people in our province. I think it is despicable, but that is just one person's opinion, Mr. Chairperson.

Mr. Chomiak: Mr. Chairperson, I just wonder, does the minister realize the election is over and perhaps that we are into a different phase? Does the minister realize he has now made, I would say, more political comments about the election than he has actually answered questions during the course of these Estimates? I just wonder if the minister is aware that the provincial election is over, and perhaps he can purge himself in some other forum than taking valuable public time for the minister to go on and on in his political statements. Perhaps the minister can purge himself somewhere else rather than going on during the course of these Estimates so we can get the proper information from the minister. It was not a political question. It is a question providing the information.

If the minister is refusing or not able to provide the information, fine, let him say that, but to go on politically over and over again does not accomplish anything. I do not like having to go back on these discourses, back and forth. I am asking the minister questions. It is my responsibility as a member of the opposition and all members of the opposition to ask questions regarding the line-by-line expenditure items. If the minister does not want to or cannot answer, that

is fine, but if the minister wants to go down the political road and rehash the election, that is fine, then we will waste the public's time here doing something that we are not supposed to do, and I think that is an inappropriate use of time. If the minister wants to continue down that course, so be it, and he will just simply take up the public's time.

The question was: Will we be getting an update as to what the status is of the SmartHealth when we reach that line in the Estimates? It is a simple question.

Mr. McCrae: Mr. Chairperson, if the election is over, then why is the honourable member fighting it all over again? They made a centre plank in their election campaign, this business about the health information system, the SmartHealth, one of the first issues he raises in the debate on these Estimates. If the election is over, then why does the honourable member not accept the verdict of the population with respect to SmartHealth? I told the honourable member I would do everything I could to bring forward all the information that I can appropriately bring forward. That is what I will do because it has worked well for me so far in terms of my relationship with Manitobans to tell them what you are thinking and to hear what they are thinking and to go forward that way. It has worked well. It has worked well for this government, and it did not work well for a former New Democratic government in Manitoba, because they did not understand what it means to really develop a relationship between the governed and the government.

So, yes, I will get on. I will try not to fight the election over again. I wondered if these Estimates were going to be a rehash of the election, and now we found out, that is exactly what it is.

The honourable member cannot get it through his head that the people of Manitoba said yes to SmartHealth.

Mr. Chomiak: Mr. Chairperson, the level of debate has deteriorated on the one side—it is surprising. My question is—well, to continue down this course is probably fruitless, given the minister's response.

We will continue our line of questioning on SmartHealth, and the minister somehow suggests that

a contract that has not been signed, that he says has not been signed, has somehow been approved by the public of Manitoba, therefore no one should ask questions on it, is laughable, Mr. Chairperson. It is a laughable response, frankly, and I do not see where the minister is coming from.

The department is again re-organized, and we see that there is a new re-organization chart. I do have a line of questioning on that, but I note the member for The Maples (Mr. Kowalski) has some questions and I will cede the floor to the member for The Maples.

Mr. Gary Kowalski (The Maples): Mr. Chairperson, because I am a member of the Liberal Party and we do not have official party status, we are not allowed to make an opening statement. I will consider this my opening statement.

Some Honourable Members: Leave.

Mr. Assistant Deputy Chairperson: Leave has been granted.

Mr. Kowalski: Thank you. I am not the Health critic for the Liberals in this Manitoba Legislature, but because our numbers are small, I had this opportunity, although, when I sit in this room with a lawyer, a court reporter, attorney-general and a police officer, I think it should be the Estimates for the Department of Justice not the Department of Health.

Before I go on I have to say something about our former critic, the member for Crescentwood, Avis Gray, who from what I understand is out golfing right now, and after the start of these Estimates, I am very envious of her.

I follow in a tradition of Liberal critics. The constituency that I represent, The Maples, the former member was Gulzar Cheema, who, I think, was recognized by many to be an excellent critic, a fair critic, criticized the government when necessary, supported the government. I think this goes on, a tradition in Manitoba going back to Larry Desjardins, Bud Sherman, where because of the importance of health in this province that both critics and ministers have worked together to get the best health care system

for Manitobans. I hope that my involvement will be as constructive as the tradition that has been established by former critics in the Manitoba Legislature.

Gulzar Cheema, I understand, is now a nominated candidate in B.C. as a member of the Legislative Assembly. I am hoping that in the near future he will be the Minister of Health in British Columbia and I will be able to use him as a resource to fulfill a role as critic of the health care system here in Manitoba.

So with those few comments, I will sit here and be envious of Avis Gray out on the golf course today.

Mr. Assistant Deputy Chairperson: We thank the member for those comments.

* (1600)

Mr. McCrae: Not that any question was asked or anything, Mr. Chairperson, but I would just like to add to something the honourable member said. I felt that both Dr. Cheema and Ms. Gray carried out their responsibilities with some distinction as health critics. I say that because they did not just criticize for the love of being critical or for the love of trying one-upmanship or some such thing like that. They criticized because in the areas when they did criticize they felt they had something to criticize, and they genuinely felt that.

I felt that with Doctor Cheema and with Ms. Gray when it came up. They said they supported reform, and their actions demonstrated that they did. When we as a government made mistakes or fell by the wayside a little bit, they would tell us about it. That was their job and they did it. But they did not just find the issue that they felt could generate the most heat and then go after that as some other people do, and I think that they conducted themselves in a responsible and dignified way.

Mr. Kowalski: Yes, when we get to the area about the health smart card, my brother, who recently got his doctorate in computer science in Sweden, happened to be in the gallery when the government made their announcement about the health smart card, and although I do not have the information before me right now, I will be asking questions about international

standards in computer technology about security. Apparently, I cannot remember the name of the standard, but I understand there is a North American standard and an international standard. If an assessment has been done or if part of the contract will be a clause that it meet those standards—I will be asking that question when we come to that line.

Mr. McCrae: Forewarned is forearmed.

Mr. Chomiak: Mr. Chairperson, I wonder if the minister might give me an explanation as to the rationale behind and the basis of the new organization—I think it is about the third or fourth since I have been critic—about the functioning of this new organization chart.

Mr. McCrae: I will try, Mr. Chairperson, as the honourable member says, this is about the third or fourth chart since he has been critic, and that has been since when—about 1993?

As much as anything else, I suggest changes reflect changes in the reality of the health care map, as it were, right across this country. There are different objectives today than there used to be. The objectives today are achieving health, which has never really been a very big part of Health departments in the past. It goes to the basic philosophy of what is happening right across this country amongst the 10 provinces, of which Manitoba is the leading province when it comes to reforms, or if not the leading province, perhaps No. 2. I am led to believe we may be very high up there in terms of our performance as a reforming province.

So you are going to see organizational changes. It is not fair to ask hospital administrations across the province to address the layering of management that occurs in institutions like that without doing a little addressing of our own right in the department, and that happened last year about this time, that there was some major downsizing going on in the Department of Health itself at the so-called bureaucratic levels. So that would be reflected in organizational charts, too.

This one that he has in front of him is not brand new because it was tabled about a year ago, this particular one, I am advised. Is this different from last year's

table? I do not think it would be very different unless last year reflected what had been going on before that.

A single sheet last year. Okay. So that would have been different than you might have seen in the official documents because it was right around this time when those organizational changes were happening last year.

We want to put the emphasis on health. For the first few decades of medicare the emphasis was on health care. That is where the honourable member still is, on health care, hospitals and nurses and unions. That is where he is.

We have gone far beyond the simple union approach to things that the honourable member supports to the exclusion of everything else. We are into working with people instead of dividing them. We are into trying to bring the best out in people rather than trying to bring out the anger in people. That is the philosophy we are developing.

This organizational chart, I hope, will help us do that. We are doing not so much different from other jurisdictions; maybe we are a little slower at it and that is because we can maybe afford to be a little slower at it, because we started sooner than most jurisdictions. We are not Saskatchewan, so we do not have to do it the way Saskatchewan does it. We do not have to build as many hospitals as they did. We do not have to close as many hospitals as they did. We do not have to shut down 10,000 hospital beds as they did in Ontario. We do not have to shut down seven hospitals in Montreal as was recently announced. We do not have to move in the drastic way that Alberta is moving, because we did not leave it as long as they did.

It took some provinces longer to recognize that there was trouble ahead if we did not smarten up. We are lucky to have the leadership we have in this province, in our departmental and in our hospital sectors where people are willing to say, I am willing to put aside my turf or my own personal interests and put the patient first. That is what is happening in Manitoba.

I see the chairperson of the Manitoba Home Care Advisory Committee is with us today; Paula Keirstead is here. There is another person and many more like

her across our province who are willing to give so much of themselves to create a better health care system, not one that preserves only what the union bosses want. The union bosses are important. They have a role to play, but they are not health professionals. We have to recognize that.

If we want to tie all of our policymaking to the whims of the union bosses, we are in serious trouble as a country. It is something I rejected years ago and I continue to reject. I am critical of those who only look to their union boss friends before they make any decision about health care or anything else.

This chart reflects what we are trying to do. If it is necessary for us to adjust this chart for next year's Estimates, because it is necessary to keep moving toward the services in the community, to keep putting emphasis on health promotion, emphasis on disease prevention and emphasis on the postponement of disabilities that come very often with old age.

If another change in the chart is required to continue to make our health care system better and to make our health care system deal with the real determinants of health that are out there, things like our environment, things like our economic system, things like heredity and all of those things. Really, only a health-care, an institutional-based system does not really address all of those things.

That is the folly of the argument put forward by some people that says, just keep doing things the way we were doing it and spend more money on it, even though we do not have it, but go ahead and tax the people more, run up huge deficits and ultimately strangle our health care system.

We will not be here. The kids will have to sort it all out. That is not good enough for Manitobans. That is not good enough for me.

Mr. Chomiak: The minister, I think, had trouble grasping the question. On this flow chart there are little bitty boxes that have little lines around them, little hyphenated lines, not straight solid lines. Why are those particular boxes delineated in that fashion, and what do they represent? Are they temporary manifestations or are they permanent line items? Are

they given hyphenated lines around them because they are temporary, or what is the reason for that?

* (1610)

Mr. McCrae: I did not actually draw the picture. I hoped the honourable member would realize that, but as long we have a home care system under which there is not a high, high level of satisfaction with the actual delivery of services we are going to need an appeal panel for home care.

As long, too, as we do not have the kind of perfection that we are looking for in the delivery of home care services, we are going to need an Advisory Committee to Continuing Care Program. As long as we have AIDS in our world and in our society, we are going to need advisory committees and other groups of people who can keep us informed on not only the latest developments but also on the latest needs that are out there and committees of the Health Board.

The Health Board is into different things at different times, and I am sure it will continue to have committees. I do not know why some boxes have little shadows beside them and some have dotted lines. Here is another one, an Advisory Committee on Mental Health Reform. Well, our mental health reforms are not finished. We talked about that a lot during the election campaign, especially in Brandon where we have had the Brandon Mental Health Centre for a long time, so as long as we need them we are going to have them.

Also, these committees are not staff people, so that is another reason for having a dotted line I guess. The ones in the solid boxes with the little shadows beside them I suggest are staff people, so they do not have the same kind of a box.

Mr. Assistant Deputy Chairperson: For the committee's reference, the discussion, the Organization Chart on page 9 is referenced in the Supplementary Information for Legislative Review.

Mr. Chomiak: I take it from the minister's long answer that those are nonstaff members. The minister's staff are nodding the affirmative. The advisory committee to the Continuing Care program, this was I

believe the body that was set up about a year and a half ago to make recommendations concerning Continuing Care specifically. What is this body, the Advisory Committee to Continuing Care Program? Can the minister outline what body that is?

Mr. McCrae: Not too long after I became minister—and the honourable member remembers when that was and remembers all of the circumstances at the time—the Home Care program was not getting the kind of approbation that one would hope to get from the general public. I certainly could sense that, and I certainly knew that as a new minister I was not going to be able to address the problems that exist in a relatively new program developed—when I say that I mean 20 years or so old—but developing and trying to stay afloat in a very changing environment.

Problems are evident in a situation like that and there is no secret about that. I did not see how I could get through as a minister without first of all giving the clients of the Home Care program some kind of comfort, that there is an independent group there somewhere between you and the people making decisions about your life.

It was not good enough for me to ask people, well, if you do not like the decision made by the department go back to the department and tell your story again. It is not likely to work. The honourable member would know that you do not go to the same judge who made a decision to file an appeal. So that was a good reason for having the Home Care Appeal Panel, not unlike the Manitoba Health Board, which adjudicates disputes that members of the public would have with the Department of Health, with regard to their assessment at personal care homes. So at the health board we have this group that the health board reviews appeals of personal care assessments.

It is interesting that both the Manitoba health care appeal group and the appeal panel for home care do make adjustments to decisions made by the department, and the department becomes, I suggest, more sensitive to the issues that are out there, because many, many disputes, I am told by the appeal panels, are resolved before they ever have to go to an adjudication, which is really important because it brings out a sensitivity in

the department. It also brings out an understanding on the part of the client as to what is really achievable in the home care department, unlike what the honourable member would have people believe. There are limits to what can be provided by the public to a client of the home care program, and that is where the advisory committee comes in. The advisory committee is there to tell us what is reasonable and achievable and what can provide the best levels of service for the whole population.

We are into a changing environment for home care, I suggest, and we are going to need the continuing advice of our advisory committee as we address changes. Indeed, the advisory committee is asking for changes, and we are moving towards implementing those changes.

Mr. Chomiak: Mr. Chairperson, I am glad the minister actually followed through and set up those committees as we had recommended prior to his establishment of these committees.

Can the minister give us a listing of all of the members of the various committees that are included on this organization page, which amounts to one, two, three, four, five committees? That is the appeal panel for home care, Advisory Committee to the Continuing Care Program, Minister's Advisory Committee on AIDS and the Advisory Committee on Mental Health Reform, the various committees under the Manitoba Health Board as well because I do not believe that any of those specific committees are listed on the health reform document that has been provided. But, notwithstanding that, can we have a list of all the membership of those committees?

Mr. McCrae: Yes, Mr. Chairperson.

Mr. Chomiak: Mr. Chairperson, the reason I asked the question prior to the most recent question was because there was a committee established following a documentary by CBC Television concerning nursing homes. That committee is not on this organization chart, and I do not see it, I stand to be corrected, on the health reform established committee by types of members listing. If it is there, can the minister advise me as to what committee that is and what the status is of that particular committee?

Mr. McCrae: Mr. Chairperson, that was not a Manitoba Health committee. That was a committee headed by the Seniors Directorate, and it had membership on it from the Department of Health and the Department of Family Services. I think that is correct, subject to check, but I am quite certain that is correct. They have produced a report, and that report will be forthcoming soon.

Mr. Chomiak: Thank you, Mr. Chairperson, so the minister is indicating we will see that report soon. Can we get a listing of the committee members to that committee as well?

Mr. McCrae: It was not a very big one. Some of our committees are quite big, but this one, I think, had basically one or two or something like that members from each of the agencies, the departments involved. So it was not a big committee. But, yes, I will give him the names of the people involved on that committee too.

Mr. Chomiak: The department has been changed in structure, and I note that the Supplementary Estimates have also been adjusted to reflect some change in terms of how matters are dealt with. I guess probably the best way to proceed on dealing with those is to deal with the individuals when they appear on the various lines in Estimates. So I will probably leave the specific questions on these until we get to the line items in the Expenditures.

* (1620)

Having said that, I would like to continue along in this particular portion of the Estimates and ask the minister, under Executive Support, will the minister table for us today—it does not have to be tabled today, but for as soon as possible—reference in this committee, a listing of all the contracts, all the consulting contracts and the like that have been entered into by the department?

Mr. McCrae: We will consider the honourable member's request. I do not know whether to answer yes or no off the top of my head, so we will take his question under advisement.

Mr. Chomiak: Mr. Chairperson, I will return to that. I hope the minister will take it under advisement and

consider that, because I think it would be useful to the process.

Can the minister outline, under the line item 1.(b)—I recognize what the Managerial support is, but again, can he go through the various positions in this particular line item and outline what Professional/Technical positions are there and what Administrative Support positions are there?

Mr. McCrae: Under 21.1(b) Executive Support, we have 12 staff years in total, which includes the minister's office and the deputy minister's office. There is a secretary to the minister, special assistant to the minister, a professional officer, an executive assistant, an administrative secretary and two clerical support positions shared by three people.

In the deputy minister's office, we have a deputy minister, an administrative officer, a secretary to the deputy minister, a clerical support person, and the professional nursing advisor is, for Estimates purposes, attached to the deputy minister's office.

Mr. Chomiak: Can the minister indicate who the professional officer is and what role that person fulfills?

Mr. McCrae: The professional officer in the minister's office is Debbie Vivian.

Mr. Chomiak: The second part of this question is: What role does this individual fulfill?

Mr. McCrae: A very important function. Ms. Vivian is a nurse by profession as well as a lawyer by profession and is charged with responsibilities which range from serving as a liaison between my office and nursing, the Manitoba Association of Registered Nurses, and our relationship has, I believe, grown stronger thanks to the efforts of Ms. Vivian.

The pharmaceutical community, the medical community, the medico-legal community and certainly our Home Care offices, the Home Care appeal and advisory offices, along with Kathleen Hachey, Debby Vivian has been involved in some of our ongoing working relationships there too. So that is just a few examples, not to mention the kind of work that comes

across her desk on a daily basis that relates to any of those or other areas of concern to the busy office of a Minister of Health.

Mr. Chomiak: Can the minister indicate how long this person has been employed in that capacity?

Mr. McCrae: I do not have the precise date for you. I can get that, though. I think it is pushing a year or so, or maybe a little more. But I will check for the honourable member if I can be reminded to do that.

Mr. Chomiak: Thank you. Has that new position, professional officer, displaced another position in the offices of the minister and the deputy minister insofar as if we look at the Estimates from the previous year as well that there were only 12 staff years, but now we have a position of professional officer? In other words was there someone else fulfilling that position before? Is it a new position? And that is basically the question.

Mr. McCrae: That position existed before. Someone else was in it, someone else moved on to something else, and this person has taken that position.

Mr. Chomiak: Can I get a job description of what that role is?

Mr. McCrae: I do not think so. I will check, but I do not think a job description per se in the public service sense of the word exists. These are out-of-school people, so they do not really have the same sort of job description as you might have in a union shop.

Mr. Chomiak: The minister is saying there is no job descriptions that fit these out-of-school positions?

Mr. McCrae: I said I will check. I do not think so, but I will check. There is probably a contract of some kind governing the arrangement within that contract. There might be reference to duties as assigned, and we will come back to this if the honourable member wishes.

Mr. Chomiak: The new Deputy Minister of Health, I assume, is fulfilling his role on a full-time basis in the department and this question is—there will be others that the minister will probably construe as political, but this

one is not political, even in the minister's incredible capacity to read politics into questions. This question—the deputy minister is also on faculty—is the deputy minister still on faculty? Does the deputy minister still undertake duties in that capacity at the university or how does that work?

* (1630)

Mr. McCrae: We are fortunate that the deputy, that the University of Manitoba agreed to allow us to second him from the Faculty of Medicine at the University of Manitoba.

Mr. Chomiak: So the deputy minister is on secondment from the University of Manitoba on contract via Order-in-Council from the government.

Mr. McCrae: Yes.

Mr. Chomiak: The \$110,800 that we are paying the deputy minister, is that the sum total that is remunerated to the Deputy Minister of Health?

Mr. McCrae: Dr. Wade is on secondment from the University of Manitoba, and when I said we were fortunate, I meant so literally and financially, because he is paid on the salary of a deputy minister, which ranges at this particular classification from \$96,200 to \$116,100. Dr. Wade is at the top of the classification.

Mr. Chomiak: So his total remuneration, therefore, comes from the Department of Health via the deputy minister's salary.

Mr. McCrae: We pay the university the amount that we would pay a deputy minister at that level, and the university pays Dr. Wade. There is no additional remuneration other than that.

Mr. Chomiak: How is the level determined in terms of what is paid to the deputy minister?

Mr. McCrae: Negotiation.

Mr. Chomiak: The minister will undoubtedly recall that I raised this issue during the last Estimates, concerning the increase in salary for the deputy

minister over the past several years. It has been a fairly dramatic increase from the previous period with regard to the actual salary level. This is no reflection on the current holder of the office, but it has gone up substantially in relation to the other levels of salary of other individuals and people employed in the executive level of the department, and it is a fairly significant increase.

I am wondering if the minister might have a comment on that.

Mr. McCrae: No, I do not think I need to add anything to what the honourable member has said, as I said, with respect to the present income. This matter was negotiated and, in my view, as the honourable member has been gracious enough to say so, we are indeed fortunate to have someone of the calibre of Dr. Wade heading up the Executive branch of our department.

Mr. Chomiak: When one reads through the Activity Identification and Expected Results under this particular subappropriation, it certainly suggests that there are specific highlights and priorities that have been adopted by the department in terms of its direction.

I am phrasing this question very carefully so that hopefully I can get a specific answer to the question, and that is, during the course of the Estimates last term, we suggested that perhaps the government ought to do an update or review of the blue book as to what the status is of the various categories under the blue book.

I think the blue book, the 1992 reform plan that was much—well, it was brought about by the previous minister and adopted by this minister—[interjection] The minister is commenting. I am resisting the temptation to go down that path, but if the minister can indicate whether or not there is an update or a status report with respect to the 1992 plan.

Mr. McCrae: In a way, Mr. Chairperson, you could say that we just went through that. We had a very public airing of all of the health issues in the approximately 35 days prior to April 25. There was a lot of public discussion about that. I am not saying it

this way for any other reason except to say, that is exactly what happened. There was a major consultation with the people of Manitoba about where we are going in Health. The whole issue of health and health care became a very major election issue and, I suggest, appropriately so. A full airing was had, decisions made, and we go forward.

However, the 1992 plan was very much heralded and approved. I have yet to find anybody in Manitoba who says they are against the Quality Health for Manitobans - The Action Plan. If anybody is, they have not said so to me. That is really important, because we already developed a consensus on what we should be doing.

Now, the honourable member, I understand, never says one way or the other about this, except that I understand they have agreed at one time or another with The Action Plan. Now, of course, every step of the way, for whatever reasons they do the things they do, they will be critical. That is what we talked about already, so I do not want to go on at length about that.

However, I think what the honourable member is saying is something that the department is indeed working on, a sense of finding ways to give the public perhaps a better update than has been given thus far. I think that if the public had been given a better update, the honourable member might not have got as much attention as he got in the last while, and I give him credit for that, but if we had done a better job of communicating with the public, we might be in a better position to move forward even more effectively than we are.

I suggest we are moving forward effectively with transformation of the health system, but you can always do things better. Anybody who ever says that it could not be done better than we are doing it is sort of living in some other world that does not resemble reality.

So what plans do we have? Well, the honourable member will see the general public, I think, taken into the confidence of all of the players in the health system more and more, not less and less, as the honourable member sometimes likes to imply, but more and more. That is the best thing we can do, because it will dismiss

all the myths that some people like to float around about health and their health system. It also reinforces the values that we want to work together to achieve in an effective health system.

* (1640)

So I do not have a really good answer for the honourable member about when you can seize something that you could call an update or anything like that. But I know that there are people doing a lot of thinking about how to achieve just what the honourable member is asking for. I think it is necessary and I think his suggestion is helpful and meaningful, and whatever costs might be incurred in bringing the public more into the debate than they already are, or into the discussion, whatever costs might be incurred in public education, that we can expect the honourable member's support. I really welcome that, because we need to do that.

Mr. Chomiak: We sincerely look forward to the government actually including the public in its deliberations and its decision-making process. It has been something that has been seriously lacking to this process, and I might suggest that we have brought before the House the last two years a bill called The Health Reform Accountability Act that could, in a legislative way, sort of set out a broad guideline to allow the public to be involved. We certainly would welcome the government supporting us and assisting us in bringing the public into the process because surely we can all agree that the government has done not a very good job of providing for public input in the health care field.

That is probably one of the reasons that 57 percent of Manitobans voted against this government in terms of the last provincial election, and a majority of Manitobans voted against this government's health reform plans. That is one of the few political comments I have got in, but I suggest it was nigh time, given the minister's constant reference and constant attempt to refight the election campaign and not basically deal with the specific questions as outlined by myself as we go along.

I believe the member for The Maples has a question. I will pass.

Mr. McCrae: I do not know if I detected the question in what the honourable member said. I do want to hear what the member for The Maples has to say. But, you know, I guess he was saying, what about this public health accountability act that we New Democrats keep pushing? He says 57 percent of the people I guess voted for that. I guess everyone is going to have their own interpretation of what the vote was. I do not know how reliable it would be for me to offer my judgment on that because it might not be something the member agrees with, or anybody else for that matter. Everybody has their own interpretation of what the vote meant.

But we are accountable to the people. Here we are—what was it last year, 50 hours that the honourable member put us through, and the Liberals too, of accountability in health? That is accountability.

The honourable member says, well, we want to have accountability, so let us go with this legislation. Yet the member for Brandon East (Mr. Leonard Evans), in a very convoluted and circumlocutional sort of argument, puts forward the idea the legislation does not mean anything anyway. You see, you cannot, on the one hand, argue that you need to have legislation like the public health accountability act, because legislation is really powerful stuff, and when it comes to balanced budget legislation, the New Democrats argue that legislation is not carved in stone. It is not a constitutional amendment. I mean, the honourable member for Brandon East—it is going to be a long, long time before I let him forget what he said yesterday in the Legislature about legislation not having any teeth or not being engraved in stone. I guess the next thing is that we are going to have another Charlottetown round to build the honourable member for Kildonan's (Mr. Chomiak) health accountability act into it so that it can have the power and the teeth that the honourable member wants it to have. I do digress just a little bit.

We are accountable through the Provincial Auditor of our province. We are accountable through this Legislature. We are accountable through this Estimates process, and the ultimate in accountability we just all went through. The honourable member does not like me to mention it. We just had an election, and the results are now clear on that. I congratulate all the

members who found their way back here and all the new ones that found their way here. That is what accountability and democracy is all about.

I do not believe in building bureaucracies for the love of building bureaucracies so that I can say, there, I spent another million dollars on some bureaucrats to look over our shoulders, even though we already have a Provincial Auditor, even though we already have boards at all of our various institutions who are made up of volunteer citizens of our communities, even though we have the Legislature, even though we have a 240-hour Estimates process through which the Health department was put through some 50 hours last year. I do not know what the average is, but it is over 40 hours, I think, each time. This time the member for Kildonan (Mr. Chomiak) is saying maybe 80 hours for the Health department. He does not know for sure, but he did say—maybe I should not have said that. You also said 30, 40, 50, 80. So we do not know for sure how many hours—

Mr. Chomiak: Mr. Chairperson, I certainly can clarify. If the minister continues to digress, I am certain we will be here that long. If the minister would stick to the answers to the questions, then perhaps we could expedite this matter. I said that in my opening comments and I hold to that. If the minister will answer the questions, we can certainly expedite the process, and I think it is in the interest of all Manitobans that we do so.

Mr. McCrae: There again, Mr. Chairperson, more threats and intimidation. The same thing the New Democrats did to the seniors of this province in the recent election campaign, and here they are doing it here again. As my old friend Mr. Mandrake, the former member for Assiniboia, used to say, there he goes again.

Anyway, I know the honourable member for The Maples (Mr. Kowalski) has something to offer that may bring us back to earth, we hope.

Mr. Kowalski: Before I ask my question, I just want to mention that I remember when I was on the police force arresting two people who were fighting on Main Street—

Mr. Assistant Deputy Chairperson: Could I ask you to bring your mike closer forward, please?

Mr. Kowalski: Certainly. I arrested two people who were fighting on Main Street, one an obvious winner and the other one lying on the sidewalk. We handcuffed the winner, and because I was walking a beat, we had to use a patrol wagon. We put them both in the back of the patrol wagon, and they just did not know when the fight was over and they continued to fight. It reminds me of the two members here today. They do not know when the fight is over and when to stop.

My question very simply is, are there any ongoing costs to do with the severance of the former deputy minister, Frank Maynard, that would be reflected in this year's budget Estimates?

Mr. McCrae: No, Mr. Chairperson.

Mr. Chomiak: I wonder if the minister might outline for me under this particular section what the priorities are, what the deputy minister sees as the priorities perhaps with respect to the upcoming fiscal year of '95-96 that are reflected in these particular Estimates?

Mr. McCrae: The fiscal year '95-96 is the one we are in and that is the fiscal year that is reflected in our budget documents, and the priorities are very clear. They are set out in the numbers that are there in the budget. In terms of health as a priority, I think I mentioned that at 34 percent of the spending it clearly the top priority of this government but it is also a higher priority here in Manitoba than it ever was under any other government in Manitoba, including the one the honourable member would like to have been part of, and it is a greater priority than any other government in the country.

* (1650)

The priorities are set out in the various appropriations here. Hospitals, personal care homes, community health centres are getting an amount this year similar to the amount they got last year, about \$1.2 billion. Within that number—this bears on the question raised, I believe, yesterday by the honourable member about Seven Oaks Hospital—you will see shifts for the

most part from the acute care sector into the primary sector or community sector.

Of course, that is the trouble—I guess ministers of Health right across the country have the same problem. If a member of the opposition for political gain or purposes raises a question about a reduction in funding for an acute care centre, in the absence of everything else that is going on, bingo, points have been made, brownie points. That is what we live with. Luckily the people of Manitoba see through that sort of stuff.

The fact is if there are X dollars coming away from hospitals, then there are X dollars going to somewhere else in that system that I have referred to, because it is \$1.2 billion this year, \$1.2 billion last year.

The honourable member knows that most of the reduction in the overall budget this year for the Health department has to do with that line dealing with the medical doctors and the medical services appropriation—most of it. I do not know if there is much else anywhere else. There would be maybe some small amounts somewhere, but I think it is about \$8 million that comes out of the medical appropriation. That is the subject of today's questions by the honourable member dealing with eye care. Well, eye care is something that is part of that appropriation, and the Medical Services Council, I am told, is looking at eye care with a view perhaps to making recommendations, but they are a long ways from that at this point. I have been asked to veto recommendations that do not yet exist. They may exist, and I fully expect that the Manitoba Medical Services Council will review this matter logically, and if at the end of its review it feels that it ought not to make any recommendations about eye care or optometrists' fees, then it will not do so. If it feels that it should in the interests of the public and the sustainability of our health care system, then they will. Then I will look at them and the honourable member and I can go over those matters at that time.

I think the honourable member is referring to the role and mission statement set out on page 7 of the Supplementary Information for Legislative Review document. In that role and mission statement there is a discussion about how the department operates within the government structure and operates also under

certain statutes and responsibilities that are charged to the minister. We have a legislative mandate in some areas and we have emerging health care issues, so we need to establish a proper framework upon which could fit the planning and delivery of our services.

We want to put more emphasis, as it sets out in this description, on improving and promoting the health status of Manitobans. If there are any qualities, which there are, we want to deal with that. In other words, people in the core area of the city of Winnipeg, they are not as healthy as people in other areas of Winnipeg. People in the North are not as healthy as people in the south. Why? They have relatively equal access to the system, to the health care system. They do not have equal access to the economic system that some other people have. They do not get sometimes a good breakfast, the kids, before they go to school and that impacts on their health status, or their moms from the time of conception on maybe did not get looked after or looked after themselves as well as somebody who lives in Tuxedo or one of the more affluent areas of Manitoba, or Kildonan. The children in those areas get a better deal from the day that they are conceived than the children in the core or in the North. I am speaking on average.

There is something that needs to be done about that, and we are trying really hard as a department to make the shifts to start addressing that. We are doing that at a time when we cannot just keep throwing more money into the pot. It just does not exist, more money. We know that our partner in Ottawa is disappearing, with no criticism for the present partner. It is not the first partner that has begun this decline in their partnership. There are big-time worries here, mind you, for those of us—not those of us, because I think Manitoba is exempt from this comment. Provinces that have not seen this coming are not very well prepared today, and we are seeing evidence of it in Montreal and in Alberta and in the NDP provinces especially. They did not make the appropriate plans except to hack and slash. That is not the way we do things in Manitoba and that is not the way we propose to.

So the health status, reducing the inequalities in health status, is a very, very laudable goal, I suggest, and probably one that is shared by honourable members around this table. But that does not just

happen, as honourable members already know. As our friend Michael Decter tells us, it does not just happen. Those who like to read Dr. Rachlis's book, fine, read that, but read Michael Decter's too because probably the message is not dissimilar. Certainly Michael Decter's message is not dissimilar to what is going on in Manitoba and in varying degrees in other places. It is a question of how you get there. I do not think there is that much debate about where we want to get to, because I still have not heard the honourable member for Kildonan say that he disagrees with the action plan. He has not said that. He very carefully, I suggest, has not said that, but he has not said it. If he would say that is the right plan, well, that would be fine. I do not crave that to happen. I mean, it does not matter if he says it or not. It is common sense what is in that plan. It is the implementation that is raised by opposition parties, certainly one of them, as basically their whole election platform.

But we are all trying to get to the same place and who can get there best? Well, I suggest to you, the government that espouses balanced budgets is going to get there more likely and is more likely to stay there than a government that has no regard whatever for the financial aspects of the running of the health system. Those are the philosophical differences that come between us.

I probably have said enough about this but—none of this is going to happen without an eye to the innovations, without an eye to the technological changes and improvements that have been occurring for many years. Sometimes people put forward positions totally in isolation from other changes that have been happening in the system. I will stop right there and let the member try again if he needs to.

Mr. Chomiak: Mr. Chairperson, I am glad the minister referred to the announcement on November 22 about new health facility funding because at the time of that announcement, the government suggested, in fact, the government indicated, that there would be a 2 percent cut to the hospitals.

At the time there was the announcement of the stay-the-course, in terms of the actual funding, at one point \$2 billion, there was a recommendation that the hospitals would be cut by 2 percent, and, in fact, that

amounts to approximate—and that is actually at the core of some of the questions we are going to be getting at during the course of these particular Estimates, that is there was a 2 percent reduction of the hospitals, and there was a suggestion at the time that there would be expansive community-based services and various other procedures, which we will be also dealing with in the course of these events.

The fact is we will want specific information on that money allocation and money flow because, frankly, the argument that the minister is making, that the decrease is as a result of the MMA agreement and only in the medical sector is wrong and not accurate, because it contradicts what was announced on November 22 in fact.

It also is ironic that the minister is saying there is no attempt to winnow down the procedures offered when in fact they have put into the Estimates book the decrease as a result of the Manitoba Medical agreement, so clearly, there is money that has to come out. The minister is saying no decisions have been made, no final decisions have been made. That does not change the fact that as a component part of the MMA agreement, there is a section of the agreement—I pointed it out to the minister in the House that there is in fact a section that mandates there shall be a cut in '95-96, in the agreement, in the MMA agreement, and at least a portion of that cut is reflected in the '95-96 Estimates.

* (1700)

In addition to that, there is a 2 percent cut to the hospitals, as announced on November 22. It was announced, not actually by the Health minister, but by the Minister of Finance and the chief accountant for the province, Mr. Jules Benson, who in fact, in this very room—

Mr. Assistant Deputy Chairperson: The hour now being five o'clock and time for private members' hour. Committee rise.

EXECUTIVE COUNCIL

Mr. Chairperson (Marcel Laurendeau): This section of the Committee of Supply will be dealing with the Estimates for Executive Council.

We will begin with a statement from the First Minister.

Hon. Gary Filmon (Premier): Mr. Chairperson, as is customary, I would like to begin by welcoming you and congratulating you for the important responsibilities that you are undertaking as Chair of the Committee of Supply. It is sometimes an arduous responsibility, but I know that all members join me in wishing you well.

I have already congratulated the Leader of the Opposition (Mr. Doer) and the member for Inkster (Mr. Lamoureux), but I am pleased to repeat those congratulations to them on their re-election. I am delighted to see both of them back, but of course on that side of the House. I am even more delighted that it is on that side of the House.

A tradition seems to be developing that Executive Council Estimates are the first to be examined in committee. I did not realize it was a tradition until the Leader of the Opposition (Mr. Doer) told me last evening that it was a tradition. I asked why my Estimates were coming up first, and he said it was tradition. I appreciate being part of a tradition and look forward to continue this opportunity to exchange our views on the philosophies and the principles and the goals and objectives that guide this government.

Having the lead-off position allows me to take note of the hard work and the long hours that went into the preparation of the Estimates, and I want to in particular note the work of the Treasury Board and particularly the secretariat of Treasury Board. I know that when we reach a period in fall they start to spend hours and hours and hours leading up to the Christmas break, and then immediately after, when many of the rest of us are taking a little bit of time off, they take long, long hours to complete the work of the Estimates. I thank them all for carrying what I believe is probably the heaviest workload within our government. Having served as chair of Treasury Board for four budget cycles, I know how much goes into it, and I appreciate the Saturdays, the evenings and the many, many extra hours that they put in to help meet some very difficult targets.

The Executive Council Estimates have not changed significantly this year. That is a pattern that we have

maintained now through eight budget cycles. In fact, the Estimates total of \$3,165,400 represents an increase of \$6,700 or 0.2 percent. The staff year total for the department remains unchanged at 44. I make some comparisons, not for any purposes of casting any particular view on my predecessors, but I believe the number was 50 when we took office in Executive Council, so it continues to be below that number. Members will note that within the department the \$450,000 allocated to International Development programming has also remained unchanged, and I wanted to draw members' attention to that fact because it contrasts with some of the dramatic decreases that the federal government has imposed on its funding for certain international agencies and activities.

* (1500)

Although our province's ability to contribute to international development is limited, I believe our efforts are important and worthwhile. For example, recently Manitoba was asked to provide some technical assistance to one of the new South African provinces. Many members of the House had the opportunity last week to meet with the delegation from the northwest province and to wish them well as they work to establish an effective democracy in their homeland. We will be following up on our initial contacts with assistance in several areas and will be pleased to keep members up to date on those activities.

We are also moving ahead to strengthen our co-operative relations with other jurisdictions around the world. Members may recall that during the Team Canada trade mission to China last fall, we were able to sign an important new bilateral economic co-operation agreement with Henan province, and that agreement is being followed up actively, as well as others.

Within Canada, we are also working to extend co-operative arrangements with the other provinces and the federal government. I am sure that the Deputy Premier and Minister of Industry, Trade and Tourism (Mr. Downey) will have more to say on the subject in the coming weeks, but we are very pleased that the interprovincial trade barrier reduction agreement appears to be heading smoothly towards its implementation date of July 1. The Deputy Premier

has co-chaired the Internal Trade Ministers Committee for the last few years, having succeeded the Minister of Finance (Mr. Stefanson) when he was in that portfolio, and they have both provided excellent leadership, and I believe that members on both sides of the House can take considerable pride in the fact that Manitobans played such a large role in developing the agreement.

In fact, in seeking its approval, the chief negotiator was Art Mauro of Manitoba. In recognition of all of the efforts put in by Manitoba on this agreement, the secretariat for the agreement will be located here in Winnipeg, a decision that was endorsed by the other Premiers at the annual Premiers' Conference in Toronto last year.

Members will also be aware that the annual Western Premiers' Conference had been scheduled for May 29 to 31, but was postponed when an election was called in the province of Saskatchewan. It is my hope that the conference can be rescheduled for July or early August to permit western Premiers to discuss several important issues of concern to our region prior to the annual Premiers' Conference which this year will be held in late August in Newfoundland.

The western Premiers are particularly concerned about the dramatic changes the federal government is making to national agricultural and transportation policies while all provinces right across the country share similar concerns about the impact of federal transfer payment cuts and other offloading on our budgets.

We will also want to discuss the future of social programs. The role of the federal government in some of these programs is now becoming, at best, that of a junior partner and not a particularly credible or reliable junior partner at that. This is unfortunate, because Canada's national social programs are part of the fabric which unifies our country. At a time when unity remains a critical issue it is unfortunate, to say the least, that the federal government is undermining a vital unifying force through what I believe are some short-sighted decisions. I have made my concerns clear to the Prime Minister and to some of his cabinet colleagues, and I will continue to do so.

Before closing, I would also like to express my appreciation to the staff in Executive Council for their

high quality, professional work. In fact, I believe that as a whole the public service of Manitoba is unequalled in its quality and its dedication. The people of Manitoba are fortunate to be served by the men and women whose work is described in these Estimates but whose contribution is seldom recognized in a personal way.

One of my government's objectives for the coming term is to move ahead as quickly as we can with the public service reform and management improvement initiatives which are now under way. We want to ensure that the staff who are responsible for carrying out the decisions of government and the Legislature have a better sense that their advice is being heard and that their efforts are highly valued. We want to work towards greater flexibility and greater accountability and to ensure that public servants have the tools they need to respond to the difficult challenges facing all governments everywhere.

I look forward to hearing the comments of the members opposite. Thank you very much.

Mr. Chairperson: We thank the First Minister for those comments. We will now have the traditional reply by the Leader of the official opposition party.

Mr. Gary Doer (Leader of the Opposition): Thank you, and I will also pay tribute in a traditional way to the traditional role of the traditional Chair in the traditional spot in this Chamber and applaud him in the way I do traditionally on his appointment and reappointment to these very, very important responsibilities.

The Premier noted about this tradition. I think he started it with Premier Pawley, so he should be careful about starting traditions. They may tend—

Mr. Filmon: I may have to carry them out.

Mr. Doer: There are certain advantages to this, of course, from a time management perspective. It is always better to know when the Estimates are than not, and as he would recognize, predictability in time management is useful—for both of us I might add. I have to say that I do not just do it for his benefit,

although I am very, very charitable on my thoughts to him, but it is also useful for some of the rest of us.

I want to talk, not a long time, about the opening statements. We want to mention a few things on the Premier's Estimates. We recognize the staffing level and spending level of the Executive Council is somewhat similar to the whole public service of Manitoba. It is one of the leanest public services. It has been one of the leanest Executive Council Estimates through different levels of government.

We note there are differences now in the Executive Council deployment of staff than there were previously. There are more Communications staff now than there was under the previous government, notwithstanding the criticisms that were made by the previous Leader of the Opposition—too previous I might say—and there are other deployments in various functions that fall under the role of federal-provincial relations that are contained within other departments.

The Ottawa office, for example, is a role of federal-provincial relations. It is on another Estimates line. So I think there are comparable considerations in terms of Estimates. Of course, the Premier (Mr. Filmon) knows that we have to always reconcile year by year in various departments where the deployment of staff are to get an apples-to-apples comparison, and we would so note.

There is also staffing that is in the I, T and T department for other functions that relate directly to the Premier's role in the economic areas of government, and, of course, those staff have a direct reporting relationship to the Premier even though their staffing salaries are contained in other departments.

The Premier noted the international affairs of Team Canada effort. I know that Premier Harcourt of British Columbia made that recommendation to the Premiers. I thought it was a good recommendation. I was disappointed that the premier of Quebec did not see fit to join that group, and I have listened to both our Premier and other Premiers from other provinces who thought that was a successful way to do business internationally, to have one team meeting with the various officials in a country like China. I would say

that there were some difficulties or some criticisms of the whole issue of human rights, and I know that this is a difficult issue, whether it is in countries like Communist China and in countries that the Premier is dealing with, like Indonesia. I do not believe it is an either or.

* (1510)

I believe that we believe in democracy. We believe in the elimination of totalitarian regimes. Even though we want to trade with those countries and develop our markets, we also should never ever tire of our goals for democracy for the people living in those countries under the boots of dictatorships and totalitarian regimes, and as peace-loving and democratic-loving nations. The Premiers that went on that trip—I was a touch disappointed in the either-or kind of delineation on trade. To me, you can trade and you can educate and you must deal with the human rights component. Yes, some people may be offended, but it is important after we recognize those young students that stood at Tiananmen Square in front of the tanks, in front of the military, in front of the dictatorship, some of whom are still in prison today for rights that we take for granted, that all of us across all political lines—I am not making this comment to this Premier, but all across all political lines—because all political parties were represented on the Team Canada group, that we cannot let those young people down that were in that square with such a powerful message for us on their freedoms and the freedoms that they want, that they aspire to enjoy.

I want to say that I am pleased the government has not cut the international affairs grants in this department in the International Development Program. The old saying is, you give a person a fish and they eat for a day; you teach a person to fish and they eat for a lifetime. I still believe in that whether it is here in Manitoba or internationally. I believe the more projects we can be part of with the very strong church and community groups that reside in our province, the wonderful organizations that we have of volunteers of men and women that work tirelessly in pretty challenging conditions.

I know the Premier (Mr. Filmon) visited some locations when he attended the environment summit in

Rio, and I know that it is important for Manitoba to always look outward and use our great talent and skill of people to help other nations and other peoples get an economic base, get education, get health care and have a life of, hopefully, dignity and opportunity rather than some of the conditions that many of our projects are working under.

I do say that the federal government—I know there is a poll saying why give money out here if you are cutting back here in Canada. You know, we are an international country, and I know that you cannot—international affairs and international development is not an Angus Reid poll. It is a lifelong commitment to peace, democracy, freedom and the ability to be international in our approach and to deal with countries in a very fair way.

On the issue of federal-provincial relations, I was quite critical of the governments' negotiations on trade with interprovincial boundaries and barriers, and the Premier knows that. When the Deputy Premier (Mr. Downey) came back on a number of occasions sounding rather like Neville Chamberlain, I bring you peace in our time, I was very worried about the inability of provinces to deal with taxpayers' money enticing private corporations and bidding wars that would take place between the provinces for jobs with taxpayers' money. I think almost a year later from this so-called peace in our time agreement that the Deputy Premier brought back to this House, that we commented on had more holes than Swiss cheese, we see some practical examples that have not stopped the absolute, I think, waste of taxpayers' money and waste of our efforts by having provinces raided by other provinces with taxpayers' money.

I think it is wrong, and, again, I think the First Ministers have to come to grips with this. To have the episode where jobs were lost, UPS jobs were lost here in Manitoba, where jobs went to New Brunswick, paid for by taxpayers, the Premiers and government officials from one province were swooping in to places like British Columbia, Manitoba, Ontario and paying for jobs to be relocated to another province means that this so-called agreement is not very helpful.

I have been critical in the past. The Premier (Mr. Filmon) knows about my comments about Don Getty,

where the tremendous amount of processing of beef was taking place because of their very, very charitable donations to the Pocklington Gainer's operation and the Cargill operation, which of course works against the Manitoba producer, Manitoba processing.

We have been critical of Saskatchewan and the Devine government for their investments in fertilizer plants that are in direct competition with the Simplot plant.

An Honourable Member: And now Romanow in the Cargill crushing plant, \$68 million for 25 jobs.

Mr. Doer: Well, if that is the case, I would be critical of that too. I was critical of the Premier on GWE, but I also said that I talked about Sears in Saskatchewan and I talked about Federal Express in New Brunswick, a Liberal government, a Conservative government and a New Democratic government, and I think we have got to get this thing hammered down—no more money from taxpayers to bid.

We are not creating new jobs, we are taking jobs away from other communities, and at the annual meeting of these free enterprisers, they must be laughing in their martini glasses at what happens in these tough economic times when we have to use our money, our public money to subsidize so-called free enterprise and the market system to attract jobs and keep jobs in our own communities. [interjection]

Well, I was opposed to the \$600,000 grant, but I have said the Sears operation, a lot of these telemarketing jobs are new, and I think we should just say no. I cannot understand why the Premiers, and they are all different political philosophies, but good people, why we cannot nail this down, why we cannot get an agreement.

I know the frustration I had when I was Minister of Urban Affairs dealing with Premier Bourassa with buses. Quebec had a so-called free trade policy on buses. Flyer could bid into Quebec equal to any other company. The only problem is, the Province of Quebec would not support a municipality with the 75 percent grant from the provincial government unless the bus was made in Quebec. I wrote him and even

when we were out of government I continued to write him about this, which I informed the Premier of, and of course I believe that that is wrong.

So we do not think this trade agreement has achieved yet what it was purported to achieve, and the proof is always in the pudding in these agreements, not in the press releases, and we do not think the pudding is very strong, we think it is pretty mushy and not very helpful beyond some of the nice statements made about it.

In terms of federal-provincial relations, we will be raising a number of issues on programs that are dealt with by the federal government with the provincial government, including the health and post-secondary education, the whole issue of the military relocations, the reductions in procurement in the aerospace industry, airport privatization in Manitoba, CN privatization, the whole issue of reductions in jobs here in Manitoba, what its impact will be on the economy, the whole issue of the reductions in other programs in the federal budget. Of course, we will be raising the whole issue of the triple whammy in Agriculture: (1) major reduction and elimination of the Crow rate; (2) the pooling advancement and acceleration in terms of the Manitoba producer; and (3) the reduction in the some of the agricultural support programs, those on top of the reductions in research facilities here in Manitoba which belie the argument that this is an attempt to move from more direct-cash crops to the whole issue of value-added crop production.

* (1520)

I also believe, Mr. Chairperson, that I want to deal with one other issue in Manitoba here before we get into the line by line or into the more general discussions in the Premier's Estimates, but I think that I heard the Premier—we all say this in the Legislature, in election campaigns, but he talked a lot about decorum in the House. I think I expect feisty debate, and so does the Premier. I respect that, and I do not want to change that, but I think we all have to take a look at what happened last night. It was not our finest hour, and if this is only the first week after the new session is starting, I think we have all got to come to grips with our own—we all have a bit of thin skin perhaps, and we all have to take a look at the decorum

in this House. I am quite worried about what happened last night, and as I say, I am not blaming anybody right now. We have already had that argument in the points of order raised, but perhaps all of us have a responsibility to deal with feisty differences, differences on policies.

Let us try, you know, to be careful about taking personal shots about individuals in the Chamber. I think there is a difference between disagreeing with policies or pointing out different discrepancies between policies, between action and policies, but I always think we should try to make sure that we do not disagree with each other on a personal level, we disagree with each other on policies, on differences, on discrepancies from promises that we all make or comments we all make. As I say, it was not our finest hour last night, and I say that collectively. Thank you, Mr. Chairperson.

Mr. Chairperson: I thank the honourable Leader of the Opposition for his opening statement.

I would remind the members of the committee that debate on the Minister's Salary, item 1.(a), is deferred until all other items and the Estimates of this department are passed.

At this time, we invite the minister's staff to take their place in the Chamber.

Mr. Kevin Lamoureux (Inkster): Mr. Chairperson, with leave, maybe I could just give brief opening remarks.

Mr. Chairperson: Somebody has just asked the staff to stay out for a minute. The honourable member for Inkster does not have official party status. Is there leave for the honourable member to make an opening statement?

An Honourable Member: Leave.

Mr. Lamoureux: Mr. Chairperson, I thank both the Premier and the Leader of the Opposition for granting me leave to say a few words in opening remarks. I must admit right from the up front that this is in fact somewhat of a challenge for me. I know that there are a number of different departments that are out there,

and those departments and issues all have to be addressed in some way or another, at least from our perspective or from a Liberal perspective, if you will.

My intent is to try to concentrate on a few of those departments as opposed to trying to take responsibility for something that just really is not feasible. I have always found in the past, when I was assigned a new critic portfolio, that there is a bit of a learning curve. You tend to go through an Estimates period in which you learn a bit, and hopefully you are better equipped going into the next time we are inside the Chamber dealing with this particular department.

So hopefully members will excuse if I do not necessarily know the department as well as I possibly should know or the line of questioning that might be most appropriate for this particular portion of the Estimates. I wanted to comment, somewhat briefly, on some of the opening remarks the Premier has put on the record and acknowledge right up front, no doubt, the extreme dedication of time and resources that individual members—that put together the documents that we are going to be going over in the next 240 hours, Mr. Chairperson. I think that they do a phenomenal job.

I can recall hearing the former Minister of Finance talking about the idea of having multiyear budgeting, and I look forward to someday being able to stand inside the Chamber and to be able to address not only my comments on what the government is projecting to do in this particular fiscal year, but also some sort of a better projection in terms of what the following year would be like. The idea of a multiyear budgeting, I believe, is the best approach in dealing with the financial affairs of the province. Hopefully, we will see that movement in that direction. I am especially looking forward to the discussions with respect to intergovernmental relations, in particular federal-provincial relations.

The Premier makes reference to the Western Premiers' Conference, and out of that conference, no doubt, will come a number of items which we in the Prairies, if we can say, or this region, feel are important to western Canadians. I think, Mr. Chairperson, I believe, the Liberal Party believes that that is important

that we do have some meeting which allows us to identify our priority issues in dealing with the federal government.

It is also important that we look in terms of what other provinces, other jurisdictions, in particular, let us say the Atlantic region, in terms of that whole idea of the integrations of regions and how governments might be able to work in hand in terms of trying to break down some of those other barriers that might be there. The Leader of the Opposition made reference to what happened in the province of Quebec with respect to busing and how many workers in the province of Manitoba were denied opportunities to be able to produce and manufacture what I would classify—no doubt everyone in this Chamber would classify it as world-class buses and provide them on an equal playing field to the province of Quebec.

I recall back in '86 when I attended a policy conference in Ottawa, Mr. Chairperson. One of the resolutions which I talked out on at that time was the whole idea of freer trade from within Canada. I believe that we need to move more towards that. That is why I was pleased when we had the internal trade committee. I think that we should take advantage of the responsibility that has been bestowed upon us in terms of the deputy chair of that particular committee and take advantage of that.

I think that this particular Premier has been given an opportunity once again on April 25 to take a leading position within the prairie provinces in terms of advancing the western Canada perspective, if you like. It is an additional responsibility which I am sure that the Premier is going to want to take. Along with that responsibility, Mr. Chairperson, I think that observers across the prairies, if you like, will be looking for a certain amount of statesmanship from the Premier in terms of trying to take more of the politics out of—and it is awfully difficult to take the politics out of some of the debates that no doubt occur. I think that in times we have seen that occur, and we have seen the results of that. The Premier made reference to Team Canada, and that is something in which there were parties from across Canada, all three major political parties participated. We have seen first-hand just how successful that particular trade mission was, and we

look forward to many other results that come out of that particular trade mission.

So it shows that if in fact parties and, more so, individuals that are in the position to be able to have real influence are prepared to put some of the party politics at least at times to the side and to sit down and deal with the issue at hand, then and only then, I would argue, will we be successful in doing what the Leader of the Opposition has talked about in terms of getting rid of many of those barriers that are put into place.

Every day, and I accept it—I know it has happened in the past, and I might have even participated in it somewhat when we had the former Prime Minister being in Ottawa. I often termed it as being fed bashing. I think everyone is very familiar with the term of fed bashing.

* (1530)

Mr. Chairperson, I would anticipate that there is going to be a certain amount of that debate that might take a bit of a slight that it is anti-federal government. I only hope that it will not get overly, excessive—[interjection] The Premier says, even when it is due. I am sure that when it is due, it will definitely be there. The question, of course, is: When it is not due, will it continue to be there?

Mr. Chairperson, I would anticipate that if there are in fact those issues that surface in which we believe as a political party, albeit somewhat small and limited in our capacities inside this chamber. The provincial Liberal Party is quite prepared to express what we feel is in the best interests of Manitobans, but with respect to the federal-provincial relations, we believe ultimately that you can get a lot more accomplished through co-operation, and that does not necessarily mean backing down on important issues. One can still be a very strong advocate for the many different issues that are out there that the federal government will choose to deal with, which will have a significant impact on the province of Manitoba. As I indicated during my throne speech remarks, the Canadian national government also has to listen and respond to the Canadian public as a whole, much like we have to respond to Canadians that live within the province of

Manitoba. In some cases, in particular when you have those intergovernmental relations, each Premier has a responsibility to look even beyond our own boundaries.

I am really looking forward to those discussions, in particular, discussions with respect to issues like immigration bilateral agreement, a question that I have raised, something that in principle I feel very strongly on. I am hoping that the Premier will be able to answer a number of questions in terms of what this government's actual approach to dealing with this particular agreement is. I give him advance warning, if you like. What I am hoping to receive from the Premier is a commitment more so on what Manitoba needs, what our requirements are. For example, our requirement is not to have 3.7 percent of whatever the federal government brings in in immigrants in any given year. That is not our requirement. What our requirement should be is what can Manitoba, as a province, sustain in terms of immigrants into the province, The different classifications and so forth, and that is the position which we should be taking to Ottawa. Other areas, of course, we will tend to disagree on.

Transfer payments, a very important issue, I am sure we will have a great deal of discussions with respect to transfer payments. Ultimately one has to look—and the Premier (Mr. Filmon) made reference to the federal government's junior role, I believe is what he said, and as we move on in time the federal government appears to be playing a lesser role. I remember the Charlottetown Accord debates and discussions that were out there. In fact, I was one of those that felt it was not necessarily in our best interest for a lot of the same reasons that I believe that the federal government does have a significant role to play.

I am very concerned about national objectives and standards and so forth within our social programs, whether it is through unemployment or health care or whatever might be out there. I look forward to some sort of a positive dialogue. I know it would be quite easy, of course, to say, well EPF funding is cut, and the health, and the federal government is bad and so forth. Yes, there was a cut in EPF funding. We are not going to deny that. Ultimately, what is it that we are going to do to ensure that the health care system in the federal

government does continue to have a role to play? That is the type of dialogue I am hoping to encounter. Issues like the Air Command, issues like gun registration, these are the issues I welcome in terms of debate and would anticipate at times it might even potentially get somewhat lively, but I do believe that is important.

Interprovincial relations or intergovernment relations I believe also encounters possibly our junior levels of government, and I equally look forward, if that is the case, to discussions at that level. Again, Mr. Chairperson, I do appreciate the opportunity to give opening remarks on this department.

Mr. Chairperson: We thank the member for Inkster for his opening remarks.

Mr. Filmon: While the staff are being invited in I just wanted to clarify a couple of issues from the opening comments, if I may, Mr. Chairperson.

Mr. Chairperson: Before they are invited?

Mr. Filmon: They can walk in while I am speaking. That is fine.

Mr. Chairperson: We will ask the staff to come in at this time.

Mr. Filmon: I just want to respond to the Leader of the Opposition's (Mr. Doer) comments about the so-called Neville Chamberlain peace-in-our-time accord in interprovincial trade barriers, and to let him know that it is not the news release that is at fault, it is his reading of the news release, if he did indeed read it, because the agreement has a number of stages to it. One of the final stages is the, what I call, destructive competition for investment section which is in there at Manitoba's insistence. But because of a lack of consensus and a lack of agreement on the part of many provinces, it is one of the latter stages of implementation of the agreement.

Also, the direct government procurement is stage one; Crown corporations and the MUSH sector are later stages, and the very final stage is destructive competition for investment. I might say that if it is filled with holes like Swiss cheese it is because there

are two New Democratic provinces, both Saskatchewan and British Columbia, who did not want any part of this agreement to begin with and ultimately would only accept a very watered down version of it. Perhaps if there are other more, shall we say, broader-thinking administrations in place at future, we may get further with filling some of those holes, but he can thank his New Democratic colleagues, and I am sure that they would acknowledge that they had their own protectionist interests very much on the table throughout these discussions.

I might say to him as well in respect to his comments on the decorum in this House, that it cuts all ways, and I too do not believe that last night was our finest hour nor this afternoon's regurgitation because of the presence of media, Mr. Chairperson. But if he would like to check Hansard, he will find that deliberately and intentionally his colleague from The Pas (Mr. Lathlin) came here and laid the charge of racism, of racist policies on the record several times last evening, much to the applause of his colleagues, including the member for Thompson (Mr. Ashton) who walked over and shook his hand for having made those comments.

I ignored the comment a week ago and wrote it off as just so much political prattering, but the fact of the matter is if he is going to continue to make those allegations in the House without any evidence or substance on a regular basis, we are going to take him on every day and anybody else on your side of the House who does it. So if you want to improve the quality of the debate in this House, then you might talk to your own members and demonstrate a little leadership.

Mr. Chairperson: Order, please. Would it be possible for the First Minister to introduce his staff at this time?

Mr. Doer: Well, Mr. Chairperson, I have not agreed to the staff coming in yet and I want to respond to the First Minister's statement. If the staff want to stay here, that is fine, because they have heard it before.

* (1540)

We have a couple of points. The Premier, of course, talking about the trade agreement in Canada, and I find

that particularly interesting that he would again cite British Columbia and Saskatchewan when if he checks the records, there is nobody that has been 100 percent pure perhaps in this whole issue. When he looks at McKenna in New Brunswick, when he looks at Devine in Saskatchewan, when he looks at Getty in Alberta, the NDP governments have nothing to listen to a lecture from this Premier on this whole issue of corporate grants from taxpayers' money. I might point out to the Premier that it was Premier Rae that finally took on the Province of Quebec in terms of the whole issue of trades and employment and those issues. He was the one that had the backbone to take them on and have mobility provisions which are consistent with the Charter in force so that Francis Lankin and others could take on that province in a fair way.

There is a difference between economic development and corporate grants, and I believe that the Premier should recognize the difference. I believe, very importantly, that public money to raid jobs—rather than taking a shot at the Premier of British Columbia, one would have thought that he would have joined with the Premier of B.C. and Ontario and as the Premier of Manitoba when we lost the UPS jobs. So I am quite disappointed in the Premier's comments in that regard.

The Premier—and I mentioned the point about last evening. He came back with his rather bombastic comments about how he would deal with it with his hands on his hips in quite a challenging way. We are not afraid of debate, we not afraid of feisty debate and we will get involved in it.

I would point out that I recall Tom Denton used the term to describe the federal government's policies, Sergio Marchi's policies, as racist immigration policies. He did not call the federal minister a racist, and there is a distinction between a policy and an individual. I am using another example to illustrate our point.

I was in the House last night when the Premier made the comment in his seat to the member from The Pas.

An Honourable Member: Read Hansard.

Mr. Doer: I do not have to. I heard what the Premier said to the member for The Pas, and I was quite

disappointed. I expect him to take his shots at me, and I was not disappointed last night. I am sure he will continue to do so on various things and that goes with the territory. But I was disappointed in the Premier last night, and he can—

An Honourable Member: That is a double standard. Oscar did not say anything, but—

Mr. Doer: I mentioned the example of Mr. Denton. He is a Conservative I believe who made his eloquent statements about the changed policy of the federal government. I am trying to use another example for the Premier, to look at it. We are not afraid of good, feisty debate in here and we are not going to be intimidated by the Premier's comments to us in his Estimates or any other time.

Thank you.

Mr. Chairperson: Did the First Minister wish to introduce his staff?

Mr. Filmon: Mr. Chairperson, I would like to introduce my staff who are my Clerk of the Executive Council, our senior deputy minister in government, Mr. Don Leitch; Chief of Staff, Mr. Taras Sokolyk; the Deputy Minister of Intergovernmental Affairs, Mr. Jim Eldridge; and Karen Popp who is Director of Administration of Finance for the Executive Council.

Mr. Chairperson: Thank you, Mr. First Minister. The item before the committee is item 1.(b) Management and Administration (1) Salaries and Employee Benefits \$1,853,700.

Mr. Doer: Mr. Chairperson, I believe that we usually deal with the whole set of Estimates. We have in the past have dealt with all the lines at the end.

Mr. Chairperson: Is it the will of the committee then to deal with all the Estimates as a whole? [agreed]

Mr. Doer: Thank you. Can the Premier again table today the list of staff and the classifications and salaries of all staff in his Executive Council line, the 44 staff that he discussed? I believe he has done that in the past.

Mr. Filmon: Mr. Chairperson, yes, there are copies for the opposition at the Clerk's Office.

Mr. Doer: Mr. Chairperson, can the Premier indicate how many staff are in the Communications branch in the Premier's Office? Is it still the five that were there previously or has he reduced it down to the size that he criticized in the past?

Mr. Filmon: As it has been, I believe, all the way back to 1990, four professionals and two support staff.

The criticism that I made, for the edification of the Leader of the Opposition, was to the fact that there were over 200 Communications staff throughout government under the Pawley administration. That number has been reduced by approximately 75 overall by a concentration of staff in a central network that shows up to some degree in my Estimates.

Mr. Doer: Does the four staff include the co-ordinator of the Executive Council's Director of Cabinet Communications Secretariat?

Mr. Filmon: If the member is referring to Bonnie Staples, that is included in the four staff.

Mr. Doer: Can the Premier indicate who else is working in that department in the professional positions, please?

Mr. Filmon: It includes Ron Arnst, Roger Madis and Debbie Young.

Mr. Doer: Mr. Chairperson, what is the relationship that the Premier has established with the Communications branch of his office and duly elected and appointed cabinet ministers in dealing with the media? We often hear and often witness cabinet ministers not able to talk to the public through the media day after day until the, quote, Premier's staff has advised them. What is the relationship between the Premier's staff and cabinet ministers in terms of their ability to speak directly to the public?

* (1550)

Mr. Filmon: Mr. Chairperson, I categorically reject that he often hears that. That may be an excuse that is

given by an individual from the media who makes that up. The fact of the matter is there is a co-ordination in terms of communications so that the Executive Council is plugged in on issues. The reason is—we are given examples of it every day in the Legislature when the member opposite, the member for Concordia insists on asking the Premier questions about issues that have to do with one of the minister's responsibilities. If I am expected to know the answers to those questions, then we have to have a communication linkage between Executive Council and each of the ministers.

Mr. Doer: Mr. Chairperson, are there job descriptions for the individuals as they relate to other cabinet ministers?

Mr. Filmon: None in written form.

Mr. Doer: How do the staff get a classification if there is no written job description from the Civil Service Commission?

Mr. Filmon: I am sure there are written job descriptions with duties to be as required, duties to be assigned, also as a catchall for all of the other responsibilities they carry.

Mr. Doer: Would that relationship with cabinet ministers to the Premier's staff be in that other duties as assigned category?

Mr. Filmon: Yes.

Mr. Doer: It is the first straight answer I have got from him in the last five years, so I was very happy to have it. Thank you. I am just kidding.

The classification of Director of Communications for the cabinet secretariat, the Order-in-Council was just signed recently deleting the previous incumbent, one Ms. Biggar and appointing the present incumbent, one Ms. Staples.

Could the Premier explain why, when Barb Biggar left a year ago, the paperwork took a year to conduct, and what were the circumstances around that?

Mr. Filmon: I am informed when an individual resigns from their position in the public service, that we do not pass an Order-in-Council revoking that

appointment until we replace that person. As the member probably knows, it costs about \$350 to produce and pass an O/C because of all of the various legal hands that it has to go through and clerical hands that it has to go through. We therefore waited until the replacement, who had been put in on an acting basis, was confirmed on a permanent basis, and that was a process that took about eight months.

Mr. Doer: So the Premier is indicating that the Order-in-Council paperwork for the position of co-ordinator of cabinet communications was appointed on an acting basis and then made permanent eight months after the departure of Barb Biggar?

Mr. Filmon: That is correct, and Ms. Staples remained at her existing salary which was lower than the salary as the co-ordinator of cabinet communications. She received that salary change only at such time as we made her in a permanent position.

Mr. Doer: Can the Premier indicate the role of the position of Director of Cabinet Communications on the awarding of advertising contracts in the direct provincial public service?

Mr. Filmon: Contracts are awarded by the departments in consultation with the Communications section which is located in the Department of Culture, Heritage and Citizenship. Because of her overall role in terms of government communications, the co-ordinator of cabinet communications would have an advisory role from time to time on some of these issues.

Mr. Doer: Would the Premier indicate whether the advisory role is on the content of the ads or at the selection of the advertising firms that the government chooses?

Mr. Filmon: They are normally done on a proposal call basis. So the departments come up with their requirements, they receive technical advice from the Communications section in Culture, Heritage and Citizenship, and they might seek advice from the co-ordinator of cabinet communications on any matters pertaining to that. If the question is, does she have the final say on who is awarded the contract, the answer very simply is no.

Mr. Doer: Does the Director of Cabinet Communications have any role at all in the awarding of advertising contracts to various companies in Crown corporations, specifically the Lotteries Corporation and other Crown corporations that are relevant to the government's overall so-called message?

Mr. Filmon: Because of the talent and knowledge that is vested in the co-ordinator of cabinet communications she might be consulted on them, but the final decision is still that of the Crown corporations.

Mr. Doer: Mr. Chairperson, the huge issue of advertising and lotteries, would that not go for approval to the Premier's Communications staff and the cabinet through the responsible cabinet minister, or is that just left delegated to the Lotteries Corporation?

Mr. Filmon: It probably normally does not come to cabinet. It does not necessarily come to the Executive Council Communications Secretariat. There might be advice given from the Crown corporation to the minister responsible. He might be advised, but the final decision rests with the Crown corporation.

Mr. Doer: Were the Premier's Communications staff, director, involved in the awarding of contracts dealing specifically with the home renovations advertising campaign of last year's 1994-1995 fiscal year?

Mr. Filmon: I believe that was part of an overall plan that was accepted by cabinet or a committee of cabinet.

Mr. Doer: Mr. Chairperson, can the Premier indicate which advertising agency received the Home Renovation Program pursuant to the approval of cabinet?

Mr. Filmon: I believe it was Foster/Marks, but I can have that verified.

Mr. Doer: Can the Premier indicate how much money was spent on that home renovation contract?

Mr. Filmon: I do not want to avoid giving the information to the member, but clearly that is something that is in the hands of the department that awarded that contract. As I say, it was in a plan that I

think was reviewed by cabinet because I recall having seen it. It is not something that is in my budget nor would I have any direct information on that without going through the minister.

Mr. Doer: Further to the role of the Director of Cabinet Communications, can the Premier indicate how many contracts were awarded in totality across the cabinet purview to Foster/Marks in this 1994-1995 fiscal year, which the Premier has stated has gone to either cabinet committee or cabinet.

Mr. Filmon: I could not find that information without going through all of the various departments and asking them who awarded contracts to that particular agency. I know that that would show up in the Public Accounts that will be available later this year and certainly all that detail will be there.

Mr. Doer: Are there any safeguards for the public to ensure that former senior members of staff from the Executive Council of the Premier are not involved in subcontracts from advertising companies that are obviously going before cabinet in terms of the Home Renovation Program? Are there any prohibitions to that?

* (1600)

Mr. Filmon: The conflict of interest legislation provides for a cooling-off period, I think it is referred to by some, for any senior staff who leave the employ of the provincial government, and if he is referring to any who have left in the past year or 18 months, I can tell him that they are all aware of the requirements of The Conflict of Interest Act and are abiding by it.

Mr. Doer: Were there any senior staff of the Premier hired by the advertising agency to do Home Renovations Programs as part of any subcontracts the advertising agency would have?

Mr. Filmon: Not to my knowledge.

Mr. Doer: Can the Premier take as notice that request to find that out, because it is questions that have been raised with us, and I think it is in the public interest to find out, given that the Province of Manitoba is

spending a considerable amount of money with the Foster/Marks agency.

Mr. Filmon: Is he referring to a current employee or a former employee, and which employee is he referring to? I will take that information then and then attempt to respond to him.

Mr. Doer: Just to clarify to the Premier, I am just asking the question whether the former director of communications was involved from the Premier's Office. We cannot separate sometimes rumour from fact. I have no substantiation, it is just a lot of rumours out there in the advertising community. I would like to put those rumours to rest with a specific question. Has the Premier's staff been hired by advertising agencies like Foster/Marks that are getting fairly substantial contracts from the public purse?

Mr. Filmon: Because we are dealing with a direct allegation now of an individual I will say that direct allegation was made publicly by the media and I responded to it after investigating last year. The answer is no. That individual was not employed by the agency on work for the government of Manitoba, including the home renovation work that he refers to.

Mr. Doer: Mr. Chairperson, was the former director of communications involved in a contract with the beverage association of Manitoba in terms of its work with the provincial government on recycling policies?

Mr. Filmon: My understanding is she had a contract with the beverage association on policy advice and had no dealings with the provincial government on the matter.

Mr. Doer: Of course, the soft drink companies had a major fine waived by the provincial government. The individual that we have stated was in the employ of the government up until, I believe, March or April of 1994. Does the Premier feel that there is any discrepancy between the policies of senior staff of government and their departure time and their dealings with the provincial government in other related matters?

Mr. Filmon: Mr. Chairperson, this is where we have to be careful not to put incorrect information on the record. The fine has not been waived.

Mr. Doer: Can the Premier indicate the—going by memory, and I will check my file before we come back in the Estimates—but I believe that there was a levy to the soft drink companies. Can the Premier indicate when that was paid?

Mr. Filmon: The status is that the fine has not been paid and it is subject to the current negotiations that are ongoing with respect to the establishment of the recycling program. There are certain charges, obviously, and levies that are being exacted, and the consideration is being given as to whether or not in return of the current agreement the fine will not be pursued, but that has not been decided.

Mr. Doer: Can the Premier indicate, again, the whole issue of the fine or the levy that was due a period of time ago. It is a substantial amount of money in terms of the policy announced by the provincial government. Can the Premier indicate with that amount of money involved with the provincial government in negotiations, and with the former director of communications involved with those companies, does the Premier feel that this is consistent or inconsistent with the conflict of interest guidelines for senior staff of the Executive Council?

Mr. Filmon: May I say firstly that in terms of the details defined in the various negotiations and so on, that it is an appropriate area for discussion with the Minister of Environment. I am not in any way, shape, or form involved in that. I report only based on the knowledge that I have of the issue. With respect to the issue of any relationship between the former Director of Cabinet Communications and the government on the issue, the minister has said publicly, and so have senior staff of the department and the former Director of Cabinet Communications—they have all stated that there has been no discussion with the government, no interaction with the government and the former Director of Cabinet Communications on that issue whatsoever.

If the member believes that somehow he can make a case on some kind of rumour or peripheral circumstantial evidence, I invite him to make the allegation under the conflict of interest act and pursue it. But all the individuals involved have stated very

categorically that there has been no interaction on the issue.

Mr. Doer: The whole reason for having conflict of interest guidelines for senior staff or public officials or elected officials, et cetera, is to ensure that there is—the government itself passed of an extension of the conflict of interest guidelines dealing with senior staff and former cabinet ministers. I want to say that I think it places, at a minimum, people in a public policy area in a very awkward situation to have one of the closest people to the Premier involved in a file that has so much financial consequences to it, that it is being determined ultimately by cabinet.

Mr. Filmon: She is not involved in the file. That is the point that I make, and that is why the member ought not to put incorrect information on the record.

Mr. Doer: The former director of communications to cabinet has been employed or hired by, I believe it is the soft drink council or the beverage association of Manitoba as a consultant on "communications" or whatever. The Premier has confirmed that that former employee has been hired. Does the Premier not feel that that is contrary to his guidelines that he passed in conflict of interest guidelines for senior staff?

*(1610)

Mr. Filmon: And the answer very specifically is no. All of the former employees or many of the former employees of the Pawley New Democratic administration worked for companies that might have clients that worked with the provincial government. That does not mean they are working on that provincial government file. This is the case here. The person involved has been hired to do specific communications and policy consulting that does not involve their interaction with the provincial government—other issues.

Mr. Doer: Mr. Chairperson, of course, we know that the Canadian public and Manitoba public in dealing with activities, call them lobbyist, call them public relations consultant, call them what you will, are quite concerned about influence and the relationship between the public interest and knowledge obtained in the

employ of the public. I know the people of Canada are very concerned about what has gone on in Ottawa before with the Mulroneys groups and people that go back and forth between taxpayers' jobs and private companies and contracts, and I just think we have to be very, very careful here.

The intent the government had of bringing in this extension to conflict of interest was to ensure that not only were there no conflict of interests but there was not the perception of a conflict of interest. The Premier says the individual is involved in one part of the file and not involved in one part of the activity. I know she is not making the soft drinks, and I know we are dealing with public policy, well at least I suspect that. I did not think she was a beverage producer.

I just raise it and, you know, the Premier has given his statement here today, and we will have to take it today as such, but that is a concern we are raising. I am surprised the Premier has no concern about it in terms of what it means to the public policy issue.

Mr. Filmon: I did not say I had no concern. I said I received information. I saw the beverage industry people quoted as saying that she did not work on the file. I asked our own department, both minister and senior officials, and they confirmed she did not work on the file or have interaction with the government, and the individual herself confirmed that.

So there is absolutely no reason to believe that this is anything but innuendo and mudslinging by the Leader of the Opposition. If he has anything specific that would lead to a charge to be laid under the act, he is welcome to do so, but I invite him to please go ahead if he has that information rather than simply deal with innuendo and mudslinging.

Mr. Doer: If the Premier does not like me asking whether it is consistent or inconsistent with the conflict-of-interest guidelines, fair enough. I will still ask the question. The Premier has given the answer, and we will proceed accordingly.

I have a further question to the Premier. There was a striking similarity between the advertising that we saw in the Home Renovation Program and the

advertising we saw from the Progressive Conservative Party on Manitoba Works. Was it the same advertising agency?

Mr. Filmon: Yes, Mr. Chairperson.

Mr. Doer: I would like to ask the Premier whether, given the fact that—in fact when I saw the ads I thought it was a Home Renovation ad. When I saw the Manitoba Works ad, I thought it was a Home Renovation ad. I thought the other one was a Manitoba Works ad. It was back and forth. It looked like the same ad. I am a little concerned. I am asking the Premier if—

Mr. Filmon: There was a remarkable similarity in '86 between the Pawley ads and those that the government had been running, same agency, too.

Mr. Chairperson: Order, please. Could I ask the honourable member to give the Leader of the Opposition an opportunity to put the question?

Mr. Doer: Thank you. So we have the same advertising agency, one which received a number of lucrative ads from the provincial government. I would ask the Premier, was the shoot for the public ad done at the same time as the shoot for the Manitoba Works ad?

Mr. Filmon: Absolutely not. I was there for one of them.

Mr. Doer: We will continue to pursue that because, as I say, it is almost identical footage. As I say, we could not tell the difference between a provincial government taxpayer-paid ad and the ad that was to be paid for by the Progressive Conservative Party. I would like to ask the Premier, how much was the Order-in-Council to spend beyond the supplementary limits? How much was that for advertising in the '94-95 fiscal year?

Mr. Filmon: He would have to ask that question of the Minister of Finance. I do not have that detail.

Mr. Doer: Mr. Chairperson, the Premier chairs cabinet, and that supplementary estimate went to cabinet. Can the Premier indicate roughly how much the amount was, please?

Mr. Filmon: I do not recall, Mr. Chairperson.

Mr. Doer: Does the Premier think it is appropriate in these so-called tough economic times that money and supplementary spending for advertising can take place in a pre-election period, paid for the taxpayers of Manitoba at a time when other programs—I mean, health care spending in some areas is being reduced, other programs are being reduced. The education system has got a zero percent increase. That is on top of cuts in education in the previous two years. Cuts have been made in health care. Cuts have been made to vital programs.

Does the Premier think it is appropriate in a pre-election year to have advertising paid for by the taxpayers receive supplementary approval by him and his government in the '94-95 fiscal year?

Mr. Filmon: I invite the Leader of the Opposition to talk to his colleague Premier Harcourt in British Columbia, who spends more than five times the amount that we do on public advertising as a government, who put out multipage summaries of his budget to every home in British Columbia, who had a television town hall to promote his budget, all at the expense of the taxpayer, who through Now Communications hired firms all over North America, including in Washington, D.C., and Winnipeg, Manitoba, a firm that is close to the Leader of the Opposition, who put out five times the amount of advertising that this government is engaged in. We as a government have not been overly generous with any area of the public treasury including spending on advertising.

Mr. Doer: Can the Premier indicate why then he had to approve supplementary spending for advertising in the pre-election year, why they were off budget to begin with and why they had to spend more public money on advertising such as the Home Renovation Program and other programs?

* (1620)

Mr. Filmon: Much of the advertising was to do with areas of change and reform, for instance in the public education system, the blueprint for education reform and so on. It was printing, it was making people aware because it was a major public issue that people wanted

to learn more about, and much of that was what was contained within that supplementary supply.

As I understand it that money had been budgeted for in Education but was done by the Culture, Heritage and Citizenship department at their central communications and they actually billed it back to the department.

Mr. Doer: The Premier indicated that Foster/Marks received the Home Renovation ads from the provincial government. Can the Premier indicate what other advertising agencies received major contracts approved by cabinet for advertising in the '94-95 fiscal year?

Mr. Filmon: I am not sure that they would be approved by cabinet but I know that Palmer Jarvis is the agency of record for most of our Crown corporations and some other government work.

Mr. Doer: Mr. Chairperson, I want to raise another question dealing with the whole area of the cabinet Communications staff. I mentioned before that we have heard a lot of times that ministers cannot talk to the public, to the press, until they have had clearance from the Premier's group. The Premier has acknowledged that that group does review advertising contracts and other matters. I would like to ask the Premier that in light of the fact that the former Director of Cabinet Communications was the one approving or disapproving of requests under Freedom of Information, are those requests also vetted through the cabinet Communications office?

Mr. Filmon: Communications staff do not approve the release of Freedom of Information requests. They are informed when information is being sent out, because in general terms the reason somebody asks is because they want to publicize that information and the requests are generally from media outlets or from opposition parties. So that obviously will be something that will become the basis of a question either in the House or publicly, and therefore they are informed when that information is being released. But they certainly do not have to give their approval to have the information released.

Mr. Doer: Certainly there is a culture in government that says that this group has a fair amount of power about what information is made public and what

information is not. The Premier may deny it but the cultural reality that he has created in government with his own Communications staff and the control they have over information is perceived to be a lot more powerful in terms of what flows or what does not flow to the public, to the opposition, to the media than what the Premier may acknowledge. Can the Premier advise this House if his Communications staff and his Director of Cabinet Communications office will review the material before it is released by the Freedom of Information officers that are delegated under the act and consistent with the act?

Mr. Filmon: There are Freedom of Information officers in every department of government who put the package of information requested together consistent with the act, and then in releasing that information they provide that information obviously to the Communications people so that minister will be aware when questions are about to be asked on these particular issues. It is a matter of having people plug into the information. They do not control the release of the information, and that is, I think, a very effective way of ensuring that we are kept informed on issues that we are going to be asked questions on.

Mr. Doer: Is this not an extra step in the flow of information to the public pursuant to The Freedom of Information Act in terms of the ability of citizens to access information that it would go to the Premier's Communications people prior to being released to the public?

Mr. Filmon: It does not go prior to. It is sent as a copy when the information is released so that they can be aware that questions will likely be raised on the issue. So there is no extra step involved. There is no strain or restraint involved. There is a question of copying. Just as you would send a copy of something that you are dealing with to maybe members, to your critic in your caucus so that he or she is informed of something that you are saying on a particular issue, a copy is sent along.

Mr. Doer: The Premier will recall that I tabled a document about 18 months ago in the House dealing with a request to the former Director of Communications in the Premier's Office of whether

they should release X or release Y under a request to the citizen. Now, that is the only written document we had, but we tabled it, and it clearly was a request seeking permission from the Premier's Communications staff, from the Cabinet Communications staff as opposed to what the Premier has described today. We have also heard repeatedly from people that were requesting information from—you know, the Communications staff or the Premier's Office is reviewing it or they are looking at it or whatever. So are you saying that when we talk to people pursuant to The Freedom of Information Act and they tell us that the Premier's staff has got it that the people are not telling us the truth? They do not have it? It is just something that the Freedom of Information officer is making up for us?

Mr. Filmon: My recollection of this issue that the member has raised is that it was more an example of the individual who was charged with the responsibility of releasing information seeking guidance as to which was a better form of response to the request, not seeking permission.

Mr. Doer: The Premier is saying that when we request information from departments further to the Freedom of Information guidelines and when the department says it is being reviewed by the Premier's Communications people, that is not correct, that is just not true? Is that what he is saying?

Mr. Filmon: No, I have no knowledge that that is the process.

Mr. Doer: I want to move on to the issue of pensions for senior staff. Can the Premier indicate what pension plans are—of the staff in his area, in his particular Executive Council area—how many staff of his are under the provisions of The Superannuation Act and how many of his staff are outside of The Superannuation Act for purposes of pension benefits?

Mr. Filmon: I believe it is 14 who have opted out and receive a payment in lieu which, generally speaking, they put into self-administered RRSPs, just as the members of the Legislature now do.

Mr. Doer: The Premier has indicated before the terminology he has used—just as members of the

Legislature. It was reported that some members are hired pursuant to Order-in-Council provisions in some deputy ministers' spots, while the secretary of Treasury, clerk of cabinet had received pension entitlements pursuant to their contract above and beyond what was the 7 percent matching contributions that now exist for MLAs.

The MLAs' pension benefits have been changed with the agreement of the whole House for purposes of compensation. It is a measure all of us supported to have some consistency with the outside world, the private sector, in terms of our pension entitlements.

Has the Premier now changed the entitlements of some of the highest paid people in government to ensure that the kind of entitlements that were changed by MLAs for themselves, rightly so, have been changed for senior staff?

* (1630)

Mr. Filmon: I am informed that the information has not changed since it was released publicly to the Leader of the Opposition, I believe, a few years ago. That provision continues to apply to a number of senior public servants, and as we said at that time, by taking the payment in that form, they absolve the taxpayer of all future obligations to those individuals. They no longer have to pay them a continuing pension plan in perpetuity upon reaching retirement age.

Mr. Doer: As the Premier knows, the new pension plan for MLAs also—a new MLA elected today, with the seven-and-seven provisions that are recommended by the public through the joint commission that was binding on this Legislature also absolves us for payments in perpetuity when a person retires or is retired or departs or leaves, or whatever, from this Chamber.

In light of the fact that we have all changed, I am sure this was a reduction in the entitlements of the Premier to go to this new plan that was recommended. I know it would be a reduction for a number of MLAs, but we felt the public interest was better served and rightly so, with eliminating these pension plans that probably were very negative for people like the member for Lakeside (Mr. Enns), but very lucrative for

people who were in for a medium period of time and could accumulate entitlements they were eligible for at a very young age, that had a pretty bad taste in the public mind. We proceeded with the new pension plan, which is very similar to Saskatchewan, seven and seven contribution.

Is the Premier going to do the same thing with his own senior staff, the argument being the payments in perpetuity, but if you have obviously contributions for senior staff that are beyond, say, even the contributions that the Premier gets from the public and his own, I think that is wrong. Why would the Premier not get all these pension plans in some kind of equity and symmetry? If you are not going to join the superannuation fund, you move into the other fund, and it is matched on the same equivalent basis, as, say, just as the Premier, not having an accelerated or a larger payment that has been reported in this Chamber before.

Mr. Filmon: There has never been any requirement in government to treat the public servants less generously or equally generously with the members of the Legislature, indeed members of cabinet.

I know that throughout the Schreyer years and the Pawley years, the senior civil service received more money than the cabinet ministers they served. Senior civil servants like Marc Eliesen, or his successor at Manitoba Hydro, Gary Whatever-his-name-was, received provisions like a two-year severance on their contracts, things that were absolutely unconscionable, unheard of, would never have been tolerated to members of the Legislature or the cabinet ministers. They received all of those; they received more generous pension benefits than did their political masters, and this is not any different than the circumstances today where the benefits and the remuneration packages are what was negotiated and what gives us an opportunity to maintain a professional public service in this province.

I can also say categorically that the secretary of the Treasury Board is receiving about a third less working for the government of Manitoba than he did in the private sector.

I can say that the Clerk of the Executive Council, who is the senior public servant in the Province of

Manitoba, gets substantially less in pay than does the Chief Commissioner of the City of Winnipeg, than does the CEO of most of our major hospitals, the president of the University of Manitoba, many senior faculty on staff in the universities, particularly in the medical faculties and so on, substantially less. As a public service, I do not believe they are overpaid.

Mr. Doer: The Premier will recall that we produced a report which was tabled actually by the subsequent Minister of Finance on Crown corporation salaries, creating classifications which—to deal with some of the absolute folly of having some of these benefits that are way beyond what should have been in the public sector.

I would agree with the Premier that over the years what was lost in recruiting and retaining people on the CEO side in Crown corporations was more than enhanced or enhanced on the benefit side, which, I think, was wrong. We changed that. The government implemented that same report on classifications on Crowns that dealt with that problem. I know that the Minister of Finance and I talked about it privately and he tabled it publicly creating those classifications. I know that when the government appointed the next CEO of MPIC—I think that the Liberals were quite critical of the salary level of that individual—I was not because it was consistent with what we agreed to ourselves, to be able to recruit and retain people, but pay people upfront, not hide things in some other drawer so that we did not have a person who is an adjuster at MPIC getting benefits on pensions that are quite different than the CEO, et cetera.

I know that some of the people that are hired into positions, like the Secretary of Treasury Board, do not know how long their career is going to be. Sometimes these people are hired at the will and pleasure of cabinet, but I do believe that the government should have salaries to be able to recruit and retain good people. I am not disputing that at all. I may disagree with the ideology of the individuals, but I am not—certainly, with the corporate cabinet, I know he is a very, very good person and carries out his responsibilities very well.

This is not a criticism of people, but I believe that we should not have three separate pension plans here in

Manitoba: one pension plan under The Superannuation Act; another pension plan, which is seven-and-seven contributive plan that ends when a person leaves; and another plan for some of the senior paid people in the public service, which is quite bit higher than that. I think that is wrong in tough economic times. I think, for example, when the Secretary, Treasury Board, is saying to a nurse to take a 2 percent cut and to somebody else to take a 2 percent cut and to somebody else take a 2 percent cut, to have a plan which is equivalent of 10 or 11 percent matched per year, that is wrong. I think it was wrong when some of the CEOs and Crown corporations under the previous government had benefits way beyond what is in the public interest.

That is why I came forward with the report to our cabinet which the Minister of Finance, the member from Morris, Mr. Manness, proceeded with and implemented. When he appointed somebody pursuant to that report, as I say, the former head CEO of MPIC was hired shortly after the government took office, I said we have no difficulty with that. Salaries upfront, recruit and retain should be the criteria for government, but I do not believe in having—I think we straighten out our own mess. I do not think we could be too vigorous about this point on senior staff, and we had our own pension plan hanging around that gave us entitlements that, as I say, were unfair to people, long-term employees of the public through the Legislature, in the short term, may have been very, very unfair to the taxpayers.

* (1640)

Why would the Premier not reconcile all these plans now that we have our own House in order with the seven-and-seven contributions for all new MLAs starting? It seems to me to be a reasonable plan, a fair plan, a plan by which we can all live by. I think having that as a consistent message so the head of Treasury Board is not asking somebody to tighten their belt when their own pension plan may be more generous than some of those people who are on the lowest levels of pay are tightening their belt in the public service.

Mr. Filmon: I just say to the Leader of the Opposition, we never did have one plan. We, as members of the Legislature, were never in the Civil

Service Superannuation Plan. We created, as a result of the independent commission, a different plan this time. We have never had one plan. We have never had a cookie-cutter approach in which everybody takes the same. If we did, we would not tolerate a situation in which those senior staff who have worked for ministers get paid much more than the ministers. That has gone on since time immemorial. Obviously, we would not be in that situation if we had a cookie-cutter plan.

We do not have that, and I can just say that the only way to judge whether or not the compensation is fair and reasonable is to compare it to what they would earn either in the private sector—certainly the two individuals who have been named, the Clerk of Executive Council and the secretary of Treasury Board, both took pay cuts to come out of the private sector to work for this government. Secondly, compare it to what they could earn in senior-level positions in either Crown corporations or, let us say, the city government. In every case, they would earn more than they are earning in the present circumstance. To me, that says they are not overpaid in terms of their total package of compensation which includes their benefits.

Mr. Doer: I am sure there are other members in this Chamber, perhaps the member for Rossmere (Mr. Toews), perhaps the member for Riel (Mr. Newman), who would have perhaps taken a cut in pay. Of course, the member for Transcona (Mr. Reid) probably took a real cut in pay, coming off the—no, I do not want—[interjection] That is not my point, and I respect the fact that people in the public service, and all of us here, do it for the sheer love of the job and the challenges it presents—[interjection] I am just letting him dig himself deeper.

Perhaps I can continue on in my questions. The question, then, is, now that the MLAs have gone to the seven-and-seven contribution plan—and the Premier may be underpaid, everybody may be underpaid, may be overpaid. I am not sure. We have one superannuation plan. We also now have a Registered Retirement Savings Plan. We have implemented it for ourselves. Why are we not implementing it for everyone in the public, paid for by the taxpayers, so we can have a consistent model, so, for example, the secretary of the Treasury Board is not saying, times are tough, tighten your belt in the morning, and they are

able to receive a quarter-of-a-million dollar potential pension payouts within a relatively very short period of time compared to the average person in our direct public service.

Mr. Filmon: Because, Mr. Chairperson, we never did have one single approach to it. There was an approach for the career civil servants who were in the civil service pension plan and they remain so. There was an approach for the members of the Legislature who were in one plan and now are in a different plan, and there is a very strong argument to be made for those senior civil servants who come and go at the pleasure of cabinet to be in different circumstances because they do not have the job security that is implicit in the Civil Service Superannuation Plan and The Civil Service Act.

Mr. Doer: So could the Premier explain to me why—well, let me ask the question—is Mr. Bessey in this plan of the same plan as the secretary of Treasury Board, or is he in with the superior amounts of entitlements and cost to the taxpayer, or is he in a different plan?

Mr. Filmon: His plan is similar to that of the two individuals that the member previously referenced.

Mr. Doer: Can the Premier indicate then what is the employee contribution and the employer contribution per annum for these pension plans for the three individuals I have mentioned?

Mr. Filmon: In this particular case the employees get a payment in lieu of their pension benefits that they would receive in going into a plan, and the payment is approximately 11 percent.

Mr. Doer: So the payment, the employers' payment, to the individuals concerned is 11 percent per annum approximately, as opposed to the employer-paid pension plan, say, to the Premier—I know he is underpaid compared to everybody else, et cetera—as opposed to the Premier and the other members of his Chamber of 7 percent, which was recommended in a public commission.

Mr. Filmon: Correct.

Mr. Doer: Of the 14 staff in the Executive Council line, I have some questions about deputy ministers that

report directly and indirectly to the Premier or the deputy minister equivalent, Secretary of Treasury Board, et cetera. Can the Premier indicate how many of the staff of Executive Council are receiving the 11 percent employer contribution per annum versus the standard MLA and direct civil service equivalent of 7 percent?

Mr. Filmon: One, Mr. Chairperson.

Mr. Lamoureux: I just have a few questions with respect to this area of questioning. The Premier made reference to the fact that there were 44 under his administration compared to the previous administration of 50 in Executive Council. I am wondering if the Premier can give some sort of indication of the 1986, I guess it would have been, of what would have been the total line of expenditure for the Executive Council at that point.

Mr. Filmon: I have just been corrected; it was 59 under Premier Pawley in the Executive Council, and the total estimate in the budget that was defeated in 1988 was \$3,187,200 compared to \$3,165,400 today.

Mr. Lamoureux: I am not of course familiar in terms of the actual process. Out of the original 59, would there still be any around the Executive Council at this point in time?

Mr. Filmon: Actually, there are several long-term employees, and if you want me to name them I can. The actual number I can see is 9 that predate our administration, including some with over 25 years of experience.

* (1650)

Mr. Lamoureux: That would have—obviously, using simple math, it would mean 35 that would have been hired since the Premier has had control over Executive Council. What would be the actual hiring process in hiring these individuals? Are they brought over from other civil service positions? How are they actually brought into the Executive Council?

Mr. Filmon: As I look again through the names, I know that quite a number have come over from other

areas of the civil service, from other departments and other ministerial offices. I know that quite a number were hired through the normal civil service process, and then a number, probably equating to maybe a third, would be Order-in-Council appointments as political staff.

Mr. Lamoureux: The Leader of the Opposition (Mr. Doer) was addressing the question of severance. Can I get some sort of an indication? For example, those that are more of the career, the nine, if you will, the career civil servants, I would imagine there is not too much in terms of severance other than, ultimately, the pension with full retirement benefits and so forth, but for individuals who are shifted over from other civil service positions, is it the idea that after a while they might be shifted outside, like they are professional civil servants that do shift amongst the different departments? The focus of what I am trying to get at is more so the third, I believe this is what the Premier refers to, in how the hiring process, if you will, proceeds with that third.

Mr. Filmon: The member is quite right. We are treated like any other department. We are part of the civil service, and two-thirds of those employees would have normal civil service status and expectations, and if they did not remain in Executive Council, they might go into other ministerial offices and remain as part of the civil service. The approximately one-third that are essentially political staff would be hired through the process of either myself or a delegated individual within my senior staff going through an interview and hiring process where they would look for people with specific talents and knowledge.

Mr. Lamoureux: Just to use an example, to pick the first name at the top, Ron Arnst, how would the Premier go through the hiring of an individual of this nature? For example, would you say, Mr. Arnst, here is a severance package that we would be looking at? How do you come to grips with the terms of employment with an individual of this nature? Is this a position that is created because, let us say, the Premier of the day says, here is a position that I would like to have serving in the Premier's Office and then you set the terms of employment? How is that put together?

Mr. Filmon: I think we would have some normal standards, that three months severance is fairly standard for political staff, but some more senior political staff would have six months severance.

As I say, under our predecessor administration, they went up to a year and then to two years for some of their most sensitive people.

My understanding is quite simply that because those people recognized they were at the pleasure of the government and recognized the, shall we say, insecurity that was implicit in the job, they asked for severances that were much more than the normal.

We felt that one year was probably as far as anybody should push it, and we were quite honestly taken aback when we found that a number of the senior people in the Pawley administration had two-year severances.

Mr. Lamoureux: Does the Premier have any employees through Executive Council that have a one-year severance or more?

Mr. Filmon: We tabled the standard employment agreements about two years ago to the two Leaders of the opposition, and they still would have copies of them.

We felt it made sense to spell out ahead of time what the terms and conditions were of employment agreements for political staff and that the standard severance in those agreements calls for one-month severance pay for each year of service, so nobody of our political staff would be entitled to any more than seven months of severance at this point.

It would build, if any of them stayed for the remainder of this term of government. It would obviously build to the point that they would be approaching one year of severance.

Mr. Lamoureux: That used to be the severance package that we used to operate under also. I believe it was one month for a year.

The commission actually came up with the recommendation, of course, to put a cap on that. Is the

Premier prepared to entertain the same sort of thing, a cap in terms of the number of months? You have made reference, for example, to the year. The previous administration would quite often exceed a year in severance. Would the Premier make the commitment to not do that?

Mr. Filmon: Indeed, the employment agreements for these political staff do specify that the maximum is one year.

The reason for the severance, of course, is that the conflict-of-interest law really prevents many work options within the province of Manitoba. We have just been through that discussion with respect to some staff who have left and who have particular expertise in various areas but have little opportunity to practise their area of expertise, because government tends to be a major client for much of the applications of their efforts so that when your severance is there on a very thoughtful basis because of the restrictions that are placed on those who would then choose to leave the civil service, or be chopped—what is a better word for that?—severed from the civil service by a new administration.

Mr. Lamoureux: Actually, I believe I can vaguely recall the standard employment forms that the Premier is referring to. I think this is something that even the caucus office had considered doing with their employees. Again, dealing with the third under the terms of the agreement of employment, is it then generally expected that upon a change in government that this entire third, if you will, a new administration could in fact replace that third without additional severances being provided?

Mr. Filmon: That has indeed been the practice. In fact, the Leader of the Opposition had a humorous comment at one time about exchanging prisoners at the border with Saskatchewan when there were changes of government that went the opposite way.

The tradition and the practice has generally been that the administration that is leaving office does in fact sever all of their political staff and does give them the package which has been negotiated, usually with the transition committee, because we did not have any

specified, standard severance packages in those days. I recall that when the Pawley administration left office it was three months minimum but so much per year of service. Then there was the open question which ended up adding a great deal to the package which was accumulated overtime and sick leave that ended up in some cases adding about seven months pay to some employees. So these are things that happen when you do not have some standard forms and limitations. We have limitations on accumulated sick leave now. We have limitations on accumulated overtime as well as the severance.

* (1700)

Mr. Chairperson: The hour being 5 p.m., time for private members' hour.

Committee rise. Call in the Speaker.

IN SESSION

Committee Report

Mr. Marcel Laurendeau (Chairperson of Committees): Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for River Heights (Mr. Radcliffe), that the report of the committee be received.

Motion agreed to.

PRIVATE MEMBERS' BUSINESS

PROPOSED RESOLUTIONS

Res. 1—Canada Health Act

Mr. Frank Pitura (Morris): It is moved by myself, seconded by the honourable Minister of Health (Mr. McCrae), that

WHEREAS the federal government continues to claim both moral and legal authority to enforce compliance with the Canada Health Act; and

WHEREAS unilateral changes to the Established Programs Financing arrangements have generated

massive federal savings by shifting costs to the provinces; and

WHEREAS the federal government's 1995 budget has clearly indicated that it will reduce cash transfers to health care, a decision which will undermine the strength of Canada's health system; and

WHEREAS the continued federal role in health is essential to support comparable and adequate standards of health care delivery across Canada.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge that the federal government recognize and maintain its responsibilities for essential programming as stated in the Canada Health Act.

Madam Speaker: Order please. I am unable to accept the seconder for this motion. I wonder if the honourable member for Morris would like to identify a different seconder.

Mr. Pitura: Madam Speaker, I do, the honourable member for Sturgeon Creek (Mr. McAlpine).

Madam Speaker: Thank you. That is acceptable.

Motion presented.

Mr. Pitura: Madam Speaker and honourable members of this House, I am pleased to rise today during private members' hour. I am also very new at this and how to speak on what I feel is a very important subject, that is, proposed changes to the Canada Health Act by the federal Liberal government. The changes currently being proposed at the federal level will have long-term damaging effects on the province and the people of Manitoba. Throughout this government's term in office, the people of Manitoba have clearly identified health as a public priority. My government has reflected this sentiment by spending over one-third of the total provincial budget on health, the highest percentage allocated of any province in Canada.

Currently the federal government is considering passage of Bill 76, the Canada Health and Social Transfer Act. This bill will replace the current

Established Program Financing arrangement. Honourable members, this bill, if passed, represents the most significant federal fiscal retrenchment in the history of Canada's social programs. The effect of Bill 76 will have a disastrous impact on provinces such as Manitoba, whose citizens depend on the financial support of the government of Canada to maintain a quality level of health care.

I believe Bill 76 is a perfect example of the federal Liberal government saying one thing while doing another. On the one hand, the federal government continues to maintain its legal and moral authority to compel compliance with the Canada Health Act. On the other hand, the federal Liberals are offloading costs and their responsibility on the people of Manitoba. Under the Canada Health and Social Transfer, as much as \$7 billion, that is, \$7 billion of federal funding currently allocated to the provinces, will be withdrawn over two years. Since 1985 the federal government has already reduced health transfers by \$30 billion, an amount which has had serious consequences for the province and for the people of Manitoba.

We cannot even begin to comprehend the serious repercussions which Bill 76 will have for the families and communities of our province. Madam Speaker, the Canada Health Act has five guiding principles: public administration, comprehensiveness, universality, portability, and accessibility. My government has been tireless in its efforts to uphold these principles in our health care system. This has been the responsibility of my government and of the federal government. Further, it is these five principles which have formed the basis and foundation for health care in this country and in this province. It is these principles which have given us a standard of health care which is second to none and is the source of envy by other less fortunate countries. Many others look to us as a model for a system of health care which provides services to all and which does not turn away those who most need the assistance of government.

The federal Liberal government's 1995 budget has clearly shown that it plans to reduce cash transfers to health care. What will happen if the federal Liberals pass Bill 76? What kind of example will the federal Liberals set for the nations of the world then? I believe

that the decision to implement Bill 76 will undermine the strength of Canada's health care system. This is a serious undertaking. Who are the federal Liberals thinking of when they propose this bill? They are not thinking of the people of Canada and they are certainly not thinking of the people of Manitoba. There is no other motivation, at least none that I can see, behind Bill 76 besides that of the federal Liberal government trying to offload their financial responsibilities to the taxpayers of Manitoba.

Madam Speaker, I would be the last person to say that governments should spend more money. In fact, that is why I joined government—to play a part in the important task of putting our financial houses in order. I do not believe this will be achieved through this bill. Yes, the federal Liberals will have reduced their costs, but at whose expense? These unilateral changes to the established program's financing arrangements will generate massive federal savings by shifting the costs to the provinces. I believe that there are savings to be made at the federal level which could be made within the confines of the existing program. But the federal Liberal government is not looking at those options. They are taking the easy way out and have made Manitoba taxpayers the ones who will bear the financial burden.

* (1710)

The federal Liberal government, via Bill 76, is threatening to withdraw billions of dollars out of the coffers of provincial governments. There is no way that this can have anything but a serious and negative impact on the province of Manitoba. But, Madam Speaker, Bill 76 only indicates what will happen up to April 1997. Then what? We the people in the province of Manitoba need to be assured of the federal government's fiscal commitments. It is unconscionable that the federal Liberals will not tell the provinces what their future financial commitments will be through their provincial governments.

Madam Speaker, let there be no doubt that these commitments which are rightfully those of the federal government, not only are these administrative commitments but they are also entrenched moral obligations on the part of the federal government.

Canadians, and especially Manitobans, are all demanding greater protection and, more importantly, greater accountability from the federal government regarding their long-term goals and intentions with health care. Manitobans need to know what these long-term goals are. Manitoba needs a continued federal government role in our national health care system. A strong federal role is essential in order to sustain the five principles of the Canada Health Act and to support comparable and adequate standards of health care delivery across Canada. The federal Liberal government, instead of engaging in time-consuming rhetoric about health care in Canada, should follow the example of the government of Manitoba. We have undertaken substantial policy initiatives in health care which has made health care second to none in Canada.

My government spends more than any other province on health care. This year my government will spend \$1.85 billion on health care. Since 1988, more than 44 cents of every new spending dollar has been used for health care, while funding for home care has been doubled. Also, since 1988, more than 675 personal home care beds have been added to Manitoba's health care system. In addition, this year's Health capital plan provides for the construction of more than 500 personal home care beds.

Other commitments include health care provided closer to home through community-based care; community nurse resource centres; a fully integrated drug information network, which will potentially save millions of dollars in abuse; and expanded Support Services to Seniors. We also have, as a central tenet of our health care plan, the desire to promote healthy lifestyles. We will continue our campaign to stop smoking. This can be seen in our legislation which has been implemented that restricts cigarette sales to people under 18 years of age, and we have eliminated smoking in most public buildings.

Reducing substance abuse by Manitoba's youth is the goal of the Youth Addictions Prevention and Education Fund which supports more than 50 community initiatives annually. Support has been provided to the University of Manitoba Sport and Exercise Research Institute to study aging, obesity, the role of physical activity and diet in osteoporotic fractures,

cardiovascular disease and diabetes. We will continue to provide a more responsive health care system that emphasizes prevention.

As we have clearly shown, our first objective is to protect the health and well-being of every Manitoban. Our focus is on patient care and, unlike the federal Liberals, we are committed to the preservation of medicare. Increasingly in Manitoba, hospitals and health care providers are becoming more and more innovative, demonstrating a growing understanding of their larger, more inclusive role in Manitoba communities.

My greatest fear is that, because of the federal government's withdrawal of needed funds, this innovation will be stifled, and the gains we have made as a government and a province will have been in vain. I firmly believe that the resources we have on hand in Manitoba in our hospitals and health care facilities serve as a catalyst to help build healthy communities for all Manitobans.

Madam Speaker, I cannot help but think of what will happen to the hard-working health care professionals who work in the hospitals and clinics in my constituency. How will Bill 76 affect them and, by extension, entire communities? Will we see people lose their jobs as a result of the federal Liberals' actions. I think of the people who work in the Carman Memorial Hospital and at the Morris General Hospital, and what about the new hospital that is being built at St. Pierre? What about the people who are going to be employed there?

Madam Speaker, the Canada Health Act states, and I will quote directly from the Act: That the parliament of Canada recognizes that future improvements in health will require the co-operative partnership of governments, health professionals, voluntary organizations and individual Canadians.

The government of Manitoba has done more than its share to ensure improvements have been achieved in our health care system. I am calling on the federal Liberal government to uphold the statements and the principles which guide the Canada Health Act. Not only does Bill 76 not stipulate what will occur after

April of 1997, but it does not even set out a set of associated principles and objectives. Let there be no doubt about it, Madam Speaker, the actions of the federal Liberal government mean the end of the medicare program as we know it.

In closing, all members of this House must urge the federal government to recognize and maintain its responsibilities for essential programming as stated in the Canada Health Act. Thank you.

Mr. Tim Sale (Crescentwood): Madam Speaker, I would like to thank the member for his resolution, and I will be strengthening it towards the end of the remarks that I intend to make.

I would like to also commend the members opposite, Madam Speaker, for their intellectual flexibility, and I would like to illustrate with a bit of history why I think that they are to be commended for their intellectual flexibility. I hope in particular that the newer members will pay some close attention to the history of this whole debate.

An Honourable Member: Why not the older members?

Mr. Sale: Well, I hope the older members have already learned it, but perhaps they have not.

Madam Speaker, in 1984, the Honourable Victor Schroeder, who was then the Minister of Finance, pulled together a community group of people and invited members opposite to join in this particular enterprise. We went to Ottawa to lobby the federal government, which had then put in place very severe cuts to the equalization program and the Established Programs Financing Act. As a result of that nonpartisan lobbying trip, Manitoba's finances were improved by over \$120 million, lobbying the new Conservative minister, Mr. Michael Wilson.

In 1985, the Conservative government under Brian Mulroney put in place the first of the structural cuts to health and higher education of which the member opposite now has suddenly become aware. In 1985, the transfers were cut by 2 percent per year cumulatively. In other words, the base was reduced 2

percent every year. In 1989-90, the same Mulroney government, with the same Finance minister—
[interjection]

Madam Speaker: Order.

Mr. Sale: Madam Speaker, I do know it and I have taught it at the universities and that is why I am trying to share some of it. In 1989-90 the Conservative government then increased the cuts—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

* (1720)

Mr. Sale: In 1989-90, the Mulroney government then increased the cuts from minus two percent to minus three percent. Shame. The effect of these cuts to the end of the Mulroney-imposed freeze in 1994-95, as documented by Dr. Thomas Courchene, a darling of Liberals in their think tank, the C.D. Howe think tank, a darling of both Conservatives and Liberals in terms of the fiscal restraint, so-called, practised by both neoconservatives at the federal level in the last 10 ears. Thomas Courchene has pointed out in Social Canada in the Millennium on page 232 in a table that the Mulroney cuts cost the health care system \$32 billion over that nine-year benighted period of their government, so I am very glad to see the members opposite suddenly becoming aware of some of this history.

In 1993-94, the members of the Liberal Party, who were then in opposition federally, most notably the member who has become the Manitoba minister, Mr. Axworthy, stood up in the House of Commons, repeatedly and eloquently, and stated how awful these cuts were, how they would lead to the end of federal transfers, how they would lead to the end of medicare. He called for the repeal of these cuts. He helped groups to make lobbying efforts. Now, as the honourable member has pointed out in his private member's resolution, now that same Manitoba minister stands and points to the cuts that are taking the federal transfer to zero and says, see, they are going to zero.

Well, in opposition he seemed to understand why. It was the formula imposed by the Mulroney government

that was taking them to zero. Now, are the Liberals simply continuing the Mulroney cuts? No, they are not. As the member opposite has made it clear, they are making them substantially worse. The Mulroney cuts are costing us five billion per year off the base for health and higher education. The cuts imposed by the federal Liberal government will add a further \$7 billion, as the member opposite has pointed out, over the next three years.

Madam Speaker, by the end of the 1994-95 fiscal year the federal government was contributing less than 1 percent of Canada's gross domestic product to health care in this country—less than 1 percent. That is a shame and a scandal when the federal government of a country cannot find even 1 percent of the GDP of that country to contribute to the medicare system.

I commend the members opposite for pointing out the problems in this system that have been caused by Conservative cuts and then magnified by Liberal cuts to health and higher education.

Secondly, Madam Speaker, I would agree with the member opposite that the five principles of medicare are absolutely crucial to the survival of medicare in this country. There is no question about that because it is only the Canada Health Act that allows the federal government to say to provinces, we must have at least some national standards.

As the members know, on both sides of this House, the provinces are sovereign in health care under our Constitution. The provinces have jurisdiction. The only jurisdiction the federal government gets in health care is when it spends money and then attaches conditions to the spending of those monies. The conditions that are attached under the Canada Health Act are the five pillars, so-called, to which the member referred.

When the federal government stopped spending its cash transfers, many constitutional experts—and I will be asking in Estimates the opinion of the Minister of Health's experts and the opinion of the Premier's experts—but many Legislative Counsel experts who look at constitutional law say that the day the last dollar comes from the federal Treasury in budgetary transfers

is the day the federal government has no more say in the question of health care. I believe that that is the case.

In order to make good on their words, I would urge the members opposite to bring forward legislation which enshrines those five principles in Manitoba law, as the government of British Columbia has done, so that there can be no question in the minds of Manitobans of the commitment of their government to all of the principles of medicare. I can assure the members opposite that should they bring forward such legislation, it would have our very strong support to enshrine the principles of medicare in this province's legislation.

Secondly, Madam Speaker—and I would ask if you would give me two-minutes warning—I would refer also to what I believe are the honestly misguided ideas of the Minister of Finance (Mr. Stefanson) opposite when he has said, both I believe himself and his predecessor Mr. Manness, that equalization can somehow make up for medicare costs.

Madam Speaker: Order, please.

Mr. Sale: Thank you, Madam Speaker. The members opposite have sometimes put forward the idea that increases in equalization will offset decreases in Established Programs Financing Act funding. Let me tell the members why that is not the case. Equalization is simply a program that supports the own-source revenues of the provinces against the so-called five province national standard, so that when our revenues fall or are weaker than the five province national standard, equalization comes in and boosts our own-source revenues. Equalization in no way makes up for losses in federal transfers. The mathematics of the two are separate and the impacts of the two are separate. Equalization, by its nature, cannot make up for federal cuts in the areas of federal transfers for health care, higher education and Canada Assistance Plan transfers.

So I would urge the members opposite to ask for some support to the view that I am putting forward from their own officials so that they are clear that the argument that says equalization will make up for health care cuts is simply not correct on the basis of the

legislation that supports those two pieces of federal transfer legislation.

Finally, Madam Speaker, I would refer the members opposite to the difficulties into which they are catapulting themselves when they talk about balanced budget legislation, because here in the cuts from the federal government are the perfect examples of the difficulty in an equalization recipient province with balanced budget legislation. We are unable at the beginning of any fiscal year to have any certainty about the level of our federal transfers. It is not at all uncommon, and the Minister of Finance, were he here, would confirm this, for half or three-quarters of the way through the year to find out that equalization has suddenly grown by \$180 million or, conversely, that something else has fallen by \$90 million. In neither case are those big enough to trigger the 5 percent threshold which has been placed into your draft legislation on balanced budget.

So when we look at the massive changes that are being proposed by the federal legislation C-76 and its impacts on provinces' ability to maintain health and higher education systems, we should take some considerable caution in suggesting we could bind ourselves into year-by-year balanced budgets when fully one-third of our revenues are very unpredictable at the beginning of any fiscal period.

So, Madam Speaker, in conclusion I move, seconded by the member for Kildonan (Mr. Chomiak),

That the resolution be amended by adding the words, "and; WHEREAS the provincial government has refused to recognize that reductions in federal transfer payments will have severe negative consequences for funding health." after the last WHEREAS clause; and

By adding the words "and BE IT FURTHER RESOLVED that this Assembly urge the provincial government to go on record as opposing legislation currently before the House of Commons which will curtail federal transfers even further; and

BE IT FURTHER RESOLVED that this Assembly urge the provincial government to consider enacting legislation to enshrine the Canada Health Act principles

of accessibility, affordability, universality, public administration and portability in budgeting decisions and health policy in Manitoba." after the first Resolved clause.

Motion presented.

Madam Speaker: The amendment is in order.

* (1730)

Hon. James McCrae (Minister of Health): Madam Speaker, I am pleased to rise today to take part in the discussion which flows from the resolution moved today by my colleague the honourable member for Morris (Mr. Pitura). I believe this is Resolution No. 1.

I am delighted that the honourable member for Morris is the member who has been allowed to move his resolution today for a couple of reasons. One of them is because this is my first opportunity publicly to welcome the honourable member for Morris to the Manitoba Legislature, which I do with great enthusiasm and expectation for his performance here and that of all the other new members in this Legislature, but maybe more importantly because of the extremely important subject matter that the honourable member for Morris chose.

To me it is a measure of the kind of representation the people of Morris are going to get when their new member of the Legislative Assembly sees the health of our population as being an important priority.

The honourable member for Morris deals in his resolution with the role of the federal government in our health care arrangements in Canada. The honourable member for Crescentwood (Mr. Sale) who decided to grace us this afternoon with his contribution to this debate brings a different sort of approach to this discussion. It is an approach which some people still—very few mind you—find acceptable, that approach which allows you to use all those high-sounding words that demonstrate such sanctimony and such caring, but have absolutely no foundation in the real world.

Madam Speaker, the honourable member for Crescentwood has held himself out as some kind of a

health consultant or health expert, the Messiah, as it were, of health care. It is nice if you can carry that kind of a reputation around, but I suggest that this Chamber and the light of day being directed toward some of the arguments he makes will soon debunk the myth that this member has any expertise whatever in the area of social programming in general or health care in particular.

Madam Speaker, any discussion of health care spending across this country without a corresponding discussion of the fiscal and economic realities of our country is worthless, and that is about what we got today from the honourable member for Crescentwood—a worthless contribution to this debate.

It is worthless for a number of reasons, but one of them is the total rewrite of the history of this country that was contained in his remarks this afternoon. That rewrite fails to recognize that governments in this country, which began with the government of Pierre Elliott Trudeau, began a cycle of spending and taxing that was not sustainable, and he wants us to go back to that cycle which is totally offside with the rest of the population.

New Democrats, some of them are coming out of this problem that they have. You will see evidence of it in places like Saskatchewan. You might even see strange sorts of evidence of it in places like Ontario and British Columbia. I am having a very, very hard time understanding how things work in Ontario and British Columbia. I have a better understanding of what is happening in Saskatchewan, and I have more of an appreciation for what is going on in Saskatchewan than I do in those two other provinces that I referred to.

Mr. Dave Chomiak (Kildonan): How about here, Jim?

Mr. McCrae: The honourable member for Kildonan, who seems to have been replaced today as the official spokesman for Health—but maybe that is because he is so busy putting me through the motions in the Estimates process and that is maybe understandable—wants me to talk about Manitoba, which is understandable, I would suggest—a reasonable suggestion to make. Well, let us do that then.

In Manitoba, we have reflected as a government over the past seven years the priority we place on health care by making it a No. 1 spending priority. Even in the light of those difficult things that the honourable member for Morris (Mr. Pitura) and the honourable member for Crescentwood (Mr. Sale) talked about, Manitoba has maintained its spending at very high levels, certainly very high levels as a proportion of total government spending because over a third of our provincial budget is spent on health. That is the highest percentage anywhere in the country.

When I am talking about failing to recognize the reality, I do not know if it is on purpose or if it is by accident or if some people are just so blinded and blinkered by their political philosophy that they just cannot see the light of day of any semblance of reason or understanding of the real issues that we face. Maybe that is what the problem is. We have seen it before. It is not new in this Chamber, but that must be the reason for the failure of the honourable member for Crescentwood and his colleagues to recognize the realities, or is it something else? I am not supposed to talk about that because it would not be parliamentary, and I have already had my knuckles rapped for that in the opening days of this session. I will not be doing that again.

Mr. Sale: Try to say something of substance on the issue.

* (1740)

Mr. McCrae: Now here we hear again from the honourable member for Crescentwood (Mr. Sale), who reminds us that we should be talking about matters of substance. Here he is. He just finished his 15 minutes in this place talking about some wonderland. Some former in-vogue thinkers in this country have now disappeared, except for the honourable member for Crescentwood, who makes me think that maybe Jurassic Park is not that much of a fairy tale, Madam Speaker.

The fact is that the honourable member for Crescentwood, in his strange kind of way of thinking, would have us believe that all of the problems that have developed in our country should be laid at the feet of

one Brian Mulroney. Well, he can certainly get his share, there is no question about that, but to concentrate totally on Mr. Mulroney and to leave out Mr. Trudeau or, more lately, Mr. Chretien is not a correct way to discuss the situation in which we find ourselves today.

It was the Liberals in Ottawa who responded to the call of a national medicare system. I think there is general agreement that the foundations for that began in CCF Saskatchewan, and Tommy Douglas played a very important role. Tommy Douglas of course wanted to put across a system that paid doctors' bills and hospitals' bills and did not go much further than that. The honourable member for Crescentwood (Mr. Sale) may even agree with this.

The fact is, the federal government, Liberal at the time, put together a medicare system for our whole country. There were the five fundamental principles under that. Then the Health Act came along and they embodied those principles in it. These are principles and words. Words, as Beauchesne will demonstrate, can have lots of meanings. So what is universality to the honourable member for Crescentwood is clearly something very different to the Prime Minister of Canada. I take it the honourable member would not disagree with that.

The biggest disservice the Liberal government in Canada did to the people of this country was the building up of expectations which were not something that could be delivered on a sustainable basis, not in the way it had been originally designed. So Pierre Trudeau and his government began the process of dismantling the levels of funding that we initially began to enjoy under our national health system. Then along came Brian Mulroney, and the same program was in effect for eight, nine years, whatever it was.

I think the honourable member for Crescentwood did not give this government and this caucus the credit that it is due, because part of the reason we may be here on this side of the House is the fact that we were indeed very critical of the Mulroney government in the years that the Mulroney government was in charge in our country. Yes, we have been critical of the Trudeau government and lately mildly critical of the Chretien Liberal government. To suggest that we are more

critical of the Chretien Liberals than we were of the Mulroney Tories is just plain wrong. I have enough scars to—the honourable member for Thompson (Mr. Ashton) always reminds me of my role in all of that, so I feel qualified to stand here and correct the honourable member for Crescentwood on that particular point.

You see, I agree with the resolution put forward by the member for Morris (Mr. Pitura) because he wants the federal government to recognize and maintain its responsibilities for essential programming as stated in the Canada Health Act. That is what we should all want as Canadians because we have a national health care system. The problem with what started with Trudeau, carried on by Mulroney and carried on with a passion by the Chretien government, is that we will not have a federal partner before very long. Therefore, who is the partner who is going to insist on certain standards, who is going to say you can do this and you cannot do that? If the federal government tries to do it there is going to be provincial jurisdictions just laughing at them because there will not be any money on the table.

So I think we have all agreed we have identified the problem. The solution is where we have some differences. The honourable member for Crescentwood says tax and spend some more. Tax some more money. The federal government, take more money from the rich people and from whoever else— [interjection] Well, the honourable member for Crescentwood says that he does not remember saying that, but he is not telling us where the federal government would get the money to beef up the contributions to health care.

I would agree with the honourable member that their recent budget showed no priorities whatever. I agree with that and I say it too. They could have done a better job leaving a little more money for health care but probably not a lot more money. That is where we are going to have a difference of opinion, because in order for us to have a health system, the kind the honourable member is talking about, the kind we use to have that they want to champion today which does not make any sense any more, even if that is the kind of system you want to have, it is going to take gobs and gobs of money that we do not have as a country or as a

province. We do not even have the ability to raise it. Here is where the honourable member's theory that, you know, we are taxed to the limit is somehow not correct or a myth, that is where we are fundamentally at odds.

We have to find ways to rebuild a health system with the available dollars. I can be very critical of the feds too and will be because I see some misplaced priorities maybe in some of the so-called smaller areas, but when you put money on the table for a head start program or for programs for new moms to give the kids a better start in their lives, and then for no reason that you can justify, no justifiable excuse, you cut back on that sort of thing right across the board like everything else, that is not prioritization and that does not reflect a vision on the part of the federal government.

The federal government clearly does not know what it is doing, but I did not rise in my place to spend all my time battering the federal government. Goodness knows they have a terrible problem facing them, a problem created for them by years and years of taxing and spending and irresponsible governance of our country. I like to be a positive person and so I say it is not too late, you see, Madam Speaker. I think that because of the very careful budgeting of the former member for Morris and the member for Kirkfield Park (Mr. Stefanson), and all of the people on this side of the house for seven years; we have a fighting chance to preserve those best and essential parts of our health care system so that our kids will get what they deserve rather than what they were going to get and would have got if they would have voted differently on April 25.

We can only ask the federal government to show a better level of understanding of what makes Canada what it is, such a special country, but I fear we are losing that federal partner and will be on our own. I feel more sorry for people in other provinces who have not had governments who have seen this coming like the government here in Manitoba has. I do not accept the doom and the gloom from honourable members opposite. I say reject the amendment from the member from Crescentwood and support what my friend the honourable member from Morris has been saying and has reflected in his resolution. I thank you, Madam Speaker.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, it is a pleasure for me to stand up and address this resolution, the amendment that has been brought forward. I was listening very carefully to what the member for Crescentwood (Mr. Sale) was talking about at the end of his comments, and he said, you know we have the national five fundamental principles that are incorporated into the Canada Health Act. They talked about the importance of those five fundamental principles, and for seven years I too have been talking about that.

We should let the member for Crescentwood know that it was just but a couple of years ago where we actually introduced, attempted, the Liberal Party attempted to introduce a private members' bill that would have done just what the member for Crescentwood was talking about. Unfortunately, the political will, for a number of different reasons, from other parties inside the Chamber was not there to see the Liberal Party, I guess, bring forward a bill of this nature in any substantial way, but in the spirit of co-operation and compromise we then had proposed a resolution. That resolution saw the unanimous support of all members of this Chamber whether they were a Conservative, Liberal or a New Democrat.

* (1750)

I believe, ultimately, Madam Speaker, that the feeling of members in the Chamber, at least the Chamber of the past in which all three members from our current caucus participated, was that the five fundamental principles are something that all of us want to stand up for and ensure that we play a very important and significant role at ensuring that in fact they are going to be there for our future generations.

I take great exception to the New Democratic Party on this particular issue. The reason why I take great exception to it is because I believe that the New Democrats will put themselves on a pedestal. They will say all these wonderful things about health care. They will preach that only the New Democrats can ensure that the five fundamental principles are going to be there into the future. They will quite often talk about how medicare came into being, and they are very selective. The member made reference to intellectual

flexibility, and I see a lot of intellectual flexibility that is used within the New Democratic caucus on this particular issue.

It was, in fact, as the Minister of Health (Mr. McCrae) has pointed out, a Liberal administration that brought the Canada Health Act into being and adopted the five fundamental principles. Yes, it was first brought in in the Province of Saskatchewan. For the member for Crescentwood (Mr. Sale), you know, I believe it was in 1919 or in around that time period in which a resolution was passed with the Liberal Party talking about the importance and the need to have universal health care coverage throughout the country. No political party owns the issue of health care. In fact, Madam Speaker, if you take a look at what is happening across Canada in all provinces, you will see that there are significant cutbacks in health care expenditures. In Ontario, thousands of health care workers were laid off. In Saskatchewan, hospitals have been closed, and justifiably. The New Democratic Party Leader will say, well, it is a conversion. In the cases where it is conversion, we are glad to see that. That is what health care should be about, and this is the sort of discussion and dialogue that we should be entering into in debates inside the Chamber.

But not try to say: Well, geez, because you are not a part of the New Democratic Party, your feelings towards health care cannot be as strong as mine. After all, I am a New Democrat.

It is not a question, Madam Speaker, that the Minister of Health (Mr. McCrae)—and I do not want to impute motives on behalf of the Minister of Health—but the Minister of Health could be just as caring for health care as the critic, or as the member for Crescentwood (Mr. Sale). Really and truly, both of them could have the same sorts of feelings towards the importance of those five fundamental health cares.

Madam Speaker, I do not believe that any member of this Chamber should try to impute motives or try to say that their position—that they are going to be stronger, and I guess at times I might myself be accused of trying to monopolize this particular issue—

Some Honourable Members; Oh, oh.

Madam Speaker: Order, please.

Mr. Lamoureux: —because even I at times have said that inside this Chamber I like to believe that no one is a stronger advocate for health care, Madam Speaker. Having said that, I really do believe that, at the very least, I am second to no one inside this Chamber in wanting to ensure that those five fundamental principles are going to be around. I think what I would like to see—and now one of my responsibilities is to enter into more dialogue and debate on health care on behalf of the Liberal Party—is to look at health care reform in better ways in which we can spend what monies that are currently being allocated. I think that there is great room for improvement.

The New Democrats pointed out a number of ideas; the Liberals had a number of ideas; and even the Conservatives had some ideas. One can question in terms of the implementation of those ideas, but, Madam Speaker, whether it is private versus public labs in which at least both opposition parties have talked about, whether it is the nurse practitioners, the roles in which—and the Leader talks about Connie Curran. That was the one issue. Generally, I do not call in to Peter Warren, but I called in to Peter Warren, the first time in seven years, when he invited all candidates to call in, and I take great exception.

The New Democratic Party knows that the Liberal Party never supported Connie Curran. I have never supported Connie Curran. They take a vote on a particular issue in which Connie Curran was a part of, and then try to say, well, because the NDP were behaving here in a very irresponsible fashion, that in fact they supported Connie Curran. Well, Madam Speaker, I never supported Connie Curran.

Madam Speaker, that is the reason why. I felt it was important that the constituents that I represent know that in fact when it comes to ensuring that, there is—

Madam Speaker: Order, please. The honourable member for Inkster (Mr. Lamoureux), I would like to gently suggest, is perhaps enticing participation from other members in the Chamber, and I would suggest that he be a little more relevant and stick to debate relevant to the resolution.

Mr. Lamoureux: Yes, Madam Speaker. At times, I guess I do tend to entice individuals to participate, and I guess it comes in part because you listen to everyone speak and some things are more hard to digest than others and you feel somewhat obligated to respond to it. That is the reason why at times I might digress. I appreciate the tolerance of the Chamber when I do just that.

When we talk about the financing of health care, I think it is important that, yes, we acknowledge that there is a need for additional financing of health care, but, given the economic times in which this government day after day itself stands up and talks about, day after day we see other provinces with other political stripes talk about—whether it is Premier Bob, which might not be Premier Bob in a few days, possibly, to whomever. I am enticing again, Madam Speaker. My apologies.

Madam Speaker, I do believe that what we do need to do is that we have to look at how we really can spend those health care dollars because they are scarce. Even though it is a significant percentage of our overall budget, yes, we do need to ensure what dollars are being spent in the best way possible. The way in which we do that, I would suggest, is that we have to sit down in co-operation, whether it is intergovernmental co-operation or it is co-operation with the different individuals that rely on or provide in our health care system. This is very, very important because if you do

not have that sense of co-operation, it is extremely difficult to see any form of health care changes to take place without undue bumps in the road, which could cause a great deal of hardship. Ultimately, that is the reason why I believe it is important to have things such as the health care committees. That is the reason why I believe it is important that we have dialogue with our members of Parliament or our national government.

I too am concerned, as all members, in terms of the whole question of EPF and EPF funding. I appreciate the comments with respect to the equalization payments that the member for Crescentwood (Mr. Sale) has put forward, but I too, like other members of this Chamber, am quite prepared to sit down and have dialogue. We are going to have the opportunity— [interjection] I did not mean sit down to have a vote. I still have a lot more that I would like to be able to say on this resolution, you know. My constituents send very strong messages to me, and one of those strong messages is whenever you get the opportunity to talk about health care you should—

Madam Speaker: Order, please. When this matter is next before the House, the honourable member for Inkster will have four minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 30, 1995

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