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Third Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

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LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
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Vacant	Portage la Prairie	

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 12, 1997

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mobile Screening Unit for Mammograms

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I beg to present the petition of Dolores Muir, Gladys Pertson, Joan Clement and others praying that the Legislative Assembly of Manitoba request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.

READING AND RECEIVING PETITIONS

Mobile Screening Unit for Mammograms

Madam Speaker: I have received the petition of the honourable member for Swan River (Ms. Wowchuk). It complies with the rules and practices of the House. Is it the will of the House to have the petition read? Dispense.

WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and

WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and

WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and

WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and

WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and

WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and

WHEREAS the provincial government has promised to take action on this serious issue.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.

PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Gerry McAlpine (Acting Chairperson of the Committee of Supply): 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 Gladstone (Mr. Rocan), that the report of the committee be received.

Motion agreed to.

MINISTERIAL STATEMENTS
AND TABLING OF REPORTS

Manitoba Day

Hon. Gary Filmon (Premier): Madam Speaker, I have a statement for the House and copies for members opposite. It says it is a nonpolitical statement, but I will acknowledge that it is a ministerial statement, not a nonpolitical statement.

I am pleased to have this opportunity to invite all members of this House to join with me in celebrating Manitoba's 127th birthday today. Manitoba Day is a time to reflect on who we are, where we have come from and what we have achieved. We are people with tremendous perseverance. We do not waver from our goals, and we do not give up in the face of adversity. Nothing in recent memory has tested the strength of these characteristics more than the flood of 1997. In the face of this tremendous hardship, Manitobans have excelled. Eighty-five hundred families across southern Manitoba were forced out of their homes. Over 28,000 people were evacuated in what is our worst flood in over a century.

The eyes of the world have been upon us for the last few weeks. People have responded in unprecedented ways. Thousands of Manitobans continue to volunteer. Where once they spent countless hours sandbagging, making meals, answering phones and countless other unheralded tasks, they are now helping evacuated families get back into their homes. They are helping provide emergency and victim services 24 hours a day. They are feeding and giving shelter to evacuees.

* (1335)

Throughout the hardship of the flood we have felt strongly the deep bonds that unite us as Manitobans. The last few weeks have proven without a doubt that Manitobans share a deep commitment to keep our communities as places where compassion, caring, volunteerism and community action will never be a thing of the past but a beacon to lead us into the future.

With the passing of the Red River's crest in most places in Manitoba, our struggle is far from over. Severe weather conditions may create more difficult scenarios for us to cope with in the days ahead, and we must be prepared to respond. However, we all have every confidence that the fierce pride of the people of Manitoba will not allow us to give up after we have achieved so much. Dry or wet, this is our home and we are proud of it. We are vigilant, we are organized and we are united. We are many cultures and heritages with a wide variety of languages and customs, but we are all proud to be Manitobans. Manitobans living, working and achieving together side by side have always been an integral part of our identity.

Today, on Manitoba Day, it is especially important that we salute all Manitobans. It is our combined strength, determination and hard work that has given us our greatest successes, our greatest achievements. It is also the source from which we will continue to build a stronger Manitoba, a Manitoba rich in new potential and achievement. Happy Manitoba Day.

Ms. Diane McGifford (Osborne): Madam Speaker, I rise today to reply to the First Minister in his recognition of Manitoba Day and the 127th anniversary of our province. First, I want to commend the government for continuing the tradition which the New Democratic Party initiated in government, that is, recognizing and celebrating Manitoba Day.

Manitoba Day remembers that on May 12, 1870, the Manitoba Act created the province of Manitoba, and on May 12, 1966, Manitoba's official flag was dedicated and unfurled for the first time. Consequently, the former Premier, Premier Howard Pawley, designated May 12 as Manitoba Day in recognition of the importance of this date in the history of our province.

At the same time as we celebrate Manitoba's birthday, we need to recognize that this birthday is an invented tradition which dates from 1870, but the aboriginal members of this Legislature and the aboriginal people of our province have at least 12,000 years of Manitoba history. The birthday we celebrate is a construction foisted on the history of our province, so we would do well to remember that what we call the birthday and the way in which we determine the age of our province are artifices which tell only a minute part of the story. The real story is ancient, fuller and alive with the history of aboriginal people.

We would do well today also to reflect on the ways in which the present modifies the past, deconstructs and recasts our history. Living in the present we have a duty to learn aboriginal history, bring this knowledge to the official version and take this version to our schools and universities. We have a duty, too, to understand the ethnic diversity and multicultural richness of our province and to honour the contributions that all immigrants have made and continue to make to Manitoba's economic, social and cultural life.

I want to mention a recent defining moment in Manitoba's history. I refer, of course, to the flood of the century, an event which ties us both to our predecessors who in 1826 suffered trial by water without our technology and to the people of the '50s who fought to save our city and the lands along the Red River and did it, though, with some serious loss. What characterizes the people of 1826, 1850 and 1997 is the determination to endure. If we were to move back through the history of our aboriginal people and hear their stories of floods, that will to endure would be there, too. In short, the human spirit meets in Manitoba, and we are tied together by our common humanity.

* (1340)

In conclusion, celebrating Manitoba's birthday is really celebrating Manitoba's people and honouring what William Faulkner called, and I quote, the old truths and verities of the heart without which no story is complete. Thank you, Madam Speaker.

* * *

Hon. Harold Gilleshammer (Minister of Labour): Madam Speaker, I would like to table an additional page for the supplementary information for the Department of Labour.

INTRODUCTION OF BILLS

Bill 33—The Executions Amendment and Consequential Amendments Act

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that leave be given to introduce Bill 33, The Executions Amendment and Consequential Amendments Act (Loi modifiant la Loi sur l'exécution des jugements et modifications corrélatives), and that the same be now received and read a first time.

His Honour the Lieutenant Governor, having been advised of the contents of this bill, recommends it to the House. I would like to table the message of the Lieutenant Governor.

Motion agreed to.

Bill 204—The Rural Development Bonds Amendment Act

Mr. Tim Sale (Crescentwood): Madam Speaker, I move, seconded by the member for Dauphin (Mr. Struthers), that leave be given to introduce Bill 204, The Rural Development Bonds Amendment Act; Loi modifiant la Loi sur les obligations de développement rural, and that the same be now received and read a first time.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon 19 visitors from Treherne, Manitoba, under the direction of Mrs. Isabelle Adams. This group is located in the constituency of the honourable member for Gladstone (Mr. Rocan).

We also have seated in the public gallery forty Grade 11 students from the Neepawa Area Collegiate under the direction of Mr. Bob Ferguson. This school is located in the constituency of the honourable Minister of Natural Resources (Mr. Cummings).

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

ORAL QUESTION PERIOD

Flooding Impact of Roadway Cuts

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the First Minister.

At public meetings and calls we have received from flood victims, people are very concerned in certain areas of the province that the Province of Manitoba and other emergency forces cut roads that impacted on the flow of water in the province. I would like to ask the Premier: Can he inform us what roads were cut in the emergency of the last couple of weeks and what impact that had on communities in terms of their flooding?

Hon. Gary Filmon (Premier): The member will know, from having been on, I know, one of the flights that toured rural southern Manitoba, that a tremendous amount of water flowed into areas that was not anticipated in some cases, that spread out beyond what had ever been experienced in other cases. Where there were instances, I know that judgment decisions had to be made by engineers about the potential harm that could happen when water was artificially dammed by roadways that had not existed perhaps before or that were keeping back water that would then eventually, given the water levels that were being anticipated, after building up a head of perhaps 5 feet in some cases—could break like a dam and create considerably more damage if that was allowed to happen. So, where it was evident that those waters were going to overtop some of these man-made barriers and potentially create more damage and a faster rush of water, judgments were made along the way, and certainly it was evident that they had to cut back roads in order to prevent further washouts and further damage, not only to public property but to individual properties. So I do not have the exact detail on it, but clearly the judgments that were made were to ensure that we did not create a worse problem by allowing an artificial backup that would then be over top and create potentially much more dangerous circumstances by allowing that to happen.

* (1345)

Mr. Doer: I thank the Premier for his answer. The government, in making statements last week, talked about the choice people have to where they locate their homes. I think the Premier often talked about choosing to live in a flood plain. Some people believe that the government also had to make choices, and they may, for the greater good, have made all the correct choices; I am not disagreeing with that. But for the individual disaster for some flood victims, it may have impacted on their homes, on their businesses, on their situation, a situation that many will have to rebuild. So I would like to ask—many people in Ste. Agathe and many people in Grande Pointe, and I am sure the Premier has heard this as well, feel that some of the action taken, however correctly for the greater good, may have impacted very, very directly on their homes, on their businesses and the flooding in their community. Was there any action on those roads that on the one hand would be good for the greater good but on the other

hand would be very, very negative for the people that we were talking about last week as flood victims?

Mr. Filmon: As has been indicated, there will be several reviews of all of the actions undertaken, and we hope to ensure that there is as much objective expertise available in that review process, but to the best of our knowledge, I would say to the Leader of the Opposition that we do not know of instances in which somebody took action that later caused extensive damage to other people as a consequence. We know that the operation of the floodway, in accordance with the regime that was set back in 1970, resulted in an upstream increase, upstream of the floodway of something under 6 inches according to the best expertise that we have available to us. Aside from that, I do not know of any other instances in which it could be said that the direct action of government created an indirect negative action for other people. If the member has specifics of that, that would form part of the review that will be undertaken subsequent to the flood waters subsiding and people turning their attentions to all of that post mortem.

Mr. Doer: I thank the Premier for that answer.

Impact of Brunkild Dike

Mr. Gary Doer (Leader of the Opposition): Will the Premier be looking at the impact of the Brunkild dike which, of course, was to protect a large number of people, but obviously that affected the water flows—the Brunkild dike, the cut in roads, the blockage of some major drains, which has been confirmed by the government. That water was obviously moving in a different direction with the moves that were made, albeit to affect a number of people. Will the government be reviewing all the impacts of those decisions on flooded communities and what impact it had on specific people?

Some people claim that they have not been flooded for literally hundreds of years, and they believe that the government action, the government choices, not their choices where to live, the government choices did indeed result in their becoming victims of these measures, as I say, taken for the greater good but having individual consequences which present tremendous challenges for those people in terms of getting back on their feet and rebuilding their lives.

* (1350)

Hon. Gary Filmon (Premier): Madam Speaker, we are certainly very, very aware of the tremendous consequences of the flood that was experienced by the tens of thousands of people who live in rural southern Manitoba in the Red River Valley. As I have said on many occasions, our hearts go out to them for the tremendous trauma and stress that they endured, as well as the physical damage that occurred to their properties.

I think it is important for us to ensure that we at all times recognize that this was a flood that was approximately equivalent to that which was experienced in 1852; that it was 40 percent larger than the other largest floods of this century, that is, both 1950 and 1979; that with those unprecedented flows and unprecedented levels, people certainly would not have experienced anything like it in the past, nor would their properties.

I saw, for instance, contours of the city of Winnipeg that would have superimposed this level of flood, and there would have been only a couple of small areas of Winnipeg that would have been untouched under those normal circumstances. The Brunkild dike was, in effect, an extension of what was known as and is known as the west floodway dike. If you look on the satellite photograph maps of this flood, you see the unmistakable man-made lines of the diking system that was put in place with the construction of the floodway to prevent water from going over the height of land into the La Salle River and creating devastation in the city of Winnipeg. It would have overtopped the primary dikes had that been allowed to take place, and so it was part of the design.

All this did was extend it, given that we were now facing unprecedented higher levels and the diking system, that west floodway dike, was only built to a certain level. It had to be augmented by several feet and then extended so that the contour ensured that it kept the flood waters within the Red River basin. It did not add to the flow. It was still the flow that was coming down the Red River basin, but it prevented them from spilling over artificially into the La Salle basin.

All of those things, I believe, ought to be reviewed extensively by the different committees, the Manitoba

Water Commission and the EMO in their analysis of how this all worked to ensure that we still have the best possible system available to protect as much of southern Manitoba as possible.

The point that I made to the member opposite on a couple of occasions last week is that we have put extensive investments into protecting certain areas of southern Manitoba. We have eight ring-diked communities that have been given extensive protection. We have many individual homes that had protection built after the 1979 flood, and we have the works that protect the city of Winnipeg. Some people chose to build outside all of those protective works even since 1979, and that is where individual choice and responsibility also comes to play.

Disaster Assistance Hay Losses

Ms. Rosann Wowchuk (Swan River): Madam Speaker, as flood waters recede and people start to get their lives back together, there are people in Manitoba who will feel the consequences of the flood all summer. Ranchers along Lake Manitoba are concerned with the amount of water that has been put through the Assiniboine diversion and the impact that this flooding will have on pastures and hay losses.

Given that these people had similar losses last year and did not receive any compensation, can the minister responsible for disaster assistance give an indication today whether those people who are suffering from the unnatural high levels of water on Lake Manitoba will qualify for compensation for hay losses this year under disaster assistance?

Hon. Frank Pitura (Minister of Government Services): Madam Speaker, with the unusually high waters that we had this year with the flooding, certainly there are going to be a lot of areas that are affected by high waters throughout the province. At this point in time, I am informed that there is an insurance program available through the crop insurance program for those producers who have native hay, and I would feel comfortable that those producers who have signed up to that program will have the necessary coverage for their hay losses.

* (1355)

Ms. Wowchuk: So the minister of disaster assistance is saying that the people along Lake Manitoba are going to have to have purchased crop insurance for their hay, but those people in the Red River Valley who did not purchase crop insurance and have lost their crop will be covered under the special program of disaster assistance. If that is the case, Madam Speaker, that is not fair. Can the minister explain if that is the case? Is there compensation for those people who did not take unseeded acreage coverage? Is there coverage for them, but no coverage for the people who have lost hay?

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I think my First Minister (Mr. Filmon) and this government have made it abundantly clear that any program of additional assistance provided to the residents of the Red River Valley would not be part and parcel of the Manitoba crop insurance program. The honourable member referred to my colleague the Minister of Government Services who indicated quite clearly—and I am very pleased—that the Manitoba Crop Insurance Corporation is able to, as a result of a decision made by this government, provide a native hay insurance program to all those who find themselves unable to harvest their hay because of high water conditions in and around Lake Manitoba and upwards along Lake Winnipegosis as well.

Ms. Wowchuk: Since the Assiniboine diversion continues to cause unusually high water in Lake Manitoba and cause problems for farmers in that area, and we see that there is not going to be compensation under this additional program, will the government today make a commitment that they will look to a long-term solution to this problem on Lake Manitoba, which is an unnatural problem resulting from water coming in from the Assiniboine diversion, and ensure that people in that area do not face ongoing problems of not being able to harvest their hay and as a result have to reduce their cattle herds?

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, I think that the issue needs to be put into some context in relation to what is occurring on the shores of Lake Manitoba this year and last year. There were a number of factors that

contributed to the high water along the shores of Lake Manitoba—not only the floodway but also other waters from Winnipegosis and natural runoff from the area to the west and all of the surrounding areas, as a matter of fact, of that lake.

I want to assure the member that, because at least half of these landowners are probably constituents of mine, this is an issue that we are examining closely to see what we can do to mitigate against the water levels on the edges of Lake Manitoba. I do want to put on the record that the estimate of the total amount of water that the floodway would have added to Lake Manitoba last year would have been a total of 6 inches, and the amount being diverted this year is somewhat less. We do expect that the lake levels will be somewhat lower this year than last, but every attempt does need to be made for a long-term plan to mitigate against high levels.

One thing I would like to add, Madam Speaker, is that the fluctuation on the lake is in fact much less than it was prior to the lake being regulated.

Infrastructure Funding Rural Road Repair

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, in last Friday's joint news release on the \$14-million infrastructure funding for rural Manitoba roads, the Manitoba Finance minister mentioned the crisis faced by many rural communities this spring, and the federal minister responsible for the implementation of western Canada infrastructure programs mentioned that the flood severely damaged the transportation network.

My question to the Minister of Highways is: How many of the 40-plus roads damaged by the Red River flood are actually part of the 169 roads and streets that will receive funding—just prior to the election, I might add—under the Canada-Manitoba Infrastructure Agreement announced last Friday?

* (1400)

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, the infrastructure committee received applications from the municipalities, towns, villages, whoever wanted to

make an application for roads that they want to have constructed. The member is asking which ones are also flooded. That set of details will be worked out. There is certainly disaster assistance to help with the flooded roads, but these roads are in a separate program, the infrastructure program that the Minister of Finance (Mr. Stefanson) announced jointly with the federal government which was initiated by requests from those towns, villages and municipalities.

Highways Maintenance—Jurisdiction

Mr. Gerard Jennissen (Flin Flon): In light of the fact that over the last few years this government has made a number of attempts to offload roads onto local municipalities, would the minister table a list of municipalities that have agreed to take over maintenance of these roads and a schedule of implementation?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, 30 municipalities have entered agreements for three-year periods with the government of Manitoba for maintaining gravel roads summer and winter, and the specific details I can discuss with the member when we get into Estimates. We will have the whole list and the dollar value of the contract of each different municipality.

Mr. Jennissen: Has the minister put further negotiations on offloading roads on hold, given the major losses facing rural municipalities in the Red River Valley due to the current flood?

Mr. Findlay: I certainly reject the member's use of the word "offloading" because no offloading was done. We opened the opportunity for municipalities to apply, to request an opportunity of signing a contract. Those that wanted to sign a contract did sign a contract. It was completely voluntary on the part of the participants in that contracting process.

Laboratory/Imaging Services Privatization

Mr. Dave Chomiak (Kildonan): Madam Speaker, the Department of Health has privatized more health care services than probably any other jurisdiction in the

country, and without much success. Witness the supposed \$10-million savings in home care, the \$200 million in savings yet to be received from the Royal Bank deal with SmartHealth, the Rimer Alco deal and the mess in private personal care homes.

Can the Minister of Health indicate, with respect to the MDS privatization initiative that was announced on Friday, who will be negotiating on behalf of the Province of Manitoba with respect to the contract? Secondly, who will be administering on behalf of Manitobans this contract? Will it be the new superboard, the new laboratory board that was recommended in lab report, or will it be MDS itself that will be administering our health care lab facilities?

Hon. Darren Praznik (Minister of Health): Madam Speaker, first of all, every time this government or any other, I would imagine, would make any attempts to improve service and make our system more efficient, we are met with the debate about privatization. Let us remember when we are talking about laboratories, we are not talking about direct patient care, we are not talking about primary care, we are not talking about bedside care. We are talking about the services that support our system, and if one were to take the position of members opposite, then we would be in the business of building X-ray equipment, band-aids and other things, because those are now bought from the private sector.

This is not a new announcement; this process began some time ago, and we put out last December a solicitation of interest. We had a number of proposals come forward by the deadline. They were sorted. We are beginning negotiations with one of the three finalists who had, after going through a review, what was viewed as the best proposal, and we hope we are able to conclude an arrangement with them. Specifically, we are putting together a team currently to conduct those negotiations and ultimately this contract. When it is sorted out, Manitoba Health and the Winnipeg Hospital Authority, who will be the purchaser of those services, would be the party who would administer the contract.

Mr. Chomiak: Madam Speaker, does the minister not recognize the fact that the government initiatives in privatization have been an absolute failure, and in fact

the solicitation of interest that went out on December 16 was withdrawn, completely withdrawn and replaced by a new solicitation five days later which completely changed it? So, for the public, the question of the government's handling of health care is no surprise. My question to the Minister of Health is: Can the Minister of Health indicate whether or not this process will include rural laboratories and the Cadham Provincial Lab?

Mr. Praznik: Madam Speaker, first of all, I think the member referred to an addendum that was put out some days later with additional parts to it. We are not going to get into that debate, but I think that point is worth making. The member talks about privatization. In terms of the total numbers of labs in the province, I believe, when one includes physician-owned labs, hospital labs, private labs and public, there are some 526 labs. The public and hospital labs in the city of Winnipeg, for example, account for some 10, and rurally, I think, there are three public labs. The vast majority of laboratory facilities in this province of all sizes are in private hands today, so let us not try to make this out to be something more than it is.

This whole effort, again, is being made to deliver much more efficient laboratory services and better patient care to the people of the province.

Water Testing User Fees

Mr. Dave Chomiak (Kildonan): Madam Speaker, the minister makes his own point insofar as the minister has taken the only public labs in the city of Winnipeg out of hospitals and privatized them, not the private, for-profit labs that have been identified as a problem.

Madam Speaker, my final supplementary to the minister on this issue is: Can the minister indicate how long the moratorium on paying a user fee for individuals who require testing of waters, particularly flood victims, will be carried on before the user fee is applied to these individuals to do their water testing?

Hon. Darren Praznik (Minister of Health): Madam Speaker, what surprises me most in the comments from the member for Kildonan about the labs is I am sure he is well aware that the partner of MDS in their proposal

is the union who represents the employees, and I have had each of the major bidders at one time or another speak to us about their proposals. I think he should visit with Mr. Ron Wally who is involved in that process, because he recognized in the conversation that the way the world is moving in labs and technologies and information systems, his union, his employees recognized this was the wave of the future and wanted to be part of it. The only dinosaurs left are the members of the New Democratic Party.

With respect to the specific question from the member for Kildonan, it is my understanding in the arrangements that have been made, those people who have wells that have been affected by the flood, we will cover the costs of those tests as we work through the whole process of re-entry. So with respect to a particular date, I think that will evolve as the flood waters recede and people move back into their homes, but that was the intention and the spirit in which that change was made.

Disaster Assistance Appeal Process—Fees

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Premier.

As more and more Manitobans are allowed to return to their homes, one of the sad realities is that they are going to have to try to do what they can in terms of trying to define the financial costs of the flood of the century. There is some concern in terms of—no doubt there will be points where there will be disagreements, and when there are disagreements, there has to be an appeal mechanism.

My question to the Premier (Mr. Filmon) is: Does the government have any intentions on charging flood victims in order to go through an appeal process?

Hon. Frank Pitura (Minister of Government Services): Madam Speaker, with regard to the disaster assistance and the policy that is in place, it is that, when people are returning to their residences and taking a look at what kind of damages there are, they will be assigned a claims officer immediately upon receipt of their application by the rural municipality, at which time the claims officer will go through in detail with

each homeowner the kinds of damages that were done within their dwelling. When that is done, that will then be evaluated by another individual costing out the dollar value of the repairs, at which time the residence owner will be made aware of that amount awarded to them for damages. If at that time the resident owner feels that the award is insufficient or not correct, they can then take this and place this before the appeals board. The appeals board charges each claimant a \$25 fee for an appeal, which I do not think is unusual.

* (1410)

Mr. Lamoureux: Madam Speaker, the minister acknowledged right at the ending of his comments that in fact there is going to be a fee for those who want to be able to appeal the decision.

Does the government believe that, given the circumstances, the fee is in fact necessary at this point in time?

Mr. Pitura: Well, Madam Speaker, in a lot of areas of government, whether it be local government or provincial government or federal government, if there is an appeals mechanism set up, in most cases the appellant is asked to pay a minor fee toward the cost of running the appeal, and I think that is just a standard practice that has been adopted throughout a number of years and across many jurisdictions.

Mr. Lamoureux: Madam Speaker, I would ask the minister responsible does he not feel that—you are charging the deductible, you are charging a significant size of deductible of 20 percent, people are getting depreciated value, and if you now disagree, you are going to have to pay an additional fee in order to get your case appealed. Is that fair to Manitobans?

Mr. Pitura: Madam Speaker, the disaster assistance policy and the program has been in place for some 26 years. Over that period of time, Manitoba has seen a number of disasters, and the disaster assistance program has come into play on each and every one of those disasters. To this point in time, whether it be the flood of 1996, the flood of 1995, the flood of 1993, the forest fires of 1989, any of these disasters, the Disaster Assistance Board has approached the disaster, it has worked well for all Manitobans concerned and there

has been, basically, a high level of satisfaction with the program.

ManGlobe Shareholders' Agreement

Mr. Jim Maloway (Elmwood): Madam Speaker, my question is to the Deputy Premier (Mr. Downey) and concerns the ManGlobe projects.

When Karen Alcock left her job in Lloyd Axworthy's office, she became director of the project, the ManGlobe project, with a salary of \$7,500 plus GST. She received \$53,000 severance pay after waiting only 52 days. She received immediate employment as a consultant to and an executive assistant to MTS Advanced President Bruce MacCormack while he was still on the ManGlobe board and while MTS still holds 30 percent of the shares.

Can the minister confirm that, as part of her employment package, Karen Alcock received shares in ManGlobe, and would he table a copy of the universal shareholders' agreement?

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, the member is asking me questions, quite frankly, that would be better asked of the manager of ManGlobe and/or the federal people who were involved that he has mentioned. That information is outside, really, the agreement which we participated in as it relates to the ManGlobe organization.

Mr. Maloway: Madam Speaker, the management team had to be acceptable to this government as one of the conditions that this government placed on the appointment of the management team.

I would like to ask the minister: Will the minister now confirm that, as part of the universal shareholders' agreement, Karen Alcock is listed as a shareholder, and will the minister tell us the current value of the shares? Given that Michael Elder of Elderhouse paid \$1.2 million for 30 percent of the shares, will the minister tell this House whether the same evaluation will be used to determine the value of Mrs. Alcock's share holdings?

Mr. Downey: Again, with respect to the member, I do not believe the questions that he is asking, that we have the ability to get that information as it is directly involved in ManGlobe. What we asked for was the appropriate partnership and representatives on the board of directors of ManGlobe, not dealing directly with the management. So I would ask the member to ask those questions of the management of ManGlobe and/or the federal government who in fact he is making reference to.

Mr. Maloway: As I said before, Madam Speaker, the government required a management team acceptable to the government. This government approved the management team; it approves the board.

Could the minister provide details of the contract that Mrs. Alcock negotiated with the federal industry department to provide services to Industry Canada and tell us how many other federal contracts Mrs. Alcock was involved in negotiating on behalf of ManGlobe when she was the project manager and a shareholder, and how did those contracts affect the value of her shares?

Mr. Downey: Unless I incorrectly heard the member, the questions that he is asking would be far better asked of the federal minister of industry, trade and technology or someone at the federal government level. We are responsible for supporting an R & D project between the Province of Manitoba and ManGlobe where there are certain terms and conditions that had to be lived up to. It is my understanding—I am informed by the department—that those activities that were supposed to be lived up to, have been.

Eaton's Store Closures—Garden City

Ms. Becky Barrett (Wellington): Madam Speaker, there has been a great deal of concern expressed regarding the potential closure of the downtown Eaton's with the impact on commercial space that that would have, but we also have a real problem in northwest Winnipeg with the announced closure early next year of the Garden City Eaton's which would put approximately 200,000 square feet of commercial space on the market. I am wondering if the government can

give us an update on the closure of Garden City Eaton's. Is it going ahead? What is the status?

Hon. James Downey (Minister of Industry, Trade and Tourism): I believe I dealt with that last week. I have no further information as it relates to the one which the member refers to other than I do know that the downtown Eaton's store that I referred to last week has been backed up, I believe, till February of next year.

I guess the question that she asked is always of the negative kind—what is happening to Eaton's. There is never a question about the jobs and the unemployment rate in Manitoba or the opening of Home Depot or a lot of the other activities that are going on in the province. Granted we are concerned about the jobs in Eaton's. We are working in conjunction with city officials, officials from the department, from Eaton's and the general public to try and save as many jobs as possible, but there is a responsibility for the investor, as well, to carry out what is their responsibility.

Chochinov Park Commercial Development

Ms. Becky Barrett (Wellington): Unconscionable trivialization of a really important issue.

I would like to ask if the minister is concerned or any member of the government is concerned that a private developer wants to take away more green space in the city of Winnipeg, i.e., Chochinov park, while at the same time there is a glut on the commercial market of commercial space in northwest Winnipeg which could be exacerbated by the 200,000 square feet of commercial space that the closure of Garden City Eaton's would put on to the real estate.

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, I want to make it perfectly clear that I did not in any way trivialize the issue which the member has raised, but I actually, quite honestly, did not detect a question in her last supplementary.

Ms. Barrett: I would like to ask the Minister of Urban Affairs—perhaps the Minister of Urban Affairs can answer the question—if he would convene a meeting of the city with the Urban Affairs Committee of Cabinet to look at the impact of the potential sale of Chochinov

park to a private company in light of the Capital Region strategy which has as one of its guiding principles the retention and strengthening of urban green spaces, not the sale of our communities' natural resources to the highest bidder.

Hon. Jack Reimer (Minister of Urban Affairs): Madam Speaker, we are always naturally concerned about any type of development in the city of Winnipeg as to its economic benefits and the ramifications for jobs in the city. The comment that the member mentioned regarding the development of a park would always come under the jurisdiction of the City of Winnipeg under their zoning classifications and their zoning applications, and whether it is going to be sale or it is going to be the development, would go through the natural format of public hearings which is carried on by the City of Winnipeg.

There is room for the people to make presentations, make written—or make submissions on any type of application of that nature. I would encourage the member to be there, present when the city is going through this type of process, to make that application and to make the public presentation for or against that development.

* (1420)

Post-Secondary Education Tuition Fees

Ms. Jean Friesen (Wolseley): My question is for the Minister of Education. To a greater degree than in other provinces, Manitoba students depend upon their own labour to pay university and college fees. That is, more of our students work and they work longer hours than students in other provinces, and so the relationship between the minimum wage and student fees is significant.

Could the Minister of Education confirm for the House that since 1988, since her government began, the hours required to work to pay basic arts and science fees have in fact increased from 275 to 455 hours?

Hon. Linda McIntosh (Minister of Education and Training): I cannot confirm how many students work during the academic year versus those who gather their money for tuition during the summer or through other sources. What I can confirm is that we have amongst

the most favourable tuition rates in the nation. I can confirm that we have a learning tax credit that will return to students 10 percent of their tuition fee. I can confirm that we have allocated an extra \$1 million this year for additional scholarships and bursaries. I can confirm, as well, that for arts today, going into the University of Manitoba, for example, the increase for a degree in arts is 3 percent with a learning tax credit of 5 percent. Students should not have as much difficulty this year as they did last in that particular basic faculty.

Ms. Friesen: Could the minister tell us whether she has investigated the impact of this extended requirement for paid labour because it is approximately, if we work on the basis of 20 hours of student work per week, we are going from 13 weeks to 23 weeks? Could she tell us what the impact has been, not only on students' academic work but on the efficiency of institutions, particularly the graduation rate?

Mrs. McIntosh: I can only repeat to the member that how students gather their money for tuition will vary from area to area, province to province, community to community. What I can tell the member, which is the important point, is that we have kept fees, "we" being the institutions in Manitoba, with support from government, not from the federal government. The support from the federal government has gone essentially, because the drastic cuts in transfer payments cannot be ignored in a major challenge that provincial governments and the universities have had to face. Despite the tragedy of what the federal government has done to us, we have amongst the most favourable tuition fees in the nation. We have tremendous access; we have programs available for access; we have programs available for scholarships and bursaries. We have a number of things in place that make the availability to attend post-secondary education in Manitoba very good compared to other provinces.

Madam Speaker: The time for Oral Questions has expired.

ORDERS OF THE DAY

Committee Changes

Madam Speaker: The honourable member for Gimli, with committee changes.

Mr. Edward Helwer (Gimli): I move, seconded by the member for Turtle Mountain (Mr. Tweed), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: the member for La Verendrye (Mr. Sveinsson) for the member for Pembina (Mr. Dyck); the member for Brandon West (Mr. McCrae) for the member for Minnedosa (Mr. Gilleshammer); the member for Emerson (Mr. Penner) for the member for Gimli (Mr. Helwer); the member for Morris (Mr. Pitura) for the member for River Heights (Mr. Radcliffe); the member for St. Vital (Mrs. Render) for the member for Turtle Mountain (Mr. Tweed).

Motion agreed to.

Mr. George Hickes (Point Douglas): Madam Speaker, I move, seconded by the member for Broadway (Mr. Santos), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: the member for Selkirk (Mr. Dewar) for the member for Elmwood (Mr. Maloway); the member for Flin Flon (Mr. Jennissen) for the member for Burrows (Mr. Martindale); the member for Thompson (Mr. Ashton) for the member for Transcona (Mr. Reid), for Tuesday, May 13, 1997, for 10 a.m.

I move, seconded by the member for Broadway (Mr. Santos), that the composition of the Standing Committee on Economic Development be amended as follows: the member for St. James (Ms. Mihychuk) for the member for Selkirk (Mr. Dewar); the member for Burrows (Mr. Martindale) for the member for Osborne (Ms. McGifford), for Thursday, May 22, 1997, for 10 a.m.

Motions agreed to.

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, on a number of matters of House business, I should inform honourable members that there have been discussions amongst representatives of the parties and House leaders, and I will suggest some matters of procedure for this particular week. Firstly, that today the House adjourn at 6 p.m.

Madam Speaker: Is there leave of the House to adjourn today at 6 p.m.? [agreed]

Mr. McCrae: It is agreed, I believe, that the House not sit on Friday, May 16.

Madam Speaker: Is there leave of the House to not sit on Friday, May 16? [agreed]

Mr. McCrae: We suggest that the House sit on Thursday, the 15th of May, beginning with Prayers at 10 a.m. and sitting until noon for dealing with bills. Then we resume at 1:30 that day with Routine Proceedings, Question Period and government orders and that we sit that day until six.

Madam Speaker: Is there leave that the House sit on Thursday, May 15, from 10 a.m. to 12 noon, commencing with Prayers and consideration of bills and resume at 1:30 p.m. with Routine Proceedings and other government business until 6 p.m.? [agreed]

Mr. McCrae: I suggest that for the period of May 12 to May 15 any recorded votes arising in the House in the standing committees or in Committees of Supply be deferred until a time agreed upon between the House leaders.

Madam Speaker: Is there leave that for the period of May 12 to May 15, 1997, any recorded votes arising in the House in the standing committees or in the Committees of Supply be deferred until a time agreed by the House leaders? [agreed]

Mr. McCrae: I suggest that the quorum requirement in the House, in the standing committees or in Committees of Supply be waived for the period of May 12 to May 15.

Madam Speaker: Is there agreement that the quorum requirement in the House, in the standing committees or in the Committees of Supply be waived for the period of May 12 to May 15? [agreed]

Mr. McCrae: Consequentially, I suggest that the number of members required to request a recorded vote in the House, in a standing committee or a Committee of Supply be reduced to one for the period of May 12 to May 15.

Madam Speaker: Is there leave that the number of members required to request a recorded vote in the

House, in a standing committee or a Committee of Supply be reduced to one for the period of May 12 to May 15? [agreed]

Mr. McCrae: In order to make all these arrangements work, we have agreed that the Committee of Supply ought to be divided into three parts, into the House, into Room 255 and Room 254 whenever that is possible where there is no conflict with another standing committee or other such matter, and the opposition House leader and I have signed this document. I think it is pursuant to one of the rules of our procedures and so on, tabling that now, which sets out an order of Estimates, which as we know, gets changed quite frequently.

* (1430)

Speaking of such changes, Madam Speaker, I also seek leave of the House to adjust the Estimates sequence just tabled by rearranging for Room 255 the following in the order indicated: First, Canada-Manitoba Infrastructure Program; second, Canada-Manitoba Enabling Vote; third, Industry, Trade and Tourism followed fourthly by Sport.

Madam Speaker: Is there leave of the House to adjust the Estimates sequence just tabled by arranging for Room 255 the following in the order indicated: (1) The Canada-Manitoba Infrastructure Program, (2) The Canada-Manitoba Enabling Vote, (3) Industry, Trade and Tourism, and (4) Sport for today only. [agreed]

Mr. McCrae: Madam Speaker, I move, seconded by the honourable Minister of Industry, Trade and Tourism (Mr. Downey), that Mr. Gerald McAlpine, member for the electoral division of Sturgeon Creek, be appointed chairman of a third section of the Committee of Supply and that the duties performed by that member shall be deemed, for pay purposes only, to be the same as those of the chairperson of a standing or special committee.

Motion agreed to.

Mr. McCrae: For the information of honourable members, that means this afternoon, Madam Speaker, that in the House will be the Estimates of the Department of Culture, Heritage and Citizenship; in

Room 255, Canada-Manitoba Infrastructure Program; and in Room 254, the Department of Energy and Mines.

I move, seconded by the honourable Deputy Premier (Mr. Downey), 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.

Madam Speaker: Due to the unavailability of the Deputy Speaker, the honourable member for La Verendrye (Mr. Sveinson) will be chairing the Committee of Supply in the Chamber; the honourable member for Sturgeon Creek (Mr. McAlpine) will be chairing the Committee of Supply in Room 255; and the honourable member for Gimli (Mr. Helwer) will be chairing the Committee of Supply in Room 254.

* (1440)

COMMITTEE OF SUPPLY (Concurrent Sections)

ENERGY AND MINES

The Acting Chairperson (Mr. Peter Dyck): 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 Energy and Mines. Does the honourable Minister of Energy and Mines have an opening statement?

Hon. David Newman (Minister of Energy and Mines): I do.

Mr. Chairman, I am pleased to present the 1997-98 Estimates for the Department of Energy and Mines. The mission of the department is to foster investment in the sustainable development of our energy, mineral and petroleum resources and promote the efficient use of energy. Organizationally, besides the specific responsibility of divisions and branches, the department is also responsible for a number of industry-support programs: The Mineral Exploration Assistance Program, Petroleum Exploration Assistance Program, Manitoba Potash Project, and the Acid Rain Abatement Program in Flin Flon.

Mr. Chairman, in recent years we have been very proactive in enhancing the advantages to doing business in Manitoba. We have worked with the mining and petroleum sectors to reduce red tape, increase exploration and investment incentives and generally to make Manitoba the best place for mining and exploration in Canada. I think my review and forecast of departmental activities will bear this out, and as a new minister I am impressed with the legacy I have been given to administer and lead. We have a very capable staff which has enthusiastically promoted Manitoba's mineral, energy and petroleum resources to attract new investment in these sectors in accordance with the principles of sustainable development.

The former minister, the Honourable Darren Praznik, and I with the deputy minister have personally discussed investment opportunities in Manitoba's positive business climate with the heads of over 100 Canadian and American companies. The deputy minister and I will continue to take every initiative to market and showcase the advantages of exploring and investing in mining and petroleum in Manitoba.

Land access and tenure issues are a priority for both the government as a whole and this department. My department has achieved significant results by introducing new policies, supporting stable tenure and resolving outstanding access issues. We are working closely with the Department of Northern Affairs, which is making progress in negotiations for settling treaty land entitlement issues in Manitoba.

Turning to specific departmental activities, I would like to start with a summary of matters coming under marketing. The Marketing branch makes Manitoba highly visible in the mineral sector through an aggressive outreach and advertising strategy. Our objectives are to attract new exploration and development investment to Manitoba, increase attendance at the Manitoba Mining and Minerals Convention and raise client awareness of the information resources available in the department. To make it easier to access information remotely and to promote the department's programs and services, we have just established a web page and can now be reached on-line. Clients can now access information on exploration and development, incentive programs, Manitoba properties available for option, the Manitoba

Mining and Minerals Convention, publication sales and library resources to support their exploration and development activities.

In September 1996, we released a new and revised edition of Gold Deposits of Manitoba. This publication gives gold explorers a compilation of known gold deposits and significant gold occurrences in the province, four full-colour maps that locate and illustrate the geological setting of the deposits, plus a comprehensive bibliography of gold-related publications for Manitoba.

Mr. Chairman, for many years, the annual Manitoba Mining and Minerals Convention has provided an ideal forum for identifying, promoting and facilitating economic development opportunities for our mineral resources. The event has grown to be one of the premier conventions of its type in Canada and occupies most of the ground floor in the Winnipeg Convention Centre. In 1996, attendance was 676 which represented a cross-section of mineral-related disciplines in industry and government. We are already preparing a program for the 1997 convention.

A key component to attracting new junior, senior mining and exploration companies to Manitoba is a listing of quality mineral properties available for option. In this regard, the Marketing branch is organizing a workshop this spring to help Manitoba property holders develop ways to better market their properties.

We continue to have good news in the mining sector. Both interest and activity in mining are very strong, as shown by the following indicators. Last year, exploration expenditures totalled \$40.1 million, compared with \$32.6 million in 1995. A total of 692 mining claims were recorded. We issued five exploration permits covering an area of about 130,000 hectares, 46 quarry mineral leases were issued, and we issued 841 casual quarry permits.

As part of our efforts to make Manitoba the best province in Canada for mining exploration and development, we introduced the \$10-million Mineral Exploration Assistance Program in 1995. MEAP is intended to increase exploration and stimulate activities that could lead to the development of new mines in Manitoba. Priority consideration is given to grassroots

exploration, that is, exploration not associated with a producing mine.

Currently, 98 projects by 42 companies are involved, of which eight are in the target area, the Northern Superior Geological Province. As of December 6, 1996, 27 new companies had been attracted to Manitoba under MEAP. This produces an increase of 82 percent in companies exploring in the province over 1995. Program allocations were \$6.4 million in financial assistance with proposed exploration expenditures at \$27 million. To date, \$1.8 million has been paid out in assistance and \$13.7 million reported in exploration expenditures.

An interim offering for \$275,000 is scheduled for May of this year and a \$3-million offering in November. We will evaluate the effectiveness of MEAP and the economic benefits to Manitoba, and by next fall we expect to have the results of the evaluation which will determine the program's future.

To further facilitate mineral exploration and production, we have introduced one-window permitting to help expedite projects from exploration to production smoothly and efficiently. This simple, transparent, one-stop process provides fixed time frames for application and review and ensures that projects can progress efficiently from exploration to development of a new mine. We are sensitive to the role of the prospector and the mineral industry in Manitoba.

In the past five years the Prospectors Assistance Program has provided 179 projects. To date, 99 have been completed at a cost total to the province of \$432,229. The program allows up to \$7,500 for each approved project.

In gold, Mr. Chairman, we continue to have significant good news. The Blackhawk Mining operation at the new Farley Lake open pit has breathed a new life into Lynn Lake, which has gone through, as we all know, a difficult time in the past several years because of mine closures. Employing 110 people, Farley Lake plans to mine 63,000 ounces of gold in 1997.

Snow Lake continues to benefit from the now fully operational TVX Gold New Britannia Mine and its 270

jobs on site. The mine produced 68,500 ounces of gold in 1996 and plans to produce 85,000 ounces in 1997.

In Bissett, Rea Gold is continuing a major surface and underground construction and preproduction development program. Construction of the new surface mill was 60 percent complete. Production of ore from underground is scheduled to begin in mid-June, with 34,000 ounces scheduled for 1997. Annual production thereafter is scheduled at 80,000 ounces a year. A total of 160 employees are engaged on site. Rea's success is a tribute to the provincial exploration incentive program that in 1993 enabled Rea to raise the \$3 million needed for initial exploration work at the Bissett property. It is also noteworthy that this particular operation is near to the Hollow Water Reserve which provides a number of employees to this site.

* (1450)

Pioneer Metals continues to look at the feasibility of reopening the Puffy Lake gold mining operation near Sherridon.

Base metal production requires the discovery of new mineral resources in order for Manitoba to be competitive in the future. This, Mr. Chairman, is another reason why MEAP and the geological survey work we are undertaking are so important for the future of our mining industry. In total, 19 companies are actively exploring for base metals in Manitoba.

Tantalum Mining Corporation continues with a strong production presence at its Tanco Mine near Lac du Bonnet.

On the exploration front, Inco continues delineation drilling of the Pipe Deep nickel deposits south of Thompson. A development decision for this project is expected in 1997 upon completion of the drilling.

Falconbridge continued to focus exploration on William Lake in the Thompson nickel belt, where exploration drilling discovered very promising nickel mineralization in 1996. A substantial drilling program started in 1995 will continue over the next few years.

Cominco conducted geophysical surveys and drilling on properties on the southern extension of the belt and

Hudson Bay Mining obtained encouraging results from the deep drilling of the Callinan copper-zinc mine near Flin Flon.

Mr. Chairman, our government is strongly committed to the rehabilitation of depleted gravel pits, and the program my department implemented in the spring of 1993 is operating very successfully. Since then, 361 gravel pits have been rehabilitated, covering 1,400 hectares at a cost of \$2.3 million.

In Geological Services, a new Intergovernmental Geoscience Accord was signed in September at the Mines Ministers Conference in Yellowknife. The accord outlines the respective and complementary roles the provincial and federal Geological Survey organizations will play in the future. Bilateral accords between Ottawa and provincial survey organizations will have established 3 to 5 year work plans addressing regional needs.

Manitoba's bilateral accord was signed in December 1996, and a work plan involving contributions from the federal and provincial geological surveys is being developed. Federal-provincial contributions, principally through two new national mapping projects in the Northern Superior Province and around Winnipeg, will entail federal expenditures averaging \$1.3 million over the next three years.

During 1997, Geological Services will publish new maps, geological reports and electronic databases on CD-ROMs stemming from the first federal-provincial National Mapping Shield Margin Project in the Flin Flon-Snow Lake region. The flood of new information and exploration ideas stemming from this highly successful initiative has stimulated renewed exploration for gold and base metals and has attracted new companies to invest in the region feeding the Flin Flon smelter.

A major new project has been initiated in the Thompson Nickel Belt where access to hitherto unavailable exploration drillcore and confidential information is being used to develop a new geological compilation for the region, the first in over 25 years.

By 1997, we will again focus on new geological mapping programs and geochemical surveys in

northeastern Manitoba. Operation Superior is a five-year commitment to attract and assist the search for new gold, base metal and rare element deposits in this relatively underexplored part of the province. Multimedia geochemical surveys will centre on the eastern part of the region. Geological mapping will continue in the Stull and Kistigan Lakes region, as well as Knee Lake and Oxford Lake. Technical assistance will continue for the titanium/vanadium/iron project at Cross Lake.

Geological investigations in the Mafeking area in 1996 will provide baseline information supporting Birch Mountain Resources of Calgary in exploring for gold.

In southern Manitoba, an inventory of near-surface sources of crushed stone, dolomite and dimension stone in the Winnipeg region will be made as part of the Capital Region Study. A second federal-provincial mapping project will boost efforts to develop a digital geoscience database for southeastern Manitoba and conduct more in-depth studies into the hydrogeology of the region.

Mr. Chairman, I am pleased to note that as of February 1997, the excellent co-operation between the federal and Manitoba Geological Surveys has led to four of the 11 new NATMAP programs in Canada being conducted in our province. This highly essential influx of technical expertise keeps Manitoba at the forefront of new database development in support of mineral exploration by the private sector.

Mr. Chairman, 1996 was an exciting year in Manitoba's oil patch. Expenditures on exploration for the year are estimated at \$10.6 million, more than double the \$4.4 million spent on exploration in 1995. Thirty geophysical exploration programs and 28 exploratory wells were drilled in 1996, making it the most active year for oil and gas exploration in the last 10 years.

The introduction of the Petroleum Exploration Assistance Program in 1996 was an important factor in encouraging exploration in Manitoba. PEAP provides assistance to companies of up to 20 percent of the cost of eligible exploration activities. The program has been very well received by industry and has been

instrumental in attracting some of Canada's most dynamic and successful oil companies to Manitoba. Under PEAP, 23 new field wildcat exploratory wells have been drilled resulting in the discovery of up to nine new oil pools. This exploratory activity has supported our local oil field service industry and has led to the drilling of a number of follow-up development wells.

The continuing development of the Manitoba Oil and Gas Well Information System has also been an important factor in increasing exploration activity. Improvements in the breadth and timeliness of data available digitally from the system has further encouraged oil industry geologists to develop exploration prospects in Manitoba.

Mr. Chairman, one of the results of our government's work with the petroleum industry is that Manitoba has the most responsive government regulatory practices in western Canada. A prime example of this is turnaround time for application for a well licence. In Manitoba, once all required information has been submitted, a well licence is routinely issued within one working day. By comparison, in Alberta, applicants routinely must wait one to two weeks to obtain a licence.

Mr. Chairman, 1997 is shaping up to be an even more exciting year than 1996. Geophysical and drilling activity over the first two months of the year was the highest in over 10 years. In February, we completed the results of our largest Crown oil and gas lease sale ever, with over \$3.9 million in new revenue collected. In 1997, we will concentrate on providing quality service to clients investing in Manitoba's oil and gas potential. In addition, we will continue to evaluate our petroleum fiscal policies and drilling incentive programs to ensure our business climate is competitive.

The Petroleum and Energy Branch will promote Manitoba investment opportunities at a number of technical meetings and industry trade shows. This includes hosting a one-day open house in Calgary to showcase Manitoba opportunities.

The branch's energy activities have focused on programs designed to promote economic investments in energy efficiency and alternative energy technology, including co-ordination of the Manitoba R-2000

program. A total of 21 new homes were completed under the program in '96-97 compared with 15 in '95-96 and just one in '94-95. Our target for this fiscal year is enrolling 60 new homes.

Working with Government Services, the branch implemented the pilot phase of the Manitoba Government Buildings Initiative. The program involves the energy retrofit of 78 government-owned buildings. It is designed to be financed over 10 years out of the energy savings realized in these buildings. After all buildings have been retrofitted, estimated energy savings are \$1.8 million per year. The branch will continue technical and administrative participation in the Manitoba Government Buildings Initiative. This year six representative buildings will be retrofitted, and the funding mechanism for doing the remaining 71 buildings will be finalized. We will also investigate the feasibility of incorporating energy-efficient features in buildings constructed and operated by the Department of Northern Affairs.

* (1500)

The branch will continue to work with Natural Resources Canada and the Manitoba Association of School Trustees on the school bus driver training initiative. If this pilot project proves to be economically viable, it will be expanded to all Manitoba school divisions in future years.

We are also developing a proposal to encourage the production and use of ethanol as a fuel substitute in Manitoba. Besides its environmental benefits, use of ethanol as a fuel provides a market for Manitoba grain and reduces the use of imported refined petroleum products.

Another major initiative scheduled for this year is raising the department's profile as an important source of impartial information on energy efficiency and alternative energy. This will include developing an inventory of publications that cover all facets of energy efficiency and alternative energy. We will also investigate the use of the Internet as an effective means of distributing this information.

In conclusion, Mr. Chairman, we are confident that our policies, programs, services and incentives will

enhance Manitoba's position as the province to be in for activity in mining and petroleum.

I want to take this opportunity to express my appreciation to the employees of Energy and Mines for their hard work and commitment to providing quality services to our customers.

To the official opposition critic, I look forward to a dialogue during this period of Estimates which will serve to further enlighten the people of Manitoba. Thank you.

The Acting Chairperson (Mr. Dyck): We thank the Minister of Energy and Mines for those comments. Does the official opposition critic, the honourable member for St. James, have any opening comments?

Ms. MaryAnn Mihychuk (St. James): Very briefly.

The Acting Chairperson (Mr. Dyck): Thank you. The honourable member for St. James, please.

Ms. Mihychuk: I want to thank the minister for his opening comments and look forward to going through the department in some detail this year. We have seen some changes in the department. The Geochemistry Lab, for example, has been privatized, and five positions have been lost in that sector. I will be asking some questions as to the reasons for that decision. I did receive calls of concern from prospectors and small mining companies who had used the lab as an important source of information and aid.

In addition, the overall theme of the department has moved from what I would call a hands-on approach, where it focused on providing geologists to go out into the field to access information to provide a foundation of information which allowed exploration companies then to move on that and target in, into a more marketing approach based on glitz and glossy paper rather than substance. So I am going to be questioning, again, the focus of the department which has deemed the priority marketing rather than substance, I would argue, and that is putting more geologists into areas such as the Superior project. I think that, indeed, is a wise decision, to go into the Superior Province. It is difficult to access. It has generally been untouched, and I believe that is the goal of government, to provide

that sort of foundation so then it can stimulate industry into making those moves into areas that otherwise would have remained untouched.

The marketing sector has grown by leaps and bounds. I will be asking the minister whether this was indeed true value. Many geologists in sectors in the mining field are quite well aware of the mining potential in Manitoba, and I am going to ask whether we have not perhaps topped out the need for marketing. The geologists involved in many of the companies know how to access materials. Some of our maps are outdated, and the question would be: Are we trying to promote outdated maps, or is it time to update the actual geological information?

So I think that those are some questions, that I am going to be questioning the overall purpose and direction of the department. When we look at, for example, the estimates of revenue that were presented during the budget for the fiscal year ending March 31, 1998, we see that mining revenues have dropped dramatically. In 1996-97, estimated revenues are \$400 million. The estimated revenue from mining, mining tax, has dropped to \$15 million. That is indeed a very significant and unfortunate trend. We will be exploring with the minister whether indeed these programs, the MEAP, and the emphasis on marketing is in fact producing what Manitobans hoped would occur and what this government hoped would occur.

In addition, I am going to be questioning the petroleum subsidy, the grants, which I understand are primarily being used by some fairly well established oil companies, and whether the goals of that grant are being met. Are we attempting to subsidize large oil companies, or are we attempting to perhaps stimulate our own Manitoba oil companies into further exploration? So I will be looking for some direction in that area and how this grant program in petroleum fits the guidelines or the principles of sustainable development.

This year's flood of the century, as it is called, has highlighted the value of surficial materials as we saw tons of clay being used in the Brunkild dike, and we saw tons and tons of sand and aggregate being used for sandbags. It is ironic, I believe, that we see the City of Winnipeg contemplating selling that very gravel pit,

where the sand came from, next year. We are indeed fortunate in some ways to have the flood this year, otherwise we would have had to pay substantially more for that material which saved basically the city of Winnipeg. I will be discussing some of those issues of resource uses and what is available for this city of Winnipeg in terms of aggregate material.

There was a recent concern that Birds Hill would be opened up to mining, as it is a large source of aggregate material but also provides a significant recreational area for the city and surrounding areas.

In addition, I wish to explore the growing trend of urban sprawl, particularly to the north of the city. Significant limestone and construction-type material is fairly accessible when you head north of the city of Winnipeg towards Stonewall where we see several quarries. With the virtually unlimited expansion of the city of Winnipeg beyond the Perimeter, which we feel is particularly unfortunate, this will indeed have an impact on perhaps the availability of accessing those resources either through direct sterilization or conflict between homeowners and the industry which wishes to exploit those materials. In addition, I will be looking at the energy sector of the department, a component that we have seen dramatic decreases in staff and ability to address the issues of energy and look at whether indeed the time has not come for a renewal of the government's commitment to energy efficiency and energy retrofitting. The minister does point out that there can be significant savings, and I will be delving into that area as well.

So it will be very interesting to hear the minister's comments, and as we delve into Energy and Mines, I will challenge the minister as I did the previous to perhaps spend a day out in the field with a geologist who is doing real work for Manitobans and experience Manitoba's nature and exploration as it really is. I am sure that the department would be more than willing to outfit the minister and guide him in a day-long trip. I think he would enjoy it very much. Thank you very much.

* (1510)

The Acting Chairperson (Mr. Dyck): We thank the critic from the official opposition for those remarks.

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

Before we do that we invite the minister's staff to join us at the table, and we ask that the minister introduce his staff present, please.

Mr. Newman: Most of these faces would be familiar faces to Ms. Mihychuk, however I think there may be one new face here: Michael Fine, my deputy minister; Garry Barnes, the executive director of Administrative Services; Craig Halwachs, the manager of Financial Services; Jim Crone who is new, and Jim may be just single, the new director of Marketing; Bob Dubreuil, director of Petroleum & Energy; Art Ball, director of Mines; and Dave McRitchie, director of Geological Services.

The Acting Chairperson (Mr. Dyck): We thank the minister for those introductions. We will now proceed to line 23.1.(b)(1), that is Salaries and Employee Benefits \$271,200.

Ms. Mihychuk: It is going to be my goal to basically go through the department page by page. I would like to start actually on page 3 which highlights the mission of the department. There were some very specific goals, targets established in 1993. Can the minister inform us how the department is doing in respect to these goals? As we can see, one goal is to increase mineral exploration in Manitoba by 40 percent, oil production by 20 percent, improve energy efficiency by 5 percent, and decrease the proportion of imported refined petroleum products by 5 percent.

Mr. Newman: First, with respect to increasing mineral production in Manitoba by 40 percent, it is noteworthy that the base line is 1993 and the benchmark figure was 27.4 million in 1993; in 1994, 40.5 million; 1995, 32.6 million; in 1996, 40.1 million. The target for the year 2000 is therefore 41.1 million, which would be a 50 percent increase even in excess of the mission target. With respect to oil production the benchmark is 1993, 706.5 million; 1994, it was 664.5 million; 1995, 857.8 million; 1996, 843.8 million and the target for the year 2000, 847.8 million.

Improving the efficiency of energy use in Manitoba, the base line figure 1993 is 10.64 megajoules in relation to a dollar value of GDP. The figure for 1994 is 10.59. The preliminary figure for 1995 is 10.71, and 1996 is not yet available. The target for the year 2000 is 10.11. With respect to the decreasing proportion of refined petroleum products, the base-line figure for 1993 is 40.9 percent; in 1994, 41.1 percent. A preliminary figure for 1995 is 41.2 percent; 1996 is not available yet, and the target for the year 2000 is 38.9 percent.

Ms. Mihychuk: Just for clarification. The imported refined petroleum products number for '95—was it 41.2?

An Honourable Member: 41.2.

Ms. Mihychuk: Looking at those numbers, it is fairly clear that the challenge lies in the second, the third and fourth goals to improve efficiency and energy use and to reduce import of refined petroleum products. Can the minister tell us what strategies we are going to use to meet those targets?

Mr. Newman: I think I described in some detail in my introductory remarks one of the things that we are doing in terms of efficiency of energy use, and that is in relation to public buildings. With respect to the theme of the other direction, it would be in terms of education. We are always looking for an opportunity to promote our R-2000 program, for example, and in that connection we are looking with some hope that, for example, as we are doing flood damage repairs that people will see fit with encouragement to upgrade the energy efficiency of their homes and buildings. In fact, we wrote a letter encouraging the City of Winnipeg and their incentive program to look at introducing some special incentive or relating the incentive to the R-2000 program.

I also made reference to the school bus program in my opening remarks and an attempt to expand that program. We are looking forward to doing that in terms of the specifics of activities that we engage in as a branch in facilitating decision making about investments, about reducing energy use, the kinds of information services that we have or activities. We provide an energy advisory service with a toll-free number and qualified branch staff to answer or direct inquiries from the general public and the construction industry on ways to reduce energy costs.

We train builders and the general public through the R-2000 builder training new home workshops and home energy saver workshops. We develop booklets and pamphlets and fact sheets dealing with individual energy efficiency considerations. As I have indicated, we administer the Manitoba R-2000 program on behalf of the Manitoba partners to that program. In the retrofitting program, we provide administration and technical support to the Manitoba Government Buildings Initiative designed as a self-financing program to perform energy retrofits in all Government Services-owned buildings.

* (1520)

We are also encouraging the expansion of that program to other public buildings that are not directly owned by the provincial government, and those are schools, hospitals and other public buildings under the authority of others. We provide technical support for demonstration projects to evaluate effectively the school bus driver training on energy efficient driving techniques.

In terms of alternative energy, we have activities in support of the program designed to develop or encourage the development of alternative energy sources. They include development policies and proposals designed to increase the production and use of ethanol as a gasoline supplement in Manitoba, assisting gas suppliers and promoting conversion of gasoline-powered vehicles to natural gas. Natural gas, although not indigenous to Manitoba, its use as a transportation fuel is seen to provide some economic environmental benefits. We prepare and distribute fax sheets on alternative energy resources, including wind, solar and photovoltaics, and we have indicators for the program that are the indicators which we have already discussed.

Ms. Mihychuk: Can the minister explain to us what the program is for the public buildings, energy efficiency program? What type of program is available for public buildings?

Mr. Newman: Direct provincial government buildings, or do you mean buildings outside the provincial government?

Ms. Mihychuk: It was my understanding that the department is offering some direct-energy efficiency programs for public buildings. I would be interested in that, and then I am going to be moving into those other areas that are somewhat gray, and that is the, for instance, public school buildings. So I would like to know what the program is for public buildings first.

Mr. Newman: Just so I can develop a framework for the answer which I want to be accurate. We would take the Woodsworth Building, for example, and indicate specifics of the programming that we have put in place there as a pilot project.

Ms. Mihychuk: Absolutely. That is a good example. So you would take a specific building, and the Woodsworth Building would be fine as an example.

Mr. Newman: The focus, the concentration is on changes to the lighting system, and I can invite you and, in fact, I do invite you and other members of the Legislature to attend in my office because I wanted to find out exactly what was being done and wanted to have a demonstration in my own office so that I could show to people who came into it the kind of thing that was being done in the Woodsworth. So I have replaced fluorescent lighting with a new type of more costly initially but cost-saving kind of fluorescent lighting. I also have, rather than the standard light bulbs in lamps, halogen lights in those, and the spotlight, the pot lights are also halogen lighting. Through this means, it is believed that the savings in the Woodsworth Building are projected to annualize at \$66,670.

Ms. Mihychuk: That is a significant amount of savings. Can the minister tell us what proportion of savings—I guess I am looking at what is the payback period. Also, in addition to that, who provides the up-front funding for the changing of the light structures or light bulbs? What else is included? It is light fixtures. Would it be windows, insulation? How extensive do we go in a building?

Mr. Newman: Some of the controls for heating and cooling are included, but not the insulation. The total cost of the Woodsworth pilot project was \$384,593. So, with the annual savings of \$66,670, it is something in the order of six years.

Ms. Mihychuk: The up-front funding for those renovations came from the department, or how was it worked out?

Mr. Newman: The up-front funding came from the following sources: The Department of Government Services \$269,593, Sustainable Development Innovations Fund \$100,000, and the Department of Energy and Mines \$15,000.

Ms. Mihychuk: Up front funding, is that on a loan basis or is that a direct grant?

Mr. Newman: This is directly out of Appropriations.

Ms. Mihychuk: I want to congratulate the department for pursuing this program. We know that there can be significant savings, and the payback in this building is five or six years. I am familiar with public structures—and here we go into my favourite topic and that is public schools—that we could see dramatic improvements in energy efficiency. Many of the older schools unfortunately have not renovated the physical structure of their buildings for several years, and that has been a matter of priorities as they look to programs rather than the building itself. Many schools still have single pane windows, many with wood sills that are rotted away, actually wide open, so the air exchange is enormous in the building, never mind extremely uncomfortable for the people in the classrooms. Of course the biggest obstacle there is a program which would allow that type of renovation and upgrading.

* (1530)

Has the department or the minister considered providing a funding vehicle to allow these essentially public buildings to be renovated and take advantage of the new technology that we, indeed, have available and is presently in the minister's office?

Mr. Newman: While I get specifics as to exactly what is being done there, I want the honourable member to know that I treat this issue very seriously and am very interested in seeing ingrained in the decision-making process, in terms of building maintenance and repair and improvements, a more energy conservation consciousness. Just to show the degree of seriousness on that, we are looking for a continuing source of

funding and support for these kind of initiatives, and I might say out of petroleum revenues, so it is a more dedicated kind of situation that is under consideration now. That is all I can say about that.

In order to build this into systemic decision making, one has to do that, so we want to do that. We believe that creating an example with our own buildings is the best way to gain credibility, so that then you can use your influence to induce others, if you can do that with some funding incentive as well. It is noteworthy, I think, that a funding incentive was provided to our department by both the Sustainable Development Innovations Fund and Government Services in that kind of proactive way to prove a point. So I appreciate your point.

The specifics that I have is that we are still in the pilot stage and that we have not yet developed sufficient proof or evidence to make the case to others, but we are confident that we are on the right track and that the results are going to be quite persuasive. They have been persuasive enough internally that we are now proceeding with five or six additional buildings in this budget year within government.

Ms. Mihychuk: Can the minister elaborate on the school bus program?

Mr. Newman: The school bus driver training demonstration program is a joint federal/provincial school division program which promotes efficiency in the school bus transportation sector. It was initiated in Manitoba in September 1996 and will run for a period of two years. As part of the program, sophisticated on-board monitoring equipment will be installed on 10 buses in five school divisions to record baseline data including engine RPM, vehicle speed, braking time, idling time and fuel consumption. An independent consultant will then deliver seminars to the appropriate school bus drivers and post-training data will be monitored and compared to pre-seminar data.

The Manitoba Association of School Trustees has negotiated an agreement with Natural Resources Canada for the two-year program. If expanded to all school divisions, the program has the potential to achieve an estimated annual fuel saving of \$800,000. The current status is that the Department of Energy and

Mines is contributing \$13,500 in the second year of the program, that is, the current fiscal year, and Natural Resources Canada is contributing \$17,500 to the program in the 1996-97 fiscal year, the immediately completed year.

The Manitoba Association of School Trustees is contributing \$5,500 to the program. MAST has reviewed and signed the contract between itself and Manitoba Energy and Mines and data will be provided by MAST and technical support will be provided by Manitoba Energy and Mines. Technical data acquired from the program will be analyzed to measure the positive effects of driver education on fuel consumption of the Manitoba school bus fleet.

The Department Energy and Mines is currently analyzing rural and urban winter data collected by the on-board monitoring equipment. An interim report on the project is expected to be completed soon.

Ms. Mihychuk: Does the minister have information as to energy efficiency of school buses that are significantly aged? We in Manitoba have a significant number of buses that are well beyond 13, 15 years of age. They were bought in '83, '84, and '85, and we can expect to see them on the road for some time in the future. Energy efficiency techniques have improved not only in buildings but also in vehicles. Can you tell us what sort of changes we have seen in energy efficiency just through newer, more energy-efficient school buses?

Mr. Newman: I would have to take that question as notice. I do not have that data here but, if you wish, we can provide that to you and will do so.

Ms. Mihychuk: Yes, I would be very interested. In fact, the Manitoba fleet needs significant replacement. Had we kept the policy of replacing at 12 years, and then it was extended to 13 years and then extended to 15 years of road life, but we would have to replace a significant number of buses. It is almost ironic when I look at the buses on the Brunkild dike. One almost questions whether they are going to go back onto the roads.

We have a significant number of very aged buses and the energy efficiency of these machines has to be of

question. When we look at one department deciding to, again, as I believe a budget issue, they did not feel able to replace the bus fleets so they looked at perhaps extending the usage, but the costs to Manitoba taxpayers are incurred in one way or the other. I sense from the minister a commitment to energy efficiency and ask him to review whether it is rather, as I suspect, shortsighted that the use of these buses beyond the ages of 12, 13, 15 years becomes indeed very costly to the school division and ultimately to the taxpayers.

Doing some research on the issue, many companies that lease out buses consider them unviable after seven or eight years and divisions can purchase the school bus for \$1,000 at that point, after their lease period, so the maintenance costs and the energy use is incurred on school divisions rather than the province, but it is all one taxpayer.

So I do look forward to seeing the information the minister puts together and hopefully his arguing the point in his position as a caucus member that perhaps the investment in school buildings and in school buses will actually save Manitobans tax money and it would be a wise investment to do that replacement.

* (1540)

Mr. Newman: Thank you for that, I think, very constructive question, and I think it would be relevant and appropriate for my department to seek the considerations so far as they relate to energy conservation and the decisions that you have referred to in change in the policy in another department. I think and agree with you that decision making in some cases has to be integrated so that in trying to accomplish an objective in one department we do not have it defeated by the decision making in another department. I will have my department follow up on that and see if we can put together some useful information, for the benefit of your colleagues and mine, in making appropriate decisions in this area to fulfill the kind of objective that, I indeed, do support and obviously you do as well.

Ms. Mihychuk: I would like to now move on to the next line item. This is Executive Support, and here I would like to ask some questions as to the expenditures and the commitment of the department that was actually not in this fiscal year, I understand, but for the

reallocation, the moving expenses and the other information that was raised in the House about the deputy minister. So I would ask the minister to outline what costs were incurred by the Department of Energy and Mines in the transfer or the acquiring of the deputy minister in his new position. I believe it was '95.

Mr. Newman: With a certain amount of tongue in cheek, I will take issue with the use of the word "acquired." The philosophy of any government is not to treat any human being as a commodity, and we do not own anybody. However, having said that in jest, the specifics are that the relocation costs totalled \$69,985.31 out of the 1995-96 Public Accounts figure of \$74,734.77.

A Freedom of Information request led to the disclosure of the breakdown of that relocation cost figure, and the breakdown is 12 parts which I will cite in an abbreviated way: Car rental \$126.31; expense account \$232.20; temporary accommodations \$1,300; another expense account charge of \$539.87; another expense account charge of \$1,186.61; another expense account charge of \$749.99 and six Royal LePage invoices broken down as \$1,909.88, \$2,748.37, \$45,717.42, \$140, \$250 and \$15,084.66. I have a more detailed breakdown of each of those expenses, if you wish it, explaining what each of them are. Would you like me to carry on, Ms. Mihychuk?

Ms. Mihychuk: My colleague the member for Thompson (Mr. Ashton) has arrived, and I would ask the committee's indulgence to defer this item and turn over questioning to Mr. Ashton and then perhaps return to this a little bit later.

Mr. Newman: If you are prepared to indulge your colleague, I am certainly prepared to indulge your colleague.

Mr. Steve Ashton (Thompson): Mr. Chairperson, certainly I appreciate the opportunity to ask some questions in this area, a number of issues obviously relating very directly to northern Manitoba, certainly to my constituents. I want to focus in on the area of energy use. I note that the mission statement outlined on page 3 of the Supplementary Estimates points to the goal of improving the energy use in Manitoba by 5 percent. We have had some ongoing debate over

targets and achievability of targets in terms of energy conservation and efficiency over the last number of years. I note that we had some discussion a few years ago, prior to this minister being elected actually, and the committee dealing with Manitoba Hydro.

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

I wanted to ask the minister in terms of what the current situation is and whether there has been any consideration by the department of working with Manitoba Hydro at some of the kinds of suggestions that have been made for, for example, home and retrofit programs. The reason I am raising this is because, certainly looking at it as an economist, I find that one of the problems you often deal with when you are dealing with, say, comparing the construction of a hydro dam, where you have the ability to raise funds and amortize the dam over a period of several decades, when you compare that, for example, to decisions made by individual homeowners or property owners, small-business people, you obviously are in a different situation unless you are able to have energy efficiency added, say, to a mortgage. You are not likely to get the period of the amortization of the loan extended probably beyond the normal three, four, five years.

There has been a history of programs that have been provided which provide low-interest loans. I know in my own situation I just recently took advantage of the electrical modernization program to put in an air exchanger in my home in Thompson. I can say, quite frankly, I would not have done that if it had not been for the loan portion being available up front, just because of the simple capital cost. Obviously, when you are sitting around looking at something that costs \$2,600, a straight cash purchase, no matter how you finance it in your day-to-day activities, you put it in a different category than you would as a long-term investment.

So I wanted to focus particularly on some of the suggestions made by the carpenters union, I believe it was, a number of years ago, that had detailed a submission that made the argument regardless of what you do with other forms of energy conservation—and I realize that the doors and windows programs have perhaps been fairly well taken up, and I know there has

been some debate about whether they are feasibly economically beyond the point that they have been developed thus far—but I want to focus on whether there is not some way of doing some major retrofits that would get into significant changes of structure, in some cases through low-interest loans that could help achieve not only the 5 percent, an even greater amount.

I just want to finish off before giving the minister a chance to respond by pointing to the example of a lot of northern communities. I know of houses in northern Manitoba where there is virtually no insulation. I can take you to townhouses in Thompson where that is the case. Now, what happens is the tenants are in a position where they are paying the energy bills not the landlord, so there is no incentive on the landlord to fix it up. The tenants, many of whom are on fixed incomes, do not have the money to fix it up. Besides, it is not their own premise, so there is not the payback even if they could pay it back within a number of years. You will have townhouses where people are paying \$400-\$500 a month during the winter for heating costs.

It is a similar thing in remote northern communities. Many of the houses that were built there have totally inadequate insulation, especially the older houses. You will often find, for example—I happen to feel that energy rates, hydro rates should be equalized across the province—but even if that was done, it would only affect things to a certain percentage in northern communities.

* (1550)

The biggest root in a lot of cases is the simple fact that people, once again, often do not own their own homes, and even if they do, do not have the ability to fix it up. So there is a need to deal not only with homeowners but to deal with landlords. By landlords, I use that in the broader definition, because, for example, CMHC owns many of the units, operates many of the units in northern Manitoba.

I want to ask if there has been an official response to that proposal from the carpenters, and whether the department has looked at ways of using creative financing to deal with these kind of situations, because, quite frankly, I see a large amount of waste. You have to recognize, again, that the North has high heating costs. We do not have natural gas as an alternative, so

it is basically, largely hydro with a small percentage of propane consumed. You see it that much more. But I would suspect even in Winnipeg that is the case, perhaps on a lesser degree, that there are many houses out there that just do not fit the conditions, are not in keeping with the current standards in terms of insulation. I guess the question I throw to the minister: Are there any creative ways he is thinking of, of dealing with that problem?

Mr. Newman: I believe the new national building code standards are going to contribute to the solution, in that my limited understanding of the improvements in that area will raise the standards higher. I do not have the specifics at my fingertips, but I think that that kind of solution is a very important one, because that is a universal, mandatory standard which is imposed on anyone that is going to build a building in the province of Manitoba.

As you spoke, it certainly was occurring to me, and I will give you full credit for raising the idea; it is not mine. But I think in co-operation with the MMF, the Manitoba Metis Federation, MMF Inc., and the federal government and the communities who benefit from the housing services and responsibility for housing turned over to MMF might in conjunction with this department and Northern Affairs perhaps come up with some systemic ways to encourage practices which would address the kind of problem you are talking about.

I know that we do have a commitment as part of our plan for this year to look at all of our fairly meagre \$2.6-million capital expenditures in Northern Affairs to make sure that what we do builds up to a responsible energy conservation standard, but I think going beyond that and multiplying that by co-operative action with the people responsible for housing and maintenance and repair is a worthy one, and educating members of the community and mayors and councils in northern communities and even the northern round-table kinds of people is a very sensible kind of way to implement the kind of thinking that you are talking about. It has to be part of the decision-making process as we discussed earlier. I will just invite my officials to find out whether there is anything specific that I might add in response.

Maybe you can verify this idea which may be more than an idea because it comes right from Thompson,

and that is the idea of a municipal council actually passing a by-law that all new housing be built to R-2000 standard. That is the kind of thing that is being at least speculated about in talking about systemic ways of introducing it. There is no more mandatory way than to do it in the form of a local law. But, as I say, you may know more about that than I, but I do not have any more specifics at this time other than the general response I gave you specifically in terms of my department's involvement.

In passing, I do not want to get us off track, but, certainly, I know that Hydro, through its Power Smart programs, is supporting energy efficient retrofits, and to your colleague, before you were here, I indicated the way that our department discovers and then takes advantage of opportunities to build into decisions of others, improve standards of energy conservation.

One of those is the City of Winnipeg with its plan to have a tax incentive for new housing. We are trying to partner into that so that there is an incentive built right into that inducement, as a condition of the incentive that they meet standards of R-2000 insulation, as I say a condition of getting the benefit.

So we are looking at all those opportunities, and, frankly, any time that anyone from the North comes up with an idea for you and you pass it through to the department, I can assure you that they will treat it with the attention that it merits, given that we have a serious commitment to improve energy efficiency.

Mr. Ashton: Well, focusing in on the new housing component, there are a couple of things that are happening in the North right now which I think are of significant interest.

One is the use of log housing in a number of communities. Quite frankly, this has been something that has been kicked around for years. Part of it has been the need for people who had experience building log houses, and I understand that we are talking about not cabins, but houses. People tend to have this idea of a small trapper's cabin.

We are talking now about some of the new log structures as being every bit as large as a regular house and significantly more energy efficient in some cases,

certainly as compared to the standard suburban bungalows that we have had constructed.

I always find it paradoxical that I will travel into—if you go to Gillam, for example, and drive around Gillam, Gillam could be just plucked out of the city of Winnipeg. The housing is identical; the lots are identical. I remember a few years ago, it being a Hydro community, all of a sudden the new houses got gazebos, and what was interesting was I noticed the old houses six months later got gazebos too. That was because everybody living in the older housing complained that the new houses had gazebos. So everybody living in Hydro housing in Gillam has a gazebo. Now, what relevance that has to the North is, I guess, up for debate, but people seem to be happy with their gazebos.

Mr. Newman: I must interject for a moment. I thank you for that, because, having visited Gillam, I was wondering why there were so many gazebos. Thanks for explaining that to me.

Mr. Ashton: It is one of the last remaining company towns. So, you know, if one person gets it, everybody gets it, which is fair, but it does lead to some strange results.

In terms of log structures, I would point to a number of communities where this has happened. I believe there are about half a dozen communities now. In a lot of cases it is a matter of getting the expertise, and I would point to Nelson House, for example, which looked at the cost for the development agency in Nelson House of a regular structure versus a log structure and found much to their surprise a log structure was cheaper. So you will go in and you will see these standard sort of government-type buildings, and you have this beautiful log structure across from the band office. It was largely because they were able to get some expertise in from British Columbia. So I would strongly recommend that, because the sad part is there is still a lag time. This is happening, but it is a small percentage and a lot easier for suburban houses. Ten, 20, 30 years ago that may have been understandable when we were bringing the housing stock, but we have learned a lot of lessons over the last number of years, and one of the biggest problems in a lot of cases is that the houses not only do not match the

climate, but they do not match the usage patterns in aboriginal communities.

* (1600)

There is a totally different cultural outlook on housing. You often have much more of a demand for open spaces. You end up with humidity problems. You know, people are used to having a stove with a kettle of tea on. The houses tend to be very humid, overheated. It is reduced somewhat because of better quality, but in a lot of cases what you do is you take a standard suburban house and you work around it. So I want to sort of agree with the minister that there is a lot that can be done.

You mentioned that things can be done in urban communities. I agree. In the North—believe you me, if I was constructing a new house, I would want an R-2000 standard. I would want it at that level simply because it is economical to begin with, let alone any other reason.

The biggest problem though tends to be with older units. The minister will know, as Minister responsible for Northern Affairs, that you have a significant number of housing units that date back to the early '70s, many of them are substandard. I know in some of the communities I represent like Thicket Portage and Pikwitonei the housing is in pretty bad condition, and even though CMHC now has taken over those units, repairs to a unit that was never built that properly in the first place is patching up the problem.

The big problem again is with energy conservation, and it becomes sort of an interesting dilemma here, because one of the biggest groups, I guess, that loses out on this is the government itself. Anybody who is receiving Income Security—who pays for the energy bills? The government does. I find it amazing, for example, that in Thompson, the biggest slum landlord is the government indirectly in the sense that if you consider that the government essentially is paying for the rent, and then individuals are living in that location. So what happens in some of those townhouses I referenced, which are in lousy shape structurally, the \$300, \$400, \$500 a month is being paid for, in the case of those who are on Income Security, by the

government. So there may be some savings, as well, for the government.

Now, I leave this as a challenge to the minister because we have some philosophical differences on such issues. But one of the things that was talked about earlier by the residents of one area, in particular, of townhouses in Thompson was either, you know, if it becomes social housing purchased by the government or to be set up as a co-op. Now the unfortunate part is both of those options have virtually disappeared because of shifts in government funding, and the advantage there is you internalize, you know, the externality, so to speak. You internalize the costs, and you can get the savings because then the government not only is in a position of paying the rents, but it is also essentially then the landlord, or you can work it out with the tenants, go into a co-op structure.

I would appreciate, coming from the minister's perspective, because I suspect that is not his approach; in fact, I would know, I know the minister well enough to know that is not his approach but a way of doing it, short of that, using the existing system where you have a private landlord and you have tenants, because this is a problem all over the North, and it is probably a situation all over Manitoba, unless the landlord is paying for the energy cost and then adds that on to the rent. If the tenants pay for the energy cost, you have a problem. That is, I think, one of the major sources of energy and efficiency in the province right now.

A few years ago, there were programs which I know applied to landlords to fix up their premises, and people did do it in some cases, but only if utilities were included as part of the rent. Otherwise, there is no incentive. So I am wondering if the minister has any suggestions coming from the department on how to deal with that element alone, not the private housing, but commercial properties where you have landlords and where the individuals are paying for the heating costs for the tenants.

Mr. Newman: I really welcome this discussion, and I hope it is the kind of discussion that would be perpetuated and enhanced in relation to the communities themselves and the tenants themselves. We are very serious in the Northern Affairs area, and certainly it coincides with what we are doing in Energy

and Mines about involving the people who live in housing, whether it is public or private, to think in long-term, healthy, sustainable ways about themselves and about their homes and their communities. We are also very serious about economic development opportunities being made available and realized by more people in the North. To that end, we have an economic development event planned on June 16. These are the kinds of things that can be the product of a coordinated, sustained strategy that can emerge from there.

I do know that our government is looking at the possibility of new housing construction being a potential industry in northern communities and in reserve communities, and all of these would be up to the higher standard. I might say my understanding is that log homes are up to the R-2000 standard in performance measures if done the right way. So that is one solution to improving that, but in terms of creating incentives, whether real or notional, I agree that is a way to change behaviour positively, and all of those are open for consideration. I encourage that sort of dialogue.

It is up to the Energy branch and the people there to come up with ideas and arguments, and to receive ideas and develop cases so that we can influence decision-making process in government to take advantage of these kinds of opportunities to improve the standard of energy conservation in the public and private housing. With the case being made by individuals themselves who are prepared to do things, that is what I want to hear.

You raise Gillam. I must say that, talking philosophically for a moment, having a sense of ownership of those kinds of properties might induce people not to have a gazebo because everyone else has one. A sense of private ownership might also cause people to consider improving things in energy conservation ways. It might also cause them to do more things themselves in those properties to improve them without bringing in someone on call at a high price to do painting and things that one can do oneself.

Some of the programs that this government has, again, along the same philosophy, are tenants associations, encouraging tenants associations and

having tenants in those associations come up with ideas for improving their premises, even if they are public. We want to listen to those and work in co-operation with our Housing department to, again, incorporate those sorts of changes. As we talk about this, I am hoping and I know that my Energy people are listening and are going to continue to listen, because I want them to make recommendations to me about every good idea that comes about, and give me arguments to advance them within government so they make long-term good sense for the people of Manitoba.

* (1610)

Mr. Ashton: Just to finish off, because I do have to return to the other committee, but just a couple of suggestions. One of the problems in Gillam is you are going to have a great deal of difficulty in attracting people to Gillam if you move into a private housing market that may not really exist. That is one of the problems in the North, so I am not arguing against that aspect, but I certainly acknowledge, it is always a dilemma really in the sense that when people have a sense of ownership either through direct ownership or through co-op structure that you tend to get a lot of different approaches, and you can tell that. You can tell that in any residential area. I know in Thompson, in a lot of cases, some people in rental properties do take very good care of their properties, but not everyone does. That may be the case with owners, too, but there does tend to be a correlation of the two.

A couple of quick suggestions specifically; one way of dealing with one of the problems that I identified would be if the government was to act as an active purchaser of services. For example, you talked about requiring a certain level of insulation, R-2000, for new housing construction. What might help, for example, particularly in Thompson, would be, I believe, if the government was to sit down and require that premises meet a certain standard of energy conservation before the government would directly or indirectly rent out those premises and work with people who are on fixed incomes in doing that, the reason being, I would say, if you were to take, say, townhouses just as an example in Thompson, where in a lot of the cases you have anywhere from maybe 20 percent to 70 percent to 80 percent of people on a fixed income. Essentially, the person who is writing the cheque is the government.

It would have two impacts. One is it would save the government money, I believe, if you required that, and that can be negotiated through rents that can be passed on to a certain degree in terms of the rent level even under the existing rent controls. But it also raises the standard for everyone else, so if you are living in that townhouse and you are paying the rent yourself, you still have that higher level of energy conservation. What concerns me is, once again, we are trying to work through—I mentioned a couple of philosophical models which are perhaps more in tune with my political philosophy, but I believe in working through the market as well, and I think that may be the way of doing it, if the purchaser of the service sets certain standards.

I really believe there is a colossal waste of money going on right now, and it is no fault of the tenants, and it is really no fault of the landlords, quite frankly, because if it is not part of the bill, it is not their responsibility directly. So that is a specific example of where it could be done.

One other suggestion I will just make quickly, by the way, and this just came up in a conversation yesterday with someone who has been very active in a community service organization in Thompson with the Boys & Girls Club, as a matter of fact, who has dealt with a lot of people who have had to relocate into Thompson, being an urban community, from outlying communities. Often what happens is we tend to forget that people live in a certain environment, and when you change that environment either in the community or by moving to another community, there are often different lifestyles that go with it.

We have communities, for example, that are just getting sewer and water. They are just getting line hydro power. It has been an ongoing process the last 25 years. Every time that happens, things change. It is funny how you have to reorientate everything; I mean, even everything from the way houses are constructed—houses were not built for bathrooms, so now you have to redo that—all the way through to getting used to a sewer and water system. That has been a problem for some people, adjusting from a community with no sewer and water into, say, Thompson.

Her suggestion was to work on the relocation aspect of it. That was done a few years ago. I know MMF

had a very good program on relocation. What happens partly, too, is you can build in certain practices that shift. If you are used to an isolated community where your prime source of heat is wood, that has a different impact on your lifestyle, the house, et cetera, than if you shift into a place that is constructed where you use hydro.

So you will often find, for example, in remote communities, you have to open the door because it just gets too hot. You need the venting, but when you move into a community like Thompson where you are dealing with insulated houses and electrical heat, often the doors will be left open in the same way. Now, that is a problem in energy conservation. I am not blaming the individuals involved. That is just a fact of life. In the same way, if I moved into a remote community, I am sure I would carry on certain habits that probably would not fit into the lifestyle there. So I throw that out, some specific approaches, because I think sometimes the macro works.

(Mr. Peter Dyck, Acting Chairperson, in the Chair)

Sometimes you can have a program, you can have—by the way, I am not talking about grants; I am talking about loans. I think this kind of thing is not something that the government should be subsidizing. I do not think it needs to be. I think it can be paid off many times over. But in some cases I think you need more of a micro approach.

You know, I mentioned Income Security purchasing the units, setting up some adjustment programs, because I am certain there is a lot more we can do. I did, by the way, argue that the 5 percent was too low. I know in my own area you could probably cut energy conservation in the city of Thompson by 30 percent, 40 percent if you could build in the kind of things that I am talking about, because I just know the house I live in which was built in 1962, its insulation value versus an R-2000, what the extra energy costs are per year.

It is still more economical for me in the short run not having \$5,000-\$10,000 to fix up my house, sitting there in my bank account tomorrow, to actually spend the extra amount on hydro, but after a while the curve hits the payback time and I am losing myself. So I throw that out because I think we can do a lot better, but often

it is with a mixture of approaches—macro, micro. I thank the minister for some of the ideas here and thank the critic for having the opportunity to raise this.

Ms. Mihychuk: Thank you very much for your indulgence. I had to go over to the other Estimates room for the Infrastructure as well. So I thank the committee's flexibility.

One more question in terms of the energy conservation, and I understand that my colleague from Thompson was discussing those areas. Are translated versions of the energy efficiency pamphlets available in Cree, Ojibway and other appropriate languages that may be particularly useful in the North?

Mr. Newman: The answer is not at this time. I think that is a very appropriate question, and what I will inquire about is to find out what the federal government might have done in terms of translating information in this respect with respect to Status Indians on reserves and also look at the Association For Native Languages and see what ideas they might have in that respect. I really appreciate this process because your colleague, Mr. Ashton, the representative for Thompson, talking about the need to adjust to change as you get different sources of power to communities, caused me to think how useful it would be to have a very simple publication communicating some of the ways of dealing with hydro power in a home for young and old alike. It would be a very useful time to look at having some of these publications available and to examine what the costs might be, or the possibilities might be, to have them translated into the indigenous native language in a given area. I think that the department is very conscious about being more accommodative to the aboriginal people in terms of the whole Energy and Mines area, and your suggestion has some merit.

Ms. Mihychuk: I got the same response from the other Estimates. The government is becoming very co-operative this afternoon. I raised an issue of a noise abatement program around the airport, and the Minister of Finance (Mr. Stefanson) was very co-operative. I take this as a new trend, and I am pleased to see we have such a co-operative minister.

In fact, with that program, there is some relationship when we talk about energy efficiency and the noise

abatement program I was lobbying for because a lot of the insulation programs that Energy and Mines promotes would be useful in terms of noise abatement. It was actually a program idea that came out of an annual meeting of the Winnipeg Airports Authority, where people live very close to the airport. Apparently, we have 400 homes in Winnipeg that are within the 40-decibel range. I understand, from officials from the airport, that is like living on the runway, and we have seen dramatic improvements to houses in terms of energy efficiency.

I know that that type of retrofitting can also be useful in terms of noise abatement, and the Minister of Finance was open to looking at such a program. It is probably going to be this minister's department that will probably be involved. In fact, it was a member of Energy and Mines who was also at that meeting, from the Energy department, and was promoting the department's literature and saying that they had pamphlets that were very user friendly and saying that this may be a way to promote the program. So I agree. I think that it would be a good program, and I am pleased to see that Estimates can be put to good use. There are times when there is political hay to be made and other times where something useful and practical can come out of it, and I am going to go for both. Now I am going to move to my area that I was delving into before leaving on retrofitting houses.

* (1620)

Mr. Newman: Let me know when you are shifting gears and trying to make political hay, so I am forewarned. Okay?

Ms. Mihychuk: Okay. I am going to try and make political hay right now.

We were delving into the deputy minister's travel expenses—well, his moving expenses—and probably if he had an opportunity to say, it has been two years, and both years we have seen floods and locusts and everything else. Now I do not think that the deputy minister had anything to do with that, but I say, you know, I want to welcome people to Manitoba and the weather, in particular, has been particularly unkind to the deputy minister. I do not wish to be particularly unkind to the deputy minister. I do feel, however, there

have been significant questions raised in the House about the expenditures that were incurred, so that is why, in fact, I am raising the questions.

Am I right to say that you have concluded on the travel statement, or was there more information to be presented?

Mr. Newman: I will offer a more complete breakdown if you wish it. I think that the 12 points I made may not have been descriptive enough to be helpful to you, and maybe I can just go over those so that for the record they can be clearly understood. The \$126.31 was an American Express invoice for car rental. The \$232.20 was three days of meal allowances and incidentals for each of Mr. Fine, his spouse and daughter. The \$1,300 was an invoice from Fort Garry Place for temporary accommodations. The expense account item, \$539.87, included taxis of \$111.25; parking of \$1.50; change of address, \$20.87—that is Canada Post; telephone hookup, \$27.65; cable hookup, \$45; four days of meal allowances and incidentals for each of Mr. Fine, his spouse and daughter, totalling \$333.60. The total of all of that is \$539.87.

The \$1,186.61 expense account included 27 days of meal allowances and incidentals for Mr. Fine, eight days of meal allowances and incidentals for his spouse and daughter, and that totalled \$1,109.40. Advertisement for home in Winnipeg, \$15.28—maybe he should have spent more because he ended up getting a home on Kingston Crescent—taxi \$50, dry cleaning \$11.93, totalling \$1,186.61.

The expense account item of \$749.99—25 days of meal allowances and incidentals for Mr. Fine \$645.00, dry cleaning \$65.55, advertising for home in Winnipeg \$39.44; total \$749.99.

The next item, the first invoice from Royal LePage of \$1,909.88 constituted monthly carrying charges and utilities for his home in Ottawa. The next invoice, \$2,748.37, was the monthly carrying charges and utilities for his home in Ottawa. The next item, \$45,717.42, was the difference between the guaranteed price and the sale price of the Ottawa home, commission, legal fees, utilities and other related disbursements and adjustments; \$140 invoice from Royal LePage is yard maintenance while the Ottawa

home was up for sale. The invoice for \$250 is the outsource fee for a representative to meet with Mr. Fine to tour the school and other facilities relating to Mr. Fine's requirements in Winnipeg. The \$15,084.66 invoice from Royal LePage is the transportation of household goods to Winnipeg, utilities, carrying charges and other related disbursements for the total expenses of \$69,985.31.

Ms. Mihychuk: Can the minister tell me, the moving procedure and the expenditures claimed, is that consistent with other civil servants, or is that the policy for the executive staff? I guess I am asking whether the deputy minister's expenditures are in line with perhaps a geologist who maybe is secured, hired by the department.

Mr. Newman: When this situation arose, I went directly to Mr. Don Leitch and asked for his confirmation that these expenses were or were not consistent with the guidelines of the government. I had it confirmed to me that the expenditures were consistent with the general manual of administration policies and Treasury Board guidelines.

* (1630)

Ms. Mihychuk: Then would it be fair to say that if a geologist was hired by the department, the expenditures of moving expenses for the spouse and family would be covered by the department? Would that be department policy?

Mr. Newman: I do not have an unequivocal black-and-white answer for you, but the information from my deputy minister is that moving expenses, relocation expenses, and sometimes real estate fees are covered in that situation; house-hunting trip costs I also add.

Ms. Mihychuk: When was that policy implemented?

Mr. Newman: It is confirmed by Mr. Garry Barnes, who has been in the department for some time, that that goes back to at least the mid-'80s.

Ms. Mihychuk: My question is also for the record. The deputy minister and the previous Minister of Mines did significant travelling and visited numerous companies in North America, I believe. I do not know

if they went into Central America or not, but it could have been. I would be interested in knowing if I could get a breakdown of where those trips were, who attended, the costs for those, and then the results of those visits.

For example, if we saw, from that, inquiries, visits to our convention, did we see an increase in claims? So I would like to know whether this was actually a worthwhile venture, and if that is possible I would appreciate it.

Mr. Newman: The request is a reasonable one, and we will attempt to fulfill the request as soon as possible.

The visitations by the former minister and deputy minister included visits to over 100 companies based in Vancouver, Toronto, Montreal and Denver. The results in the indicators which are being relied on by staff in my department and by my deputy minister are suggesting, subject to the more complete review I already alluded to at the outset, are positive. The fact that we have attracted 27 new exploration companies to Manitoba is in significant part attributable in their judgment to the personal visits paid to those offices.

My own personal experience since I have become minister corroborates that in that I have met with a number of the companies in my office. There is no question that there is a sense of a relationship and a real interest by the department in their being successful in Manitoba. They feel that there is a transparency in the way we relate to them. The liaisons that we provide from the department develop, in a sense, a professional but personal relationship in the sense that they have a contact. They have got a human face on the department, and the relationship in many of these cases began with a door being opened by the minister and/or the deputy. It has become very clear that in some cases the initial door has to be opened by the minister, and then the deputy is, from that point on, accepted as an appropriate person for the companies to deal with. So far, I have seen nothing but positives.

The other thing which reflects on the way I think government has been done in the past, not only here but in other jurisdictions of the country, the message came out from a number of the companies that they felt that they really were not welcomed in terms of the respect

and understanding of private property and entrepreneurships, which mining companies are usually very private-sector oriented, very capitalist, very free-enterprise motivated and wise.

I tell the story of the RTZ, used to be Rio Tinto Zinc, one of the largest mining companies in the world sharing with us through one of the key people heading up their exploration area with an expertise in potash as well indicating that they had really lost interest and had not followed very much the situation in the western provinces because their last experience was having an expropriation of their potash interests in Saskatchewan in the '70s, and that was the same kind of anxiety that a number of companies have had. We try and provide assurance that we do respect their need for their security of their property and security of their investment. We ask for them to be as transparent with us as we are with them in terms of their needs, and I think what is developing is a mutually respectful relationship between many of these companies that are coming in and the provincial government.

We invite them, once the initial relationship has established in this, to follow it up with follow-up visits periodically to show how they are progressing, and we monitor, we look at what they are doing to the province's bottom line. Are they contributing now in a net way to the provincial wealth through taxes? They share with us what the impediments are to their being more successful, and we listen. We do not always agree, but this is relationship building. It is building trust and confidence in a community out there that had become very suspicious in Manitoba and felt, in large measure, unwelcome, and I have seen that in many conversations. I do not think they are just trying to win my friendship. I think that it is a very genuine sharing of the value of this, I guess, popularly called, marketing approach, but really what I call it is relationship building and earning trust and respect, and showing that we really do welcome your making an effort to find mines and then develop mines in this province, and we are proud of what we have here.

We also emphasize that we are also proud of our natural advantages, and that is why we preach sustainable development and support the Whitehorse accord approach. That is why I think it is a proud thing if we can achieve a B-plus rating in the big World

Wildlife Fund and at the same time aggressively pursue exploration and mining development and other kinds of developments in the province.

* (1640)

Ms. Mihychuk: In addition to the deputy minister's travelling with the minister, would it be possible for the department to also include the Marketing department's or section's travels? I understand that they went to several trade shows, conventions, symposiums and exhibitions. Who went? Where? The cost and what type of benefits we saw from that. I think it would give us a handle on whether it is more beneficial to send the minister off visiting or the marketing approach. Quite frankly, I appreciate and I would sense that a mining company would probably prefer to have a visit from the minister. It is a significant outreach process. I congratulate the minister and the deputy minister for doing that. I have talked to many mining companies at the convention and elsewhere, and it was a significant step, and it did encourage several companies or sectors to relook or come back or perhaps for the first time come into the province. But I think there are initiatives that we have been supportive of and others that I am more suspect of, and for that reason I am asking for whether the investment in marketing has paid off as well as the travel show by the minister.

Mr. Newman: First, in response to your question, we will provide information to you. I would like clarification from you. I trust it would be adequate if we go back the full last fiscal year? [interjection] Okay.

The second point I do make is that, again being respectful of the value of this Estimates process, we are not here just to toot the horn of the government of the day or the department and the staff which I am very proud of. But there have been learning experiences as we are embarking on this approach in earnest to encourage exploration and, hopefully, get new mining development. But there have been lessons learned in some instances. I know that I am asked for approval from time to time about going to particular areas, particular conferences, and on these occasions that I am asked, I certainly am conscious of being concerned; is there any one that is better, how did it work the last time you went, that kind of approach. In some cases, I get the answer very candidly that, no, we went to that

one last year, and that did not turn out at all to be what we expected, and we are not going there again, so we are going to try this one.

So that sort of approach is a learning experience. I know that we had an experience last year in relation to doing the mining operators' conference in Thompson. We have gone about it a different way this year, and we hope it is more successful this year than it was last year. So we are trying different things and doing things in different ways.

This whole business of mining on an international scale which I am becoming increasingly familiar with is not a simple business, and if we are not wise and knowledgeable about how it works, there is no question a lot of effort and resources can be wasted. It is very clear that there are some very sophisticated people, and you would know this with your background, who run international businesses which sometimes have revenues and expenditures that are larger than this province who control large chunks of the world marketplace in given minerals. We are learning this in potash, for example, and how we address that has to be very business-smart.

You have to learn these things and I believe that my staff are, and we are improving all the time, but it will not be without errors along the way which we can only answer to by saying our people did their best.

Ms. Mihychuk: The Marketing section saw the change of the senior management of that section in the past year. Can I ask, is that a symbol of a new direction of marketing? Are we looking at another approach?

Mr. Newman: No.

Ms. Mihychuk: Okay, we will have an opportunity to discuss more fully the Marketing section further on, but in general terms I wanted to ask the minister what he sees for the future of mining in Manitoba. In '96-97, the estimates of revenue indicated mining taxes of \$40 million and projected revenue for '97-98 to fall to \$15 million. That is outlined in the budget document, the '97 Manitoba estimates of revenue.

Can the minister inform the committee as to why we are going to see such a dramatic fall in mining taxes?

Mr. Newman: A major factor in those figures would be commodity prices, something over which we have no control, and there is no question that companies like Hudson Bay Mining and Smelting which endure the copper and zinc prices as they may be, and Inco, nickel prices, influence tremendously, of course, the figures that you are talking about and similarly gold and other precious metals.

We are influenced significantly by things totally outside the control of Manitoba, and that is why those kinds of indicators are less important than the indicators showing the amount being invested in exploration and the volume, rather than the dollar value, the actual volume of production relative to prices at that level in the past.

Those are figures that we very much hope will improve in the months and years to come because those factors will play major roles in whether or not we have an expanded or even continuing presence in Manitoba of some of our major mining companies. Another major factor which is something that is not readily known to the public, but I certainly saw it first-hand, and it was brought to my attention when I was underground at the Inco mine in Thompson and looked at what was an open pit that was operating into an open pit that is empty and not operating, and that results in the more difficult and costly process of underground mining at great depths, rather than the easier and less costly process of removing ore from the surface.

That has been a factor when I look at the relative nickel production from 1993 versus 1996 from 116 million pounds to 78 million pounds in 1996.

Ms. Mihychuk: Can the minister enlighten us as to how we can determine then the effectiveness of the strategies of the MEAP program, the marketing initiatives, the minister's visits? They have a factor, of course, to promoting mining in Manitoba, but the overall factor in mining stimulation is commodity prices. We talked about that last year, and very little of what we can do can overall change things in that sense.

* (1650)

We saw mining prices or commodity prices on a high, and we saw a great deal of stimulation. So, when the

department reviews the effectiveness of the programs, I would caution that the formula must also take into account commodity prices, which is the overriding, I believe, driving force in the mining industry. I would just ask that we keep that in mind when we look at these numbers.

Mr. Newman: Being a career student of the workings of the marketplace, I am a great believer that a willingness to invest in a jurisdiction in more substantial ways is a pretty strong indicator of confidence. The other thing is that there is a human face to all investment, and no matter how sophisticated a distant analysis can be of different jurisdictions in the world, the value of a comfort level of having been in a jurisdiction and worked in a jurisdiction is not readily measurable, but there is a great value in having that personal familiarity with a jurisdiction. The mining area, which I am an early student of, appears to be common to many other areas of industry in terms of the importance of that kind of familiarity.

It is very interesting, really, the lack of knowledge, sometimes at the highest decision-making levels in some of these multinational companies. I know that I have found it of great interest to be able to speak to some of the top officials in Manoro and share with them that the aboriginal population in Manitoba was not nomadic in the traditional sense that they pictured it. They pictured them like the Inuits moving from hunt to hunt and so forth in the ways, of course, that they did in the past. Bringing them up to date on where we were at in treaty land entitlement, and at the time the kind of relationship we had with our aboriginal people. These are very important considerations, but they just had it all wrong at some of the most senior decision-making levels of the company.

It certainly confirmed, in my mind, the importance of having these relationships and sharing this kind of information. It is very interesting, too—there is a tendency in these companies to bring in the person that has been to a jurisdiction to the meetings so they have a local knowledge, and that person may never have had that exposure to that lofty a decision-making body. So you are doing, internally, them a favour by exposing them to the big decision-making bosses, and some of them proudly talk about their history in the province of Manitoba.

I think a willingness to invest and be here is a very strong indicator that the program is being successful. Again, there are always exceptions. This is where we have to be cautious as elected officials and cautious as potential investors. Sometimes you will get a junior exploration company that is more interested in having a puff to induce investment and are prepared to put some money into things and, then, try and get some investors to put their money into very limited prospect. That is why it is important for decision makers in applying criteria and evaluating applications to exercise considered judgment that these are worthy applications and make good sense in accordance with the internal knowledge that our own mining experts have.

Ms. Mihychuk: The last area I am going to delve into today is affirmative action. Mining and the mining sector does not have what I call a gold star for encouraging and promoting women in particular. When we look at the senior level here in the department, all marvellous people but unfortunately all male. Now, I do not wish to get—it is, indeed, a sector of our society where we have seen, what they call, the glass ceiling become impenetrable by women. We did have one management position, female. Unfortunately, that person is no longer in the senior management. I am not aware of others. Can the minister tell us what strategy the Department of Energy and Mines, particularly the mines side, is going to develop to actually encourage and promote women in the department?

Mr. Newman: Let me, just by way of background, say that I very much support Affirmative Action policies and programs for the department. As a result of that and the kinds of observations that you have made, there is a renewed emphasis on the gender issue; also on aboriginal involvement in the workforce and as beneficiaries of policies and programs with the department. It is part of the policies of the department and the business commitment, the business plan.

The Acting Chairperson (Mr. Dyck): Order, please. The hour being 5 p.m., committee rise.

OTHER APPROPRIATIONS

The Acting Chairperson (Mr. Gerry McAlpine): Order, please. 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 Canada-Manitoba Infrastructure Program on page 131.

Does the honourable Minister of Finance have an opening statement to make?

Hon. Eric Stefanson (Minister of Finance): Not really, Mr. Chairman. I think, as most members know, the original infrastructure program was a total \$204-million program split three ways between the federal, provincial and other partners. Recently, we signed an agreement with the federal government to top up the existing program by another roughly \$41 million over the next fiscal year.

We have provided in these Estimates for our share of the original program, plus our share of the top-up, thereby budgeting \$22 million in the '97-98 Estimates, making for a total program in Manitoba of \$66 million during 1997-98.

It has been a very successful program to date. We have certainly been strong supporters of it, created thousands of jobs, all kinds of worthwhile projects throughout Manitoba. We actually would like very much to see a second full-fledged infrastructure program, and I am certainly supportive of that.

The Acting Chairperson (Mr. McAlpine): I thank the honourable minister for those comments. Does the critic for the official opposition, the honourable member for Brandon East, have opening comments?

Mr. Leonard Evans (Brandon East): I have a few comments to make. I would certainly agree with the minister that an infrastructure program of this type is most valuable to the economy. Of course, it does have some stimulus and it does create some jobs, although it is always difficult to tell exactly how many jobs result from particular expenditures, but the point is it does put in place needed buildings, bridges, highways and other infrastructure that have a long-term benefit to the provincial economy.

There may be some of our members who might have some specific questions on specific allocations, and I ask for your guidance in this, Mr. Chairman. We do have a '95-96 infrastructure report, or at least I thought

I did; yes, '95-96 infrastructure report. This, I presume, outlines the details of those expenditures that were agreed to by the province and the federal government and that may be ongoing.

So this is a question I have, Mr. Chairman. The monies we are being asked to vote on this year, 22.6, which is in addition to others, are there any new initiatives there, or are they all more or less listed in the '95-96 Report on Canada-Manitoba Infrastructure Works? I guess that is my question.

The Acting Chairperson (Mr. McAlpine): Before we go into dialogue and questions, maybe I could ask the committee, I would like to invite the minister's staff to come forward at this time and to proceed with the questioning in a normal fashion. I would ask the honourable minister to introduce the staff present.

Mr. Stefanson: Joining me is Jill Vogan, the manager of the Infrastructure Secretariat.

The Acting Chairperson (Mr. McAlpine): I thank the honourable minister. The honourable member for Brandon East, you can pose your question now, please.

Mr. Leonard Evans: As I was stating, the amount being asked for this year is \$22.6 million, which is in addition to other previous Estimates that were voted upon. The minister did make a statement about the total value of the program, accumulative value, \$70-some-odd million. He can correct me on that perhaps, but my question therefore is: Are there any new initiatives in this '97-98 Expenditure Estimates over and above those listed in the annual report for Canada-Manitoba Infrastructure Works for 1995-96 or does this cover—the \$22.6 million—the balance of expenditures required for some of these projects that are listed here?

Mr. Stefanson: Mr. Chairman, it will be both. It will cover the balance of some outstanding projects that have been announced back in '95-96 and again in '96-97, different projects in '96-97. So depending on the timing in terms of the implementation, there will be some money provided in 1997-98, but we have also provided a significant sum towards the top-up agreement that was signed, the \$41-million top up. Members will have heard of some of the announcements against the top-up agreement, the \$41

million that was added to the agreement; \$14 million was directed to the City of Winnipeg for residential streets, \$14 million was the matter referred to earlier today in Question Period that was just announced for roads in the rest of Manitoba outside of Winnipeg, and the remaining approximately \$12 million will form the basis of some strategic projects that will be announced in the next several weeks.

So with the top up, it is exactly the same approach as we did with the original \$204-million program—as members will recall—where \$68 million was directed to projects in Winnipeg of which the City of Winnipeg made recommendations on, \$68 million was directed for outside of Winnipeg where the advisory committee from UMM and MAUM made recommendations, and then the remaining \$84 million was a strategic pool of money that was used for initiatives like rural gasification, distance education, the agricultural building at the University of Manitoba, the Keystone Centre in Brandon, a series of other projects that were done out of the strategic pool of money.

Mr. Leonard Evans: Just for clarification of the total. The \$68-million top up, I am a bit confused. Here we are being asked for \$22.6. Where do you get the \$68 million? Is there a supplementary estimate or is this from previous Estimates?

Mr. Stefanson: The simplest way to explain this is the original program was a \$204-million program which the province committed \$68 million to, the federal government committed \$68 million to, and the other partners would have contributed 68 whether it was municipalities or organizations. It did not have to be a municipality to be the third partner but, in most cases, it was the municipality. That was announced back in January of 1994 and was originally a three-year agreement, the member will recall. It was originally meant to be a three-year program but subsequent to that the federal government extended it to a five-year program.

So we have been budgeting money towards that \$68 million in each of the budgets—'94-95, '95-96, '96-97, and there still is some included in the '97-98 for the original program because all of the projects under that original program have not been completed yet out of the original \$204-million program. There still are some

outstanding projects against the original program, and they form part of this year's allocation. We have also now provided money towards this top-up agreement which is a total program of \$41 million, of which our share is just under \$14 million towards the top-up agreement. So, ultimately, in terms of provincial contribution to the total Infrastructure Program, we will have \$68 million from the original agreement and roughly \$13 million towards this top up. So we will have roughly \$81 million over about five years being spent as the provincial government's share of the total infrastructure agreement.

Mr. Leonard Evans: Mr. Chairman, I thank the minister for that explanation. So the \$22.6 million being asked for in this line of Estimates would still be part of the \$68 million or is it part of the 81 after the top up? The 68 plus 13 gives you 81 total as the provincial share. Is the 22.6 part of the original 68 or is that all-inclusive? Does that bring you to the \$81 million you need or you are committed to?

Mr. Stefanson: It is part of the \$81 million is what it is, because there is still carry-over from the 68 which we are funding this year, and then we are also funding toward the top-up agreement. So it is part of the \$81 million.

* (1450)

Mr. Leonard Evans: I do not know how these numbers add, but I would gather that you may need some more money next year? Will you be coming back in Estimates next year for the balance of this amount?

Mr. Stefanson: Without taking a lot more time, Mr. Chairman, we still will have some outstanding next year, but it will be a very small amount out of the \$81 million total program. There will be a little bit left over for the 1998 Estimates.

Mr. Leonard Evans: Well, that gives us the overall view. I believe we have some colleagues who have some specific questions on the projects that have been announced and some that they perhaps wish were announced but may not have been, so I would leave it to my colleagues to my right.

Ms. Jean Friesen (Wolseley): I am interested in the distance education money, the \$8 million. I wonder if

the minister could give us an overview of whether that has been expended yet or what rate is being expended, and when does he anticipate it will be completely expended?

Mr. Stefanson: Of the \$8 million that was committed to the K to 12 distance education initiative, about 20 percent had been spent by the start of this fiscal year, and I am told that the project is expected to be completed by August of this year and ready for implementation by the fall of this year, this year being 1997. There has been a series of milestones that have been met along the way.

I believe there are currently signed agreements with some 21 school divisions. Tender for various systems have been issued and awarded and, as I say, the total project is expected to be concluded by August of 1997.

Ms. Friesen: Is the \$8 million all dedicated to interactive television, and, if so, could the minister explain how that decision was made?

Mr. Stefanson: Mr. Chairman, if the member is asking if sort of the end result of all of this is interactive television, yes, it is. The original application came from the Department of Education. There have been ongoing discussions through the MERLIN distance education project with various school divisions about the implementation and how best to implement the program, what kind of technology to utilize, so, obviously, to receive that end product there are a series of elements to it in terms of the technology being utilized, the acquisition of microwave towers and so on and so forth, but that is the end product, is interactive television, yes.

Ms. Friesen: So the goal, the purpose of interactive television for Manitoba classrooms is a ministerial one. It is a government one. It does not come from the communities themselves. It is essentially that same policy that has been there within government for interactive television in clusters at the K to 12 level for some years now.

Mr. Stefanson: Mr. Chairman, if the member is asking for the origins of the policy, I would really have to go back to the Department of Education. I can certainly undertake to provide that information, as the

opportunity is also available through their detailed Estimates. But the infrastructure program is a funding source, as the member knows, for projects that we collectively believe makes sense; when I say we, the federal government, the provincial government and the other stakeholders whether it is, in this case, individual divisions or not.

So from a funding source and from a long-term economic benefit to many regions of our province, this fit under the strategic element of the infrastructure program, and, obviously, collectively we supported it.

In terms of the origin of the policy and the degree of discussion and inclusiveness of input from the school divisions and other stakeholders in education, really the Department of Education is better able to provide more background. I can certainly undertake to get that and provide it to the member.

Ms. Friesen: I am interested in a couple of other aspects. One is the relationship with MERLIN that the minister made reference to. The minister seemed to be suggesting that MERLIN's role was to provide—and I am adding to what you said—the technical expertise, the selection of equipment, I assume for purposes of comparability across the system.

I wonder if the minister could tell me a little bit more about MERLIN's role in this, and, secondly, I am interested in the public reporting of this. How were applications received? How were they initiated and what kind of report is there available on the 21 school divisions that have already signed up? For example, which school divisions have chosen to become part of this?

* (1500)

Mr. Stefanson: Again, Mr. Chairman, rather than trying to speak for Education, I will do a couple of things. I can certainly undertake to get information and a status report for the member for Wolseley.

She is correct when she talks about MERLIN's role being one of a technical nature and of an equipment nature, acquisition, installation. MERLIN, as I believe the member knows, is a special operating agency, but its function is really just that. It is the implementation

of the distance education initiative, through technical and various aspects, although, obviously, part of that, they do have interaction with school divisions in terms of discussions around what forms of equipment and implementation will meet various school divisions' needs.

I know there have been some articles of late about school divisions like the Evergreen School Division that several years ago implemented a form of distance education, and they are looking at their compatibility with the MERLIN network and, of course, the ongoing costs of the system and so on.

So MERLIN does interact on that kind of a basis in terms of looking at comparability or compatibility and also does have discussions with organizations like the Manitoba telephone system in terms of the ongoing operating cost. But their role is mostly of a nature, implementation and technical. In terms of the public reporting, as I said, of the \$8 million budgeted for this initiative at the end of 1997, approximately 20 percent had been spent.

I will certainly follow up in terms of the amount of detail that will be provided in the next annual report for the infrastructure program in terms of the amount of detail provided around all of the projects but, certainly, projects like the distance education initiative. I can also undertake to get as much comprehensive information as possible for the member about the current status in terms of the naming of the individual school divisions and so on.

Ms. Friesen: What was the fee that MERLIN charged for this advice and liaison or co-ordination or whatever they did in this program?

Mr. Stefanson: Mr. Chairman, I am told that the costs of implementation are covered by the contributions from the three parties participating, the provincial government, the federal government and the individual school divisions. So from those funding sources, the project manager and any other costs would be paid.

I am not aware of any other fees or ongoing fees, but I want to be absolutely certain, and I will get back to the member on that issue. But I am told the costs of MERLIN as such, of the MERLIN administration and

the project manager, are really funded from those three funding sources, the federal government, the provincial government and the contributing school divisions when they have made a decision to become a part of the implementation.

Ms. Friesen: We are talking about the \$8 million. So out of that \$8 million of which a third is the Province of Manitoba, a third is the federal government, a third then is the local school divisions, and out of that a portion will be paid to MERLIN. My understanding from the minister is that MERLIN now is getting two portions of that. One is the section that he has essentially already talked about, that is the co-ordination and the advice that is being given for compatibility of equipment, and the second will be the continuing role of MERLIN in this project as project manager. Am I understanding that correctly?

Mr. Stefanson: Not entirely, Mr. Chairman. The first element, the co-ordination and administration, is correct, but I am told that the continuing role of MERLIN in terms of the ongoing implementation is a role that they will not be performing, that once the clusters are established they will be turned over to the individual school divisions. So any ongoing role for MERLIN basically ceases at that particular point in time.

But I want to be 100 percent certain on that, so if I find out anything that is contradictory to that, I will get back to the member as quickly as possible, and that makes sense to me, that this could very well be and probably should be how the project is implemented. Once it is established, it gets turned over to the school divisions.

Ms. Friesen: Well, we could debate that second part because what is obviously needed here is also software as well as co-ordination of different school divisions. The whole point of this, presumably, is to make savings on classroom teachers, extension of particular types of courses across different school divisions. So it is not just one school division you are turning it over to, but that is a different issue.

I am concerned about how much money has been paid to MERLIN out of this total \$8 million for not only its advice and participation until now but its full

advice and participation to the end of the project, as the minister has said, until the fall of this year.

Mr. Stefanson: Mr. Chairman, I will just summarize the categories for this infrastructure project. There is the full-time project manager; full-time secretarial support; the prime contractor for the microwave systems; the installation of the fibre optic connections to schools; the purchase and installation of modems and codecs. Classroom refitting may include a series of things from wiring upgrades to lighting upgrades, to moving, removing and installing walls and so on; the classroom equipment, which would include video equipment, audio equipment, control equipment and so on; the technical consultant time; electricians, architects, computer technicians, system integrators, and so on, and that would be it.

Now in terms of the breakdown of those components, again, I will undertake to provide as much further detail as I can to the member, but those are the components of the Distance Ed infrastructure project.

Ms. Friesen: The minister has anticipated part of my next question, but I want to be sure of it. Is there any money in this \$8 million for training—the training of teachers, the training of classroom assistants, the training of what might be called trouble shooters, or is all of the training, the technical training—I think it was towards the end that the minister mentioned this—is that all sort of one-time only for installation?

* (1510)

Mr. Stefanson: Mr. Chairman, I have nothing in terms of a little more detail to those components that I have just outlined that would indicate support for training to individual teachers or other individuals in school divisions, but I will undertake to get back to the member on that issue as well.

Ms. Friesen: Mr. Chairman, the minister indicated at the beginning of his discussion that this is limited to K to 12. Is there something within the larger boundaries of the federal-provincial agreement which excludes colleges, universities, post-secondary training, other forms of training from this interactive television network? Is there something which enables them to have access to it later? Why was such a large distance

education—this is a lot of money in the context of how much Manitoba has put into distance education. This is a very large portion under one sense of direction. It seems to me unusual that the co-ordination has not been done with the post-secondary institutions.

Mr. Stefanson: Mr. Chairman, I am not sure if I completely understand the member's question. She was asking about training, but then made some reference to post-secondary education. Maybe she could clarify what information she would like.

Ms. Friesen: Mr. Chairman, my question was about the overall funding principles on which the Canada-Manitoba agreement was made. My concern is that this \$8 million, which is a large amount of money in terms of the amount of money that Manitoba has devoted to distance education, and that this seems to have been limited to the K to 12 area, whereas it seems to me, particularly in distance education the opportunities for co-ordination are much greater than the government has taken advantage of.

So I am wondering what the reason for this is. Why K to 12? What connection has there been with post-secondary education, and does it lie within the funding parameters of this program or is it government policy of this particular province?

Mr. Stefanson: Mr. Chairman, I think, as the member knows, this was an initiative that actually came out of the Department of Education, and we were pleased that we were able to convince the federal government to be supportive of this under the infrastructure program. My colleague the Minister of Education (Mrs. McIntosh), just in January of this year announced a program with the post-secondary institutions in Manitoba, a \$2.7-million infrastructure program over and above the \$8 million which will include the universities and community colleges. So originally we always promoted it on the basis of both K to 12 and post-secondary education. Because of some early funding decisions, we were only able to get a commitment initially for the K to 12 component. Subsequently, the federal government agreed to the post-secondary component of it.

We are pleased that we are ending up with a program affecting all of those elements. In terms of specific

questions around training, I know individual school divisions have, to varying degrees, done quite a bit in this area, and I think I would rather leave it to the Department of Education to talk about their co-ordination of training in this whole area of information technology within the educational system. I think the issue of co-ordination is important, and I am confident that a great deal of that is in fact taking place, but I think the Department of Education and the minister can more appropriately speak to specifics that are taking place.

Ms. Friesen: We have, however, under this program for whatever reasons—and I understand the minister to be saying that it is federal reluctance initially that this program is limited to K to 12—but what we have is two different programs. We have K to 12, \$8 million interactive television, which is a very particular—and some people, I mean, there is quite a bit of debate about it as to whether it is the most appropriate route to go.

Secondly, we have a \$2 million, approximately, post-secondary initiative which I understand is not interactive television. Where do the two meet? What is the sort of overall strategy for distance education within the infrastructure program, and what co-ordinating plans did the government have? Were they foiled by the federal government's requirements, or was there no co-ordination to begin with?

Mr. Stefanson: Mr. Chairman, I am told that Manitoba's seven colleges and universities all are a part of the post-secondary component of distance education, and they are intending to use this new funding that is available to connect community clusters as well as workplaces and homes throughout the province. The colleges and universities will use a combination of interactive video, data Internet, and multimedia technologies to meet the needs of their target markets and ensure cost-effective program delivery.

As with the K to 12 portion of the distance education project, the post-secondary portion will be managed and co-ordinated by MERLIN, and the total funding, as I mentioned, for the post-secondary distance education network is \$2.7 million with \$900,000 coming from the federal government and \$900,000 from the provincial, and, obviously, \$900,000 from the post-secondary institutions.

Ms. Friesen: What I am still trying to get at is what is the connection between the use of the \$8 million and the use of the \$2 million? Are we really setting up two different kinds of systems? Is there any access for the post-secondary institutions to the school division infrastructure or vice versa?

Mr. Stefanson: A good question, and it really is all the same project. The original submission from the Department of Education was on the basis of one project dealing with K to 12 and post-secondary, but because of funding and initial commitments from the federal government, we were only able to proceed with the K to 12, continued to press for support on an ongoing basis for the post-secondary, ultimately received that, and it is now part of the initiative. But it always was presented as one entire program, obviously maximizing the utilization of facilities, networks and so on at every opportunity.

Ms. Friesen: Could the minister table a copy of that proposal?

Mr. Stefanson: Mr. Chairman, I will certainly follow up on that, and if I am able to, I will table it if there are not any reasons, compelling reasons, why it should not be. Again, I do not want to prejudge if there are, but if I am able to table it, I will certainly provide the member for Wolseley with a copy.

Ms. Friesen: Is the minister aware of any other documents in the Canada-Manitoba Infrastructure agreement which are not public documents?

* (1520)

Mr. Stefanson: Mr. Chairman, the kind of information that is tabled with the Infrastructure Secretariat—of course, we have agreements with the federal government which are public. We have project applications which I believe are made public, I think usually with the consent of the project proponent, and then we do enter into agreements after we have agreed to a project with the project proponent, municipalities or university or whatever the organization might be, and, again, I believe those are public documents.

So there is not a great deal of secrecy around the infrastructure program, and sitting here today, I am not

aware of why the distance education proposal could not be provided, so I have undertaken to look into it, and if there is a reason that it cannot be, I will certainly provide the member with the reason why it cannot, and we can have a discussion at that point in time. But I will follow up on her request.

Ms. Rosann Wowchuk (Swan River): Just one other question on distance education. In the Swan Valley School Division, there has been great effort to bring distance education to the students in our area, post-secondary education, I should say, because when you take into consideration the cost of people travelling and students having to move to another city to get their education, it is very expensive. The school board has done a very good job of setting up a distance education site, but they have run into difficulties with financing and are not able to offer the courses.

Can the minister indicate whether Swan Valley School Division is involved in the project and whether they made an application to the infrastructure program to have help with their post-secondary education project, whether any funding was made available to them or it is only for K to 12. I know that the K to 12, there is a site as well, but I am more interested in distance education.

Mr. Stefanson: The member is correct that Swan Valley School Division is a part of the K to 12 initiative, and they have been one of the more active school divisions in the whole area of distance education. As to the impact of the post-secondary, I would have to check with the department. As I said at the outset, all seven institutions are participating: University of Manitoba, St. Boniface College, Brandon University, University of Winnipeg, Keewatin Community College, Red River Community College, and Assiniboine Community College are all participating in the post-secondary. As to what impact there would be in the Swan River area, I would have to check with Education.

Ms. Wowchuk: Another area that I wanted to talk about is the rural gasification. There was \$21,713,000 set aside for gasification of rural Manitoba. Can the minister indicate whether that money has been spent, whether the people who made application have been successful in completing their project, if there is a list

of communities that have been successful and those that have not?

Mr. Stefanson: Mr. Chairman, the gas projects are basically done. Two rural natural gas projects, the Centra Gas Manitoba project and the Gladstone Austin Natural Gas Co-op, were partially funded through the Canada-Manitoba Infrastructure Works program totalling \$21.7 million. Services have been installed and natural gas available to 14 rural communities under the Centra project. Under the Gladstone Austin project, it has been the surrounding communities have been impacted by this. I am trying to think if there is any other information to provide. Total capital investment for both projects is estimated to be around \$28 million. The member recalls, because I know the area she represents was one of the areas that put in the original applications, Centra went through a detailed process of getting sign-up from individuals and businesses, and part of the original ability to proceed with projects was based on that sign-up and the commitments from individuals and from municipalities. When Centra was ready to proceed with the various proposals at that particular point in time, the Swan River area was not ready to proceed in terms of commitments. That has changed since the original rural gasification project. The member knows that there has been ongoing discussions with the federal government, with our government about moving forward with a rural gasification initiative in the Swan River area.

Ms. Wowchuk: Can the minister just indicate then—there is a new infrastructure program and more infrastructure money that has been announced—is there money in the new infrastructure program for natural gas? Is there another program with the new projects that are going ahead? As the minister indicates, I am interested in what is happening in the Swan River Valley—where that money will be coming from. There has been some federal commitment, but is it infrastructure money or is it just new money that has now been found for these projects?

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

Mr. Stefanson: As the member for Swan River knows, we as a provincial government have made a commitment of, I believe, approximately \$1.5 million towards the gasification project in Swan River. To date

the federal government, I believe, has made a commitment of \$750,000 from the funds that were made available under the Western Grain Transportation Act fund so, obviously, there is still a shortfall there in terms of federal commitment.

If I can back up—I am not sure if the member heard my comments about the top-up agreement, but we have signed this top-up agreement with the federal government for a total amount of \$41 million basically to be utilized in 1997-98. We are allowed some spillover, but the focus is that the majority of the work is to be done during 1997-98. Out of that \$41 million, \$14 million was allocated to residential streets in Winnipeg, \$14 million to roads outside of Winnipeg, rural Manitoba, and there is approximately \$12 million available in a strategic fund. That is the same approach we used in terms of the original program. So there is not an awful lot of money available in the strategic fund, but there is the ability to do some other projects. So, we continue to look at how we can get the Swan River project moving.

* (1530)

Ms. Wowchuk: Can the minister indicate—and I did not hear his comments earlier, so he may have covered this—what the deadline is? Is there a deadline for applications for this fund? Is it first-come, first-served? How is this \$12 million that is in the strategic fund going to be allocated?

Mr. Stefanson: Good question, Mr. Chairman. The original infrastructure program was a \$204-million program. We, as the member knows, called for a second full-fledged program of at least the same amount—\$204 million. We did that for several reasons. One was because the first program had a billion dollars in requests for a \$204-million program, so there certainly is an awful lot of need and demand out there. Secondly, we do believe there is benefit to the overall economy in Manitoba. There are jobs being created through programs like the infrastructure program, so we pushed for a second full-fledged program. Unfortunately, the federal government decided to do this top-up provision and, because of the fact that the total program was only \$41 million, a decision was made early on not to get into a whole range of applications, because we would be getting applications

for several hundred million dollars for only \$41 million of project.

What we did is when we set the \$14 million aside for the City of Winnipeg, we are going to accept the City of Winnipeg's recommendations for the streets they want to do. When we set the \$14 million aside for rural Manitoba, we are accepting the recommendations of the advisory committee which is made up of representatives from UMM and MAUM, and those projects were just announced on Friday. So there is just this \$12 million left. We are not looking for applications against the \$12 million because we already have hundreds of millions of dollars of applications in the system of which there are some gasification projects in the system of which Swan River is one of the applications that is in the system. So we felt very strongly for what little amount of money was available against this tremendous demand and need that is out there, it did not make an awful lot of sense to put communities through an application process, through a process of thinking that their project is going to be approved when they probably had a 1 percent or 2 percent chance. We were better off to go back, basically, to existing projects, have discussions with municipalities or organizations that have had their projects on the books for a few years now, and we knew that we had more than enough projects that were needed out there and would benefit Manitoba's economy. So we did not get into an application process because of the limited amount of money that was going to be available, and we knew we had lots of requests and lots of worthwhile projects that were already in the system.

Ms. Wowchuk: Can the minister then explain the process that people will—is it the government that is going to decide then that this project is a worthwhile project, so we will call the people in the Swan River Valley and tell them that we have some money available? What is the process going to be that is going to be used to make the decision on how that \$12 million will be allocated?

Mr. Stefanson: The process is basically the same as the process for the original program, the strategic component of the original program, which was \$84 million where we sit down with the federal government, go through the various projects that are before us, and

ultimately make decisions as to which projects to support. If we need additional information we, obviously, have officials obtain that information. So the final decision on the strategic, on the \$12 million, is made by the federal and provincial governments through agreement.

Ms. Wowchuk: I would imagine then, Mr. Chairman, that it will also be a lobbying process for those people who have projects who want to see them completed who will then be trying to get the government to recognize the value of the project and see whether they can convince them to use some of that money for it.

Mr. Stefanson: I hope not. Again, just because of the limited amount of money that is available against so many projects, and we have really indicated to proponents we have the information. If we need more information the secretariat will obtain it. We are certainly well aware of projects. Again I will use the Swan River gasification as an example, because representatives from those communities, the communities affected, have met with our government. I am not sure if they have met with the federal government, but they have certainly met with various members of our government to further discuss their particular project. But, again, I would not want to be indicating to communities that it is going to be based on lobbying efforts for a couple of reasons. First, there is only \$12 million on projects. I do not think we want them all coming down here and lobbying us, and at the end of the day we are going to make them on the basis of what we feel will have significant economic impact, what is some regional balance. With the original \$84 million in the strategic, we tried to have a fairly equal split between urban and rural, which we did. With this \$12 million, we are also looking at a reasonable split between urban and rural, and so the test will really be economic development, jobs, fairness, need and so on. So I would not be encouraging communities to be putting a lot of effort into lobbying politicians.

Ms. Wowchuk: On another area, and I just have one more area that I want to ask questions about. When I look at the annual report of where projects were done, we have a lot of need for improved roads throughout the province, and we have a lot of need in northern Manitoba, in Northern Affairs communities, on reserves, and none of those were addressed under the

infrastructure program. Was there a reason? Were those excluded for a particular reason, and how does the government propose to address those?

I think again about many communities that I represent that are Northern Affairs communities that have roads that are in dreadful condition, are in desperate need of improving their water and sewer situations in order to have healthier communities, but they have not been included. Can the minister indicate why they were not included and then whether there are any plans to look at to encourage other programs that would result in better conditions in these areas?

Mr. Stefanson: Maybe I will talk first about the existing program, \$204-million program. As I have said, \$60 million was set aside for Winnipeg. The City of Winnipeg gave us their projects, and we accepted all of them. The \$60 million was set aside for rural Manitoba. We had three representatives from the Union of Manitoba Municipalities, three from the Manitoba Association of Urban Municipalities, so a committee of six people made recommendations on how to distribute that \$60 million. We accepted all of their recommendations. That was done through direct representation from the municipal governing parent bodies. They really did it very much on equal regional distribution. They looked at per capita in the regions of the province and the individual communities, distributed that \$60 million very much on a form of a per capita formula so, again, distributing it equitably to all of the communities.

Out of the \$84 million, we also were able to do a couple of northern community projects. Through Manitoba Northern Affairs, we did the Brochet sewer and water main construction project which was about \$710 million. We did the South Indian Lake sewage treatment facility which was—did I say \$710 million—\$710,000, I am sorry. I wish we had \$710 million available, but \$710,000 for Brochet sewer and water, and South Indian was \$415,000. So we did a couple of northern communities. As well, there was a separate program through the Department of Indian and Northern Affairs of the federal government—and I would have to get you the total quantity of that program—so there was a separate infrastructure program available for projects on reserve. I would not want to give you a number without confirming it, so I will

undertake to provide you the exact number that was provided in that way.

So through all of those vehicles, we did make what I feel is reasonable allocation in terms of trying to meet the needs fairly in all different parts of the province.

Just to conclude, Mr. Chairman, out of the first program, out of the \$60 million that was available for outside of Winnipeg or what we will call rural Manitoba, the PLCC, the advisory committee, recommended and we accepted programs totalling almost \$5.8 million, so that was, again, based on their recommendations and regional distribution. With the top up, the \$41 million, as I have already said, \$14 million was set aside for the City of Winnipeg for residential streets which the City of Winnipeg will make recommendations on and we will, I am sure, accept those; \$14 million was set aside for rural Manitoba. They were announced on Friday, and they were all the recommendations of the Provincial-Local Consultative Committee.

* (1540)

Again, UMM and MAUM, we accepted their recommendations. They, again, tried to distribute that at least on a regional population basis so that all regions of the province received at least their fair share on a per capita basis. I think they did a good job of that. So they did allocate money to all the regions of the province. Then, of course, the \$12 million that we have talked about will ultimately be announced in the next few weeks after we have concluded projects with the federal government.

So there certainly has been, I think, very much of an objective to have regional distribution to do projects in all parts of our province. I would suggest that collectively between the levels of government, the municipal organizations, the municipal governments, that we have managed to do just that, that we have had a significant amount of regional equity.

Ms. Wowchuk: If the minister could provide us with a copy of that special agreement that he talked about in aboriginal communities, that would be appreciated. But one last question I wanted to ask the minister is: Did the Department of Northern Affairs play any role

in the decision-making process to ensure that the issues and the infrastructure concerns of Northern Affairs communities were addressed, when the decisions were being made as to how these funds should be allocated?

Mr. Stefanson: Mr. Chairman, on the first point, yes, I will undertake to provide both the total amount that was available for aboriginal communities along with the individual breakdown by community. The Department of Northern Affairs was very aggressive when the infrastructure was first announced in terms of submitting a whole range of projects. We have to recognize that we are just one partner in the infrastructure program and when we started looking at the billion dollars of requests that I outlined earlier, there were an awful lot more projects than there was money.

We were able to get the support of the other partners, of the federal government, for the two projects that I have already touched on in both South Indian Lake and Brochet, but Northern Affairs did submit more projects than that. They have also submitted a project again under the top-up agreement. Northern Affairs, in terms of what role they should be playing to promote the needs in different communities and realizing there might be a pool of money that is available to access, have certainly undertaken to do that and have done that quite aggressively. I would suggest that they are certainly performing the function that they should be performing, recognizing at the end of the day they, like so many proponents of projects, are not going to get everything they ask for, because there are so many more requests than there is money.

Ms. Marianne Cerilli (Radisson): I have questions in two areas. One is a constituency-related matter and the other we will deal with, a Pan Am Games issue. Starting off with the constituency of Radisson which has the community of south Transcona that experienced flooding again this spring, I am wanting to ask the minister if he can, first of all, confirm what I understood from his response to the member for Swan River that there is \$12 million still in a strategic component from the '97-98 infrastructure program; and, if there is no more money from the previous years, from the annual report it looked like there was still \$25 million left in that component from when this annual report was written. Am I understanding that correctly,

and is all the money then from that \$25 million now spent?

Mr. Stefanson: Mr. Chairman, the member for Radisson is basically correct. Out of the \$84 million that was originally available for strategic funds out of the first program, all of that has been allocated to projects. There is still at least one project that has not finalized whether or not it will proceed and that was the allocation to a facility at The Forks for a baseball facility. It was a notional allocation of \$3 million. Obviously we are waiting to see what ultimately happens with that project. So that money has been set aside but has not been confirmed until we have a project that is verified.

She is right that, out of the top-up agreement, \$12 million was available for strategic. Some of that has been announced. Out of the strategic \$12 million, \$2.25 million has been announced for the renovations and development at the pavilion at Assiniboine Park, and approximately \$500,000 was announced as a top up for the Pan-Am Pool. The Pan-Am Pool received \$1 million out of the strategic component of the first infrastructure. They have now received an additional \$500,000 out of this \$12-million allocation, because at the end of the final review of what was required for the Pan-Am Pool, it was determined about \$1.5 million was required for the pool redevelopment.

Ms. Cerilli: I apologize. I am probably going to have to go back to some of the answer, but I was just discussing with the member for St. James (Ms. Mihychuk), who was also in the Estimates in Energy and Mines, so I am going to pass the microphone to her and will come back to my questions.

Ms. MaryAnn Mihychuk (St. James): I thank you and my colleague for making room for me. I am in my own department's Estimates right now but did wish to ask the minister some questions related to what I believe would be a very important initiative, and that is looking at a noise abatement program in association with the airport development.

We have seen investment by all levels of government in the airport through Winnipeg, through the Airport Authority, making Manitoba a hub of transportation. By far the majority of my constituents support it. We

have already seen a fairly significant increase in the amount of traffic coming into the airport, which is also understandable, and the people that live in St. James that are directly affected by it also understand that. However, I would ask: Has any consideration been given—and infrastructure would be a good way to invest in the community—to providing a program for noise abatement to the homes that are directly affected by this enhanced use of the airport?

If we look at the 40 decibel range, which I understand from Airport Authority officials is, and I quote: like living on the runway. There are 400 homes in Winnipeg that are in that situation. I would ask the minister whether there would be consideration for a community improvement program for the homes directly affected by the expansion of the Winnipeg airport.

Mr. Stefanson: Mr. Chairman, the member raises an important issue, but under the infrastructure program, in terms of its initial functioning, it has been application-driven for the first \$204-million allocation. So organizations had to submit projects or applications. There was no application that I am aware of relative to a noise abatement program. That \$204 million has now been spent or has been allocated. We have a \$41-million top off of which most has been allocated.

I think the whole issue of noise abatement—obviously, the Winnipeg Airport Authority took over the operation of the airport, I believe, at the start of this year. They have a series of plans and issues. They recognize the importance of maintaining that airport, I believe; as a 24-hour a day airport. It will create significant economic opportunities for Winnipeg and Manitoba, but I think they also appreciate the need to have the support of the adjacent community, that that is going to be fundamental. So it is certainly an issue.

I have meetings occasionally with the Airport Authority on various issues. I am certainly prepared to start entering a discussion with them, because they are looking at various initiatives in terms of their long-term future, their long-term viability. I think if the member is getting at the point that the community has to be supportive otherwise there are going to be problems, I would agree. So it should be an issue that we should be at least starting to look at what kinds of initiatives or

things can be done to continue to maintain, because the area of St. James really has been extremely supportive and understanding of the benefits of the airport.

* (1550)

Ms. Mihychuk: The Deputy Premier (Mr. Downey) has just arrived and is suggesting that I am complaining about the noise. Rather it is the people in St. James that are very supportive of the airport and live with considerable noise 24 hours of the day and still continue to support the airport. What I am asking for is the continued support of the people that live in that very close vicinity to those runways.

I would suggest that we investigate a program that already exists in the United States. There is a noise abatement program that actually is available to the citizens in Minneapolis-St. Paul. It is run somewhat differently than I would suggest. It is a program that is federally run and funded through the airport authorities. Now, given that the Winnipeg airport is presently under a program where we are looking at all levels of government, I would suggest that perhaps the funding model may be locally suited—would need to be modified to be locally suited. So presently it is funded in the U.S. through a user fee. I am not suggesting that. I would ask that all levels of government look at that program which is available. It does help local communities and the residents close to the airport and does make things much more harmonious between the airport and the local residents. We do have considerable infrastructure here in Manitoba. It would be a jobs-plus program. It would be a benefit for the local community, and it would improve, I believe, the co-operation with the airport. So I am very pleased that the minister will delve into the program, and I would sense a degree of support. So I thank the minister.

Mr. Stefanson: I would just ask the member, if she has any specific information, if she could provide it to me, but other than that I will certainly follow up on the issue

Ms. Mihychuk: My colleague from Radisson was just suggesting that I point out that what I am talking about is a home insulation program. Individuals can apply. There are inspectors that would go into the home, see what could be changed to improve the situation. There

is a list, I understand, of certified contractors. Certain modifications would be allowable, including windows, I think doors, some insulation, air conditioning, things that would directly and dramatically improve their lifestyle. So it is my understanding that the average cost is approximately \$5,000 per home. Now there are some, if it is no upper limit, I am sure would probably exceed that. But, again, we are in the preliminary stages, I hope, of a program that will indeed benefit the people that live close to the airport.

Mr. Stefanson: Mr. Chairman, I really have nothing to add. I am certainly prepared to follow up, and, as I say, if there is any additional information members can provide, I would appreciate that. But I will follow up in terms of getting information and discussing it, as a starting point, with the Winnipeg Airport Authority.

Ms. Cerilli: Go from airport noise back to flooding in south Transcona. The minister is smiling, and I hope I can get the same kind of receptiveness as the member for St. James just did. I believe that the minister had confirmed that there is still money in—\$12 million, no \$21 million, no, it was \$12 million left in the '97-98, what is the term that is being used, expansion of the infrastructure program. I am wondering if there are discussions with the city to consider having \$1.75 million of that money used for the flood abatement in south Transcona. The minister is familiar with the dispute that is now going on between the city and the province of utilizing the Urban Capital Project Allocation. The city is saying that they are not open to that, and they specifically specified that in the resolution they passed at City Council. I think it was on February 12. I am concerned that this project is going to not only not go ahead this year but is going to again miss having an infrastructure allocation because of the way that these programs work and the prioritization process and all that. So, first of all, I am wondering if there are discussions to have that project funded. The province has agreed to fund it 50-50 with the city, and I am wondering if the infrastructure money is being considered, and if not, some explanation of why.

Mr. Stefanson: First of all, in terms of the money available, the member is mostly correct or partly correct. Out of the \$12 million, as I mentioned, we have allocated \$2.25 million to the pavilion projects,

another \$500,000 to the Pan-Am, so that is just under \$3 million allocated. As I said earlier, out of the \$12 million, we are looking to distribute it more or less 50-50 Winnipeg and outside of Winnipeg. It is all based on projects so it is not necessarily exactly 50-50, but it will probably end up somewhere close to 50-50. So I am just trying to give her a sense of how much money is left available in that pool.

She is correct that we have already indicated our willingness to fund 50 percent of the project in Transcona, and there were some concerns about the funding source. I am optimistic that those can be sorted out and that we can end up with an agreement with the city whereby we will both fund 50 percent outside of the infrastructure program. We will fund our share from our Urban Capital initiative which we do with the City of Winnipeg. As she is aware, we are just entering into our third agreement with the City of Winnipeg for another six-year capital program, and I am very confident that we will reach an agreement with the city to do the \$3.5-million project with 50 percent coming from us and 50 percent coming from the city.

Ms. Cerilli: Was the issue of using this infrastructure money discussed? I know the minister has met with city councillors and people from the city on this. Was there a discussion of using the infrastructure money?

Mr. Stefanson: Mr. Chairman, we never had an official application on file, so I am told, from the City of Winnipeg for funding for this project under the infrastructure, but I certainly was a part of some discussions with some councillors on whether or not this infrastructure top up would be a potential funding source. I go back to what I said to a question earlier, final decisions on utilizing any of this money requires the support of the federal government, our government and usually the other partners. So when we looked at all of the projects that were before us against \$12 million in funding available, there were an awful lot more requests than money and other projects were deemed to be supported from this particular funding source of \$12 million.

But we as a province, as the member knows, have indicated over the last several weeks that we are prepared to support half of this project. We really were just fighting—I will use the word “fighting”—with the

City of Winnipeg over our funding source, the provincial funding source. I believe we have resolved that, and the project should be able to go ahead based on 50-50 funding. So I think the objective for all of us is to get the project done. We certainly support the project. The combination of projects that we had under the infrastructure—way more projects than the amount of money—we felt the fact that we were prepared to support it under the capital program should allow the project to proceed, and I am confident it will proceed on a 50-50 basis.

Ms. Cerilli: Well, I thank the minister for clarifying that. It sounds like then the province won the fight—so to speak—and that the city is going to have to settle for them using the UCPA which I think is great for the local residents in the south Transcona area. I have a few other questions though about this issue.

* (1600)

You had talked about looking at all the projects, and I wanted to get a sense of how this works because the province and the city or other municipalities have a whole list of needs in the community and there are all these different sorts of pots of money. I am wondering if the cabinet, or any other way through government, there is a broad look at all the needs that are there and all the different funding sources or programs and that there is some prioritization across programs. I think that the residents in south Transcona would find it pretty hard to swallow when they look at some of the projects through infrastructure that are being funded, and they are continuing to have a foot of water on their streets and water flowing up to their basement windows every spring and perhaps in the summer as well when it rains torrents in our province.

So I am concerned at the way that these programs work in isolation of each other, and we ran into the problem two years ago or so when south Transcona did not have an application in the infrastructure program because the City was going to fund it through capital and local improvement and the project was not approved and then they missed the boat, so to speak, on getting any infrastructure money. So I am wondering how this works across the board through the different departmental programs and looking at all the needs coming forward throughout the province.

Mr. Stefanson: Mr. Chairman, I would argue that there is pretty good co-ordination. All of the project applications that come in, we consult with various departments within the provincial government that are affected by any project application. As the member knows, we have divided the total funds into these three pools of money, so for the City of Winnipeg \$60 million into the first program, they decided the priorities in terms of residential streets versus regional streets versus sewer and water, and so on. The \$60 million in rural Manitoba, the rural municipalities decided that, and for the \$84 million, that was decided by the federal government and the provincial government, but as I say, after our soliciting input from any of our affected departments. So there was a high level of co-ordination.

I am fortunate that I have responsibility for the infrastructure program. I also chair Treasury Board, so I also have the luxury of doing just what the members are requesting, of being aware of what all of our programs are. So, to cross-check a particular application against other programs or other areas of funding, and the classic example was the Transcona project this go-round where I was aware that there was an opportunity for us to fund it under the UCPA program and we were prepared to commit to it, that at least we had confidence that there was a strong likelihood of that project proceeding with our support. As I have already indicated, I am confident it will proceed.

Ms. Cerilli: Is the minister aware then if that, as I understand, there will be a new resolution that will have to come forward if that is going to happen this spring with council.

Mr. Stefanson: In terms of the city process, even though I spent almost eight years there, I cannot recall if they have to go back all the way to City Council with a revised resolution. They probably do, but all the information I have, I am cautiously confident that the city will end up supporting the project as put forward by our government to them.

Ms. Cerilli: I wanted to ask the minister: Who is on the provincial local consultative committee and then who is on the city committee that deals with the proposals and prioritization?

Mr. Stefanson: The PLCC from rural Manitoba has six people serve on it, three from UMM and three from MAUM. The three from UMM are the president, Mr. Jack Nicol, Mr. Wayne Motheral, although it used to be Mr. Larry Walker before Wayne Motheral, and their executive director, Jerome Mauws.

Then from MAUM, it is Glenn Carlson from Portage la Prairie, Stella Locker from Thompson, and their executive director, Rochelle Zimberg.

From the City of Winnipeg, it is the mayor and the chairman of Works and Operations. Those are the two main contact people that we have. We have also dealt directly with various representatives from the city on individual projects, Pan-Am Pool probably being the most recent example where we dealt more directly with their Parks and Recreation department. But the senior contact people in terms of the City of Winnipeg priorities and initiatives have been the mayor and the chairman of Works and Operations.

Ms. Cerilli: With respect to the south Transcona flooding problem, I was noticing that the Rural Municipality of Springfield had a project that was a water supply and distribution project that was about \$1.75 million in the '95-96 part of the infrastructure program. I am wondering if at any time there was any discussion or proposals to deal with the south Transcona flooding problem by the R.M. of Springfield, because as the minister knows, the bulk of the water does come from farmland outside of the city limits and is from the R.M. of Springfield. A lot of residents in south Transcona believe that the water should essentially stay out there and should be taken toward the floodway which is only a kilometre away from the area of housing that gets flooded.

A lot of the long-time residents there, some of them even have engineering backgrounds themselves, they really feel that this is feasible. I am wondering if there has been any discussions about that kind of a solution or any other kind of a solution in the R.M. of Springfield for diversion or retention of the water in that R.M.

Mr. Stefanson: As we discussed earlier, and the member for Radisson knows, this infrastructure initiative has been application-driven. I am not aware

of any application. We will certainly check the files to see if there was any application that might have accomplished any of the undertakings or initiatives that she is referring to. Of course, we did allocate under the first program \$60 million to the City of Winnipeg, basically for all intents and purposes, unconditionally, and we accepted their priorities in terms of the elements of that \$60 million. We will certainly check our files in terms of any application, but I am not aware that there are any that would have impacted south Transcona the way she is referring to.

Having said all of that, I think we found a solution in terms of coming up with the \$3.5 million. Hopefully, agreement will be concluded and that project can move forward.

* (1610)

Ms. Cerilli: I am interested though in finding out how feasibility is determined with the infrastructure program. If a program is based on an application from a rural municipality, how is either the Department of Natural Resources, for example, if it is flood abatement related, through Water Resources branch or Department of Environment involved? If there is federal money involved usually for projects, then they are involved in doing environmental impact assessments. But it is unclear when it is infrastructure money how you are going to decide if the proposed way to deal with the problem is the best way, if it is the most efficient and effective way to deal with the problem.

How is the province involved in all that? How is it determined how that analysis and feasibility and environmental assessment is going to be done?

Mr. Stefanson: Well, again, the member knows that this is a three-way funding arrangement, the federal government, provincial government, and in most cases municipalities. So you have to have the support of all three levels of government. Any of the projects have to go through all of the regular review processes. If they require environmental licences or federal or provincial environmental licences, any other reviews, they have to go through that process, but they can be announced in advance of it, subject to them clearing all of the necessary processes.

As I have indicated earlier, certainly in terms of any projects that we think our departments would have some information or expertise on, we solicit that directly from provincial departments. So I think on an overall basis the program has worked very well. Municipalities certainly basically speak quite positively about it. From our perspective it has worked well, and I think from the federal government's in terms of co-ordination and maximizing resources and drawing on expertise wherever possible. In many cases, municipalities are the best level of government with the greatest area of expertise. In some cases it is the provincial or federal. So there was high co-ordination, well delivered.

Ms. Cerilli: I would differ with that. Municipalities are not the most expert in terms of environmental impact assessment. They have no mandate really to do that. So particularly I am concerned about flood abatement, and I see the minister is wanting to clarify that so I will give him a chance to do that. But I just want to clarify, then, is that any different for the infrastructure program in terms of assessing feasibility and impact as compared to the Urban Capital Projects Allocation program? What I am asking is: Is the process for assessing feasibility and involving the resources of other government departments different under the infrastructure program as compared to the Urban Capital Projects Allocation program?

Mr. Stefanson: Mr. Chairman, I interpreted the member's first earlier question as relating in part to environmental but also in part to sort of areas of responsibility. I did not want to leave her or the committee with the impression that the municipalities have more expertise or responsibility in the area of environmental issues because they do not. That is the provincial government and the federal government, but in some other areas of responsibility they often are the best to deliver the particular service.

On her second question about processes, the processes would be very similar in terms of the reviews of departments within government and in any project ultimately having to receive whatever approvals that are required for the nature of the project. So if they required an environmental licence, they have to go through that process, or any other licences or requirements that any project might have.

Ms. Cerilli: I am wanting to see where we can have the information made available on criteria. The minister, since I have been listening to these Estimates, has talked about issues around per capita Manitobans involved. He has talked about need. He has talked about urgency. He has talked about the whole issue around what the city calls strategic or what is termed strategic part of the fund. I do not see anything in the annual report that specifies what the prioritization and criteria process are.

Mr. Stefanson: Mr. Chairman, the master agreement signed with the federal government outlines the criteria, and I will certainly undertake to provide the member with a copy.

Ms. Cerilli: Okay, I appreciate that. I am wondering, though, if you look at the projects that are being funded, 75 percent of them according to this last annual report were sewer, water and roads. Are the different categories ranked in that way with sewer, water and roads projects having the top priority? Is that fair to say given that 75 percent of the funding has gone to those kinds of projects?

Mr. Stefanson: Mr. Chairman, I think you have to go back to a lot of the original discussion when the infrastructure program was first put in place.

Certainly, one of the most vocal supporters of an infrastructure program was the Federation of Canadian Municipalities on behalf of municipalities right across Canada. So we developed an approach here in Manitoba, which I think some other provinces modelled, where we attempted to meet the needs and include municipalities in a significant way but also to set up a strategic allocation.

As we have discussed already, out of the original \$204-million program, \$120 million was set aside for municipalities to set priorities. Not surprisingly, their priorities are traditional municipal infrastructure which really are sewer, water and roads to a large extent. We also then did some components of that out of the strategic, but, obviously, the majority of the other approximately 25 percent would have come out of the strategic allocation.

So recognizing that you have to have a third partner, in many cases, the third partner is a municipality, and

their priorities are going to be sewer, water and roads, and, obviously, there is a need in that area in provinces right across Canada in terms of continual improvements in that area.

Ms. Cerilli: I am wanting to find out the number of infrastructure-funded projects that are related to the Pam Am Games facilities, and how much is being expended on each of those?

Mr. Stefanson: Mr. Chairman, the two most significant projects being funded from infrastructure affecting the Pan Am Games are the improvements to the Pan-Am Pool of approximately \$1.5 million, which the Pan Am Games are also contributing to the improvements at the pool, and then the Pan Am Games also have allocated some resources for a baseball facility. At this particular point in time, as I said earlier, there are \$3 million notionally set aside for a baseball facility, obviously subject to a viable location, business plan and potentially particular conditions related to community access, utilization and so on.

So those are the two most significant projects directly affecting the Pan Am Games.

Ms. Cerilli: Those two projects for the Pan-Am Pool. Was that prioritized by the city? They are under the strategic funding category, but I have the document from the City of Winnipeg, '97-98 extension of the national infrastructure program. This has recently gone through council, and I see that they are listed in the city's report. I understand they are not entirely funded out of city money, but they are part of the infrastructure program.

* (1620)

I am wondering, who is responsible for prioritizing these projects for the Pan Am Games?

(Mr. Gerry McAlpine, Acting Chairperson, in the Chair)

Mr. Stefanson: The member is correct. Doing some of the improvements at the Pan-Am Pool through the infrastructure agreement has been a priority of the City of Winnipeg. We had some discussions with the City of Winnipeg about the Pan-Am Pool. Ultimately the

decision whether or not to proceed with funding from the strategic allocation, our decision is made by the federal and provincial governments, but the city certainly put forward a case of this being a priority of theirs and that they were prepared to be a one-third partner. Obviously when we looked at all of the projects, we agreed that there was some merit to doing these elements of the Pan-Am Pool from the infrastructure program.

Ms. Cerilli: Would the minister agree to make available to me the criteria analysis for the Pan-Am Pool infrastructure projects under the strategic funding allocation?

Mr. Stefanson: Mr. Chairman, I do not see a problem in providing a copy of either the application or the agreement with the City of Winnipeg on the Pan-Am Pool. I have already undertaken to provide the member for Radisson (Ms. Cerilli) with a copy of the agreement with the federal government in terms of the terms and conditions of infrastructure programs. She can certainly test the Pan-Am Pool project or any other project against those criteria. Obviously the federal government and ourselves determine that it meets the criteria and believe that there is a combination of both the immediate jobs being created through the renovations at the pool and the long-term economic benefits to the city of Winnipeg and the province of Manitoba by doing the enhancements at the pool.

Ms. Cerilli: But the minister has said that the Pan-Am Pool is the only Pan Am Games facility that is receiving money under the infrastructure program. Is that correct?

Mr. Stefanson: That is the only one that has been confirmed with a project ready to proceed. There has been \$3 million set aside for the baseball stadium, but we are awaiting the conclusion of that project. That money will not be redirected to any other project until, hopefully, we know that we have a successful baseball project. It is being held for a baseball facility at this particular point in time.

Ms. Cerilli: One final question. I am wondering if what has been happening with municipalities as well, if they are trying to look at the Pan Am Games and see if they can relate some of their improvements to the Pan

Am Games. If, for example, I do not know if the retention pond in Transcona is still being considered as a Pan Am Games facility or not and if that would have changed its ability to access infrastructure money through this program. It seems like there was an attempt there to have it qualify for Pan Am Games funding or infrastructure funding by having it designated as a facility for water-skiing for the Pan Am Games, and I am wondering if that is the case.

Mr. Stefanson: Mr. Chairman, I guess in terms of Pan Am facilities, on an overall basis the Pan Am Games have allocated certain money to Pan Am facility improvement. As the member knows, we have committed \$23.5 million toward the Pan Am Games. The federal government has committed I believe \$30 million; the City of Winnipeg I believe \$10 million. So the Pan Am Games do have a capital budget towards facility improvement.

When it came to the improvements required at the Pan-Am Pool, there were some extensive discussions held with the Pan Am Games. There has also been discussion with the Pan Am Games about their baseball requirements. To date, the issue of water-skiing at the south Transcona lake or pond, Water-Ski Manitoba has approached the secretariat and had a discussion about the utilization of that site.

I am not sure at this point in time whether or not it would be the permanent site or a training site. I am told it would be a training site, that the skiing is still at this point in time allocated to another area, another jurisdiction. So there has been some input from that organization.

Beyond that, infrastructure is being supported to a certain extent to provide some support for Pan Am facilities, but the vast majority of the Pan Am upgrades or adjustments will be coming from the Pan Am Games budget itself.

Mr. Gerard Jennissen (Flin Flon): I am wondering if the minister could clarify for me under the strategic fund component Northway Aviation, which is project No. 286. Where is the location for that airstrip-seaplane base?

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

Mr. Stefanson: Mr. Chairman, it is a place called Biscuit Harbour which is near Pine Dock, Manitoba, which is on the west side of Lake Winnipeg north of Riverton, Manitoba.

Mr. Jennissen: The reason I was asking, I just wanted to clarify whether that was in northern Manitoba or not, and it appears not to be.

So under the Strategic Fund then, basically only two projects were done in northern Manitoba. Am I correct? That is Brochet sewer and water main construction and South Indian Lake sewage treatment plant.

If that is the case, we are talking \$1.1 million out of the total fund of 84. Is that correct?

Mr. Stefanson: Mr. Chairman, the member for Flin Flon (Mr. Jennissen) is referring obviously to the strategic component, because I think he heard some of the earlier discussion where out of the \$60 million that was set aside for rural Manitoba, I believe about \$5.8 million went to what we will call the North-Leaf Rapids, Thompson, Flin Flon, The Pas and so on. As I undertook for the member for Swan River (Ms. Wowchuk), I am going to provide her the summary of the total funding for the aboriginal communities, which was under a completely separate agreement from the federal government. That was funding for projects on reserve. I do not want to give the total amount without having a precise figure. But I undertook to provide both the total amount and any individual breakdown to the member for Swan River, so I will certainly provide the same to the member for Flin Flon.

* (1630)

Out of the strategic element, the approximately \$84 million, as the member mentions there was the South Indian Lake project, a Brochet project. There has also been some support provided for Churchill, the spaceport initiative in Churchill. I would also make the case that projects like distance education are benefiting all regions. I would have to get the detailed breakdown of specifically the impact on the northern communities, but as I said earlier, the various school divisions are being supported, as are our seven community colleges and universities, so I am confident that some of that is obviously being spent in northern communities.

Some of the other projects of a strategic nature really are benefiting people from all of Manitoba. I think to put the \$6.8 million into—I believe that was the amount for the agricultural building at the University of Manitoba—\$6.75 million, again, benefits young people right throughout this province. I do not think we would want to get into the regional breakdown of where those young people necessarily come from. I am sure they come from all parts of our province. So there are various projects that also are benefiting all Manitobans, irrespective of where the allocation is physically spent or the money is physically spent.

Mr. Jennissen: Yes, I do understand that. Although I want to point out there are not too many farmers in South Indian Lake, or likely to be, because it is just not the environment where people live. But what I was getting at, I guess, I am seeing straightforward spending of approximately \$1.1 million on the Brochet and South Indian Lake water and sewer projects. I am arguing that with 4 percent of the population in the North on \$80-some million, it looks low. I guess, although the minister has made the argument that there are other projects that would benefit northerners such as distance education. It looks mighty low. I would argue the neighbourhood of three million or so would more accurately reflect the population in northern Manitoba.

Mr. Stefanson: Mr. Chairman, when we have looked at all of these projects, I guess, two points: First of all, they are, and they have been, application driven, so you need applications from communities to deal with a project. I would have to go back and see what the nature of the applications was on a regional basis from northern Manitoba and the rest of Manitoba.

Having said that, the member is right, that is \$1.1 million for Brochet and South Indian Lake, but there is also approximately \$1.2 million available for Churchill, through the spaceport initiative, so those two combined take you up to \$2.4 million. Then he is right that I would argue, irrespective of the physical location of some of the dollars that were spent, they were spent on projects that are benefiting people right throughout our province, North certainly included.

Just on the issue of the distance ed, I think I did undertake for the member for Swan River (Ms. Wowchuk) to try to give at least some additional

information in breakdown because she was asking about expenditures for the post-secondary element in the Swan River area. I will certainly, as well, undertake to provide a similar breakdown for the member for Flin Flon, but I am told that, out of the total allocation for the post-secondary distance education, the total project out of Keewatin Community College will be approximately \$1.2 million, so again, a significant contribution to that community college.

Mr. Jennissen: Obviously, one of the criteria must be need as well, and we assess which project gets the green light and which does not. I presume regionalism is part of it as well, but you are trying to balance things according to population, to need and so on. If that is the case though, why are some communities which are really in desperate straits, and I am thinking of the community of Channing which is next to Flin Flon, still does not have any water or sewage, modern water or sewage, nor does the tiny community of Granville Lake. I guess you could argue Granville Lake is very small but Channing is not. I am sure that the City of Flin Flon must have made application for some of these funds.

Mr. Stefanson: The member is correct, that I believe Flin Flon had an application in for their sewer and water project. It is a project many of us are somewhat familiar with, quite familiar with, and, as he knows, \$60 million was set aside to the Rural Advisory Committee. I think what ended up happening is the rural committee attempted to be as fair as they possibly could be on a per capita allocation that he touched about earlier when he referred to the North, and looked at distributing the \$60 million more or less on a per capita. Having said that, Flin Flon and region did not have enough per capita to receive a contribution toward that total project, so I believe probably, I am sure Flin Flon received a project. They probably had a different project funded through the original \$60 million. In fact, Flin Flon received \$993,000 under the original program for constructing lift stations.

So again, out of the \$60 million, that is where the traditional projects were coming out of, the \$60 million for rural and 60 for Winnipeg. So \$120 million out of a \$204-million program was set aside for the traditional initiatives like sewer, water, roads and so on, but I think when it came down to the per capita distribution that is

in part what impacted Flin Flon in terms of their distribution from the \$60 million. Having said that, the \$84 million was used in a more strategic fashion for different kinds of initiatives, but it did include some allocation for Northern Affairs communities. I did indicate earlier that the Department of Northern Affairs did submit several communities for projects and these two ended up receiving support.

Mr. Jennissen: Now the minister alluded a little while ago to the fact that there is a separate funding arrangement with reserves. The reason I raise this is there is, I believe, a new reserve being formed just outside of Lynn Lake, about, I think, 20-some kilometres, called Black Sturgeon, and they need some help obviously with the road out there. We are negotiating with the Minister of Highways (Mr. Findlay) on that, but also there is no infrastructure. There is no hydro, no water, no sewage. None of this would fit under the strategic fund. Would they have to go a separate route for funding?

Mr. Stefanson: The member is correct that the projects for First Nations communities qualify under a separate agreement with DIAND, the Department of Indian Affairs and Northern Development. We are not a part of that agreement. It is directly with the federal government. I did undertake to get the details of the total allocation, what communities received support and whether or not there are any funds available to be accessed under that initiative. So he is correct that that would be the logical funding source if there are any funds still available and unallocated from that funding source.

Mr. Jennissen: Is there a possibility of overlap? I am thinking in the case of Granville Lake, they are trying to acquire a used, I guess, sewage treatment structure that has been taken out of the ground. It is no longer used by Pukatawagan, and they would like to use it now. Granville Lake is a Northern Affairs community. Pukatawagan and Mathias Colomb is a reserve. So I am saying, you know, there is a bit of an overlap there, and I am not sure if they can access any funds under this strategic fund or not. Is that a possibility?

Mr. Stefanson: I guess the simplest way to come at the question is to say that Northern Affairs communities would qualify under the strategic fund, as

they did in the first go around, subject to their projects stacking up against all of the other projects. As I keep saying, the limited amount of money that is available in the strategic fund, that certainly is a frustration for me and for our government, that we did support a second full-scale project for several reasons, one of the most important being that there are so many projects out there that, I would argue, are worthy of support from all parties, from the federal government, provincial government and either municipal governments or other organizations. We knew from the first program, the numbers of projects and the kinds of projects, and we supported a full-fledged second project. Having said that, we have the top up which just has this \$12 million in the strategic. So, certainly, northern communities can apply through Northern Affairs or I guess conceivably even directly, but as I said earlier in response to some other questions, I do not like to falsely hold out hope to any organization or community recognizing that there are many times more the numbers of requests than there is money available.

*(1640)

Mr. Jennissen: I want to thank the minister for that answer, and actually I am ready to stop asking questions at this point and turn it over to my colleague from Inkster.

Mr. Kevin Lamoureux (Inkster): Mr. Chairperson, I appreciate the member for Flin Flon doing that. My questions are actually fairly specific, yet I think quite important given the time that we are currently in with respect to the so-called flood of the century. There has been a great deal of effort in combatting this flood where we have seen temporary dikes being put up or so-called temporary dikes. Many would like to see these dikes become permanent fixtures. Even the Premier (Mr. Filmon) has acknowledged that in some areas that in fact will be the case. I know there are still some things that have to be worked out between the different levels of government in order to facilitate that, along with the property owners in some cases.

My question is: Does the Minister of Finance believe that infrastructure dollars can be used, whatever might be left, to assist in doing some landscaping or converting some of the so-called temporary dikes into a more long-term solution for future floods?

Mr. Stefanson: As the member knows, we signed this top-up agreement with the federal government several weeks ago. I have had some meetings with my counterparts, Mr. Axworthy and Mr. Gerrard on the allocation of the \$41 million. As the member for Inkster will have noticed, \$14 million was allocated to the City of Winnipeg for residential streets, which I think we can agree is a very worthwhile area; \$14 million was allocated to rural Manitoba for roads and streets right throughout rural Manitoba.

The advisory committee gave us their recommendations, and those were released just on Friday. A few of those roads are in communities that have been more directly affected by the flood and so on, so they are in regions that are affected by the flooding. Those communities have an allocation for some streets or roads. Then there is the \$12 million left in the strategic of which we have already announced approximately \$3 million. We have had earlier discussions about some preliminary allocations of that amount of money.

Having said all of that, I guess what I am saying to the member for Inkster is most of the \$41 million, if not all of it, has really been directed to projects already and therefore is not available to be redirected to any issues in the aftermath of the flood. He is right that we signed, the Premier (Mr. Filmon) signed the memorandum of understanding with the federal government just two weeks ago. It has got eight or nine components to it. One of the major components is finalizing an agreement on how to move forward with permanent and/or preventative measures. We are certainly supportive of moving forward with permanent and preventative measures. So those negotiations will be proceeding with the federal government, I am sure, very quickly to hammer out an arrangement and a process and a funding arrangement to deal with various initiatives to help individuals and communities deal with any potential flooding in the future.

Mr. Lamoureux: Three things come to mind with respect to coming up with finances in order to alleviate this problem in the future or at least address it in part. One is the current dollars that might be available from within money that is allocated through the infrastructure program. From the provincial government's perspective, are they prepared to have some of

those dollars go toward the reinforcing and landscaping of some of those dikes that could remain permanently? That would be one.

The second one would be a personal appeal, given the circumstances. I would suggest to you that the timing could not be better in the sense that we are getting close to the midway point of a federal election in appealing for additional infrastructure dollars with the incentive that the province is also prepared to throw in additional dollars. I think that there is some merit to that particular issue.

The third would be to come up with a commitment outside of the infrastructure program. The minister that is responsible for infrastructure is also the minister responsible for Finance and knows where all of those reserves are and I am sure could be creative enough to come up with some dollars that would be allocated strictly to the financing of some flood requirements.

Again, the type of flood requirements I am specifically looking for is more so—and I think it would be so sad and unfortunate if we started to see some of the things that we put up that could and should remain enhanced in some way being taken down, and maybe two years from now, hopefully not for another 50 years, we get the same sort of a scenario in the province of Manitoba. I would not want to see that happen. That is the reason why I look at it as three viable options that are out there, and I can add the latter one. One also could appeal to the federal government because that goes beyond the disaster assistance that the federal government would be putting forward, so for all intents and purposes it would be new money. I guess I would be interested in hearing the Minister of Finance's comments on those three issues.

Mr. Stefanson: We are dealing with the infrastructure initiative before us today, but in response to the member for Inkster, first of all, the \$41-million allocation for the top up has basically been allocated. By signing that MOU with the federal government, we are prepared to direct resources towards preventative measures. We have indicated we are prepared to do that, and it is a matter of sitting down with the federal government and hammering out an agreement in terms of the levels of funding, percentage of funding, and, ultimately, the kinds of things that should be done and

the projects that should be done. We are very supportive of moving forward really along the lines that the member is suggesting, that we achieve an agreement with the federal government towards various preventative measures.

His last point about additional infrastructure dollars—as he knows, we have been very strong supporters of a full-scale second infrastructure program. We pushed hard for—instead of just a top up—another \$204-million program, because we have seen first-hand the numbers of projects that have been requested, the needs that are out there and so on, plus we see the economic benefits to our communities and to our economy of the infrastructure program. Unfortunately, the federal government made the decision just to go with a top up. Many of us would like to see them, during these next three weeks, announce another full-scale infrastructure program. I think that would be a positive step and a positive initiative. We, as a government, and as individuals have certainly continued to press for that very initiative.

* (1650)

Mr. Lamoureux: I think there might be some merit in terms of now is the time to articulate for that, and hopefully we will see some sort of correspondence coming from the Minister of Finance, from within his office some time in the next couple of days where we are seeing some sort of an appeal for that top up of infrastructure dollars.

Back in '93, I can vividly recall the commercials of the wheelbarrow dumping money out saying not to go ahead with the infrastructure program. It was not coming from this government; it was coming from other parties in the last federal election. I know this government has consistently argued for infrastructure, and it was shortly after the election of '93, when we finally got a government that was prepared to invest in an infrastructure program. Hopefully that program will continue on into the future. The actual dollars, I think that is somewhat debatable, and I think that Manitoba has a good case currently to approach and see if in fact we might be able to get some more due to the special circumstances surrounding Manitoba currently.

The other question that I have for the Minister of Finance is, he makes mention of the fact that the

government is indeed open to allocating dollars from within infrastructure money. How does he see any sort of public input? For example, when I was on Scotia Street, there were a couple of residents that I met there that felt that the infrastructure program would be a good program which they would like to tap into. Carol on Scotia Street—cannot recall her last name right offhand—Beitzel was her last name. She was in fact quite keen on the idea of the infrastructure. Does the minister see some sort of a mechanism or a vehicle in which members from the public, in particular areas that were hit, would be able to express some concerns and how they believe we can prevent these sorts of floods in the future or minimize the damage by using infrastructure dollars?

Mr. Stefanson: Mr. Chairman, I think in terms of the infrastructure program, we have already indicated the funds are allocated. I do not have the MOU that was signed with the federal government in front of me, but we have indicated that we are prepared to move forward with preventative measures and establish ideally a funding level, project qualification and so on. So I see that as the vehicle to move forward with various preventative measures.

In terms of writing the federal government, I think as the member for Inkster (Mr. Lamoureux) knows, I have written the federal government on at least a couple of occasions referring to the need for a second full-fledged infrastructure program. I am certainly prepared to continue to press the federal government for a second infrastructure program.

The Acting Chairperson (Mr. Sveinson): 27.3. Canada-Manitoba Infrastructure Program.

Mr. Leonard Evans: I think we are pretty well ready to pass this item now, but just a very quick concluding remarks. I just wanted to remind the minister that infrastructure spending, infrastructure programs are not new in Manitoba. I can think back to the Schreyer years and I guess to the Pawley years where we had not, unfortunately, federal dollars, but we did have municipal dollars in a joint federal-provincial program, again designed initially to create jobs throughout the province and to give us the benefits of certain assets that could be in place. The details are there for anyone who wants to study it. Many millions of dollars were

spent, and I think very successfully, in the years gone by.

Certainly, I am encouraged by what the minister says, that he is quite happy and willing to participate in additional infrastructure programs, assuming the federal government is ready to come forward with some proposals.

I just want to conclude with one observation. A lot of people do not understand this, and many people may disagree with me, but as long as we have unemployed resources in Canada, which we do, unfortunately, in large measure and particularly in the Atlantic region and Quebec and given the fact that we have very, very low inflation, in fact, almost nonexistent in some instances, that there is a good case to be made for the federal government to do far more than it is in terms of providing jobs, in stimulating the economy, helping business in doing so, helping all of us to get jobs in doing so and financing it through the Bank of Canada interest free.

As I pointed out to the minister the other day, back in 1976, 21 percent of the federal debt was held by the Bank of Canada compared to 5 percent today. What I am suggesting is there is a lot of room for the Bank of Canada to take on more new federal debt, as is being proposed by some other people in this country who are incidentally not members of my party. The Canada Action Party, I believe, is one that has been established, the leader of which was at one time a federal cabinet minister, a Liberal cabinet minister, and then sought the Tory leadership. He is a businessman and he is proposing a massive stimulus of the Canadian economy through spending financed by the Bank of Canada.

I am saying that this program would be a classic case of utilizing central bank finance to create jobs without imposing an interest rate burden on the taxpayers because, as I have indicated before, money borrowed from the Bank of Canada is interest free. It is interest free because the Bank of Canada, by its act, has to pay all of its profits in terms of dividends back to the federal Treasury at the end of each year. So it is virtually interest-free money.

I am just saying this because I am trying to get the Finance minister interested so that when he goes to

future meetings, then maybe he would be receptive to this idea or may even like to promote it, that the federal government need not think of getting itself into more deficit spending in terms of increasing the burden. I mean, that is the problem with debt and deficits. It is the burden of interest rates—so if you can increase the deficit without increasing the burden of interest rates by using the Bank of Canada's credit which could be done in a noninflationary way, given the fact that we have so much unemployed and underutilized resources in the country, so here is a challenge essentially to the federal government.

But if you could get the Government of Canada, whichever party, if you could get the Government of Canada to understand this and pursue this, it would be of great benefit to the province of Manitoba. I could see much larger programs, and we would certainly benefit thereby, not only in terms of employment but also, of course, in terms of basic economic investments that would help our economy grow in the long run.

Having said that, and I know we are about out of time, I think we are quite prepared to pass this item. I doubt if there is any time to get on to the Canada-Manitoba Enabling Vote, because we have only got one minute, but we are quite prepared to pass this.

The Acting Chairperson (Mr. Sveinson): Order, please.

27.3. Canada-Manitoba Infrastructure Program - Capital \$22,600,000—pass.

Resolution 27.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$22,600,000 for Other Appropriations, Canada-Manitoba Infrastructure Program - Capital, for the fiscal year ending the 31st day of March, 1998.

Committee rise.

CULTURE, HERITAGE AND CITIZENSHIP

The Acting Chairperson (Mr. Ben Sveinson): This section of the Committee of Supply has been dealing with the Estimates of the Department of Culture, Heritage and Citizenship. Would the minister's staff please enter the Chamber.

We are on Resolution 14.2 Culture, Heritage and Recreation Programs (f) Public Library Services (1) Salaries and Employee Benefits \$761,900—pass; (2) Other Expenditures \$676,600—pass; (3) Grant Assistance \$4,107,200—pass.

14.2.(g) Historic Resources (1) Salaries and Employee Benefits \$1,117,100.

Ms. Diane McGifford (Osborne): Mr. Chair, last year in Estimates the then minister announced a review of The Heritage Resources Act. I think as this minister can see by reading Hansard, I was quite surprised and taken aback by this announcement because I had understood that everything was functioning well and achieving its purposes.

The former minister said that the review would include public consultations regarding—and I believe I am quoting him here—the challenges and opportunities inherent in the stewardship and management of heritage resources in Manitoba. I have been following quite carefully I think, and I do not believe that this review has taken place or perhaps I have missed it.

* (1440)

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): Mr. Chair, I understand that following last year's Estimates my department undertook an intensive strategic planning review. The review clarified that there is a need to promote the results of our heritage work but that a full review of the legislation did not appear to be required at this time. I understand also that The Heritage Resources Act continues to be a successful means of encouraging the preservation of heritage sites and monitoring or minimizing potential impacts on heritage resources in areas of underdevelopment. So I am pleased to say that The Heritage Resources Act is working as it is intended to do.

Ms. McGifford: I am pleased to hear that The Heritage Resources Act is working, too. Then, I take it that the minister is saying the plans announced by the former minister to have public consultations regarding challenges and opportunities inherent in the stewardship, et cetera, in fact did not come to fruition, that there were no public consultations, and that other

decisions have been made within the department that override that announcement in—I believe it was on the record last year.

Mrs. Vodrey: I understand and I am informed that the summary of the situation by the former minister—and I have this in quotes. I do not have a page number, but I understand what he said was, and this is a quote: I know that senior staff in their strategic planning will follow up on that—meaning a possible review—and decide whether there is some new direction we need in heritage or whether we just need a more public focus on some of the things that we are doing.

I am informed that in following up, as the minister stated in Hansard last year, the department undertook an intensive strategic planning review which I spoke about in my last answer. Through that review there appeared to become clarified that the focus really needed to be on the promotion of the results of our work, and that a full review of the legislative side was not necessary at this time. So the focusing on the decision to promote both cultural and heritage product is part of the goal.

I also understand that we do have an ongoing liaison with the heritage community and that liaison communications is a source of strength for developing new initiatives to make Manitoba's heritage much better known, and that there is a commitment to continue discussions with the Manitoba Heritage Council on how we can build on past achievements and identify new strategic partnerships and actually make our message more widely known that Manitoba's heritage is worth keeping and worth sharing.

Now as the next year unfolds, based on the decisions and the work that was done last year, I will have to determine whether or not there then needs to be any changes at this time. I understand that the Heritage Council has requested a meeting, and I believe that meeting is set up, and so I will be meeting with them fairly soon.

Ms. McGifford: Last year under Activity Identification, I read in the Estimates book that Historic Resources administers The Heritage Resources Act. This year the language, the rubric sets standards and

delivers programs in accordance with The Heritage Resources Act. I want to know if this is just a change in language or if there is—I should not say just a change in language, that does not really do justice to language—is it a change in language? If not, if it is a very substantive change, I wonder what that change is.

Mrs. Vodrey: Certainly there still is an administration of The Heritage Resources Act, the need to implement the act and the need to enforce the act, but the changes that the member notes in terms of the Activity Identification in this year's Estimates book show a focus on working with communities and working with community development and assisting communities as they set up their own heritage group.

I am informed that there are 42 community heritage groups at the moment. So the change in wording reflects the focus, no diminution of responsibility, but an additional focus now on working with communities.

Ms. McGifford: Does the department of Historic Resources continue to provide technical advice to the owners of provincial and municipally designated buildings?

Mrs. Vodrey: Yes. I am informed the answer is yes.

Ms. McGifford: I cannot see that in the Activity Identification or is it—maybe I am looking in the wrong place.

Mrs. Vodrey: I understand the intention, when we put this Estimates book forward, was to have the last statement under Activity Identification, which reads, "Fosters the stewardship of Manitoba's heritage treasures by present and future generations," reflect that activity.

Ms. McGifford: So the minister does not think it is important or necessary to be more specific and definitely, say, use the term "technical restoration." I realize there has been quite a revamping of the whole description of what the department does, so perhaps this is in an attempt to generally focus more and be briefer and perhaps clearer for that reason. Maybe the minister would like to respond.

* (1450)

Mrs. Vodrey: I probably should have just waited another moment in answering the last question to also point the member to the third statement under Expected Results, which may be a little bit more specific to her original question, of assisting heritage building or site owners, organizations and communities to take responsibility for stewardship of their heritage resources, that reflecting the assistance provided by the department.

Ms. McGifford: Thank you for pointing that out to me. Now, I have a question under Grant Assistance, because in this current Estimates book, the blue one, the 1997-98 Departmental Expenditure Estimates, under Grant Assistance it says that in 1996-97, \$247,400 went to Museum Grants and \$465,000 to Community Heritage Grants, but when I checked with my book from last year, in fact I saw different figures, although I believe they tally up to the same. It had in last year's book, Museum Grants in my book, last year's book, were \$225,800 and Community Heritage Grants \$486,600. I do not quite understand the discrepancy.

Mrs. Vodrey: Mr. Chair, I am informed that in the past in the print the grant to the Dugald Museum used to be reflected in the Community Heritage Grants line. That dollar amount is now reflected in the Museums Grants line. There is no change in the amount of funding, so that would explain the difference in the lines.

Ms. McGifford: Yes, I noticed that there was no change and I just wondered what had happened there.

I wonder if I could have a list of grants given to community museums and the Community Heritage Grants for whatever year we are up to. I guess we have not made decisions for '97-98 yet or have those decisions been made?

Mrs. Vodrey: Mr. Chair, I am informed that we have the grants to March '97, and I am prepared to provide that to the member.

Ms. McGifford: I understand that The Heritage Resources Act created the Manitoba Heritage Council and that the Historic Resources branch provides administrative assistance to the Manitoba Heritage Council. Is that correct?

Mrs. Vodrey: Mr. Chair, Donna Dul, who is currently the director of the Historic Resources branch, acts as secretary to the Heritage Council. In addition, we have approximately \$6,000 of expenses which are drawn from our operating line.

Ms. McGifford: I am assuming that heritage councillors are appointed by the minister and the chair is appointed by the minister. Is that true?

Mrs. Vodrey: Mr. Chair, yes, that is correct.

Ms. McGifford: I am assuming then the minister takes into consideration the expertise that is required to do that work, and that is the way in which councillors are ultimately determined or is there any public input into the process or how is it done?

Mrs. Vodrey: Mr. Chair, yes, the minister does make the appointments and in looking at what is required, I understand the need for heritage expertise. Ministers have acknowledged that. I understand, as well, many of the current council members have community volunteer experience. They also are trained or have academic background and expertise in areas of history, archeology, architecture, in particular, and there is an effort made to balance the membership on the committee recognizing its function.

Ms. McGifford: Could the minister tell me how long councillors are appointed for and how many councillors there are? Could I also have a list of the names of council members?

Mrs. Vodrey: Mr. Chair, a full-working council would be comprised of 22 members. There are some members which need to be appointed to the council, so I am looking to do that and have that accomplished.

In terms of the length of time of each of the appointments, I am aware that it is two or three years, and I will just have to confirm. Perhaps we can move into the next question, and I will confirm whether it is a two- or a three-year appointment.

Ms. McGifford: Well, the question was: Could I have a list of the current membership?

Mrs. Vodrey: Mr. Chair, yes, there is no problem with that.

Ms. McGifford: I wanted to take the opportunity to thank the Manitoba Heritage Council for the forthcoming Manitoba Day heritage event which unfortunately was supposed to take place today, but it was cancelled due to the flood. I know members of our caucus look forward to participating in the event, and I think it is a wonderful idea so I wanted to just make that comment.

The Acting Chairperson (Mr. Sveinson): Shall the item pass? The item is accordingly passed.

14.2. Culture, Heritage and Recreation Programs (g) Historic Resources (1) Salaries and Employee Benefits \$1,117,100—pass; (2) Other Expenditures \$339,700—pass; (3) Grant Assistance \$692,400—pass.

14.2.(h) Recreation and Wellness Promotion (1) Salaries and Employee Benefits \$415,000.

Ms. McGifford: Last year there was a subdepartment entitled “Fitness” and this year it seems to have vanished. At least in my book, it has vanished. It must have vanished. Am I correct in my assumption that Fitness has been amalgamated then with Recreation and Wellness Promotion?

Mrs. Vodrey: Mr. Chair, yes, this still exists as the Fitness Directorate, but contained within the budget lines of Recreation and Wellness Promotion.

Ms. McGifford: I guess I want to ask one more question about Fitness. Is this the program that did the evaluations of the MLAs' health and whatnot, if we chose to be so evaluated?

Mrs. Vodrey: Mr. Chair, yes, that is correct.

Ms. McGifford: In 1995-96, the line for Northern Recreation Directors Project was \$125,000; in 1996-97, the amount fell to \$90,000; and this year the project has totally disappeared. I have a couple of questions here. First of all, if the Estimates in 1995-96 was \$125,000, I wonder what was actually spent.

* (1500)

Mrs. Vodrey: Mr. Chair, I am informed that all of the dollar amount was spent and now the training program has been devolved to Keewatin Community College, and they are now able to offer a certificate course for recreation directors as part of their regular curriculum.

Ms. McGifford: So it was a project more than a program that has been passed over to Keewatin Community College?

Mrs. Vodrey: Mr. Chair, I am informed that it was a pilot project with the intention of devolving it and now that devolution is complete.

Ms. McGifford: When it was in the former stage, when it was a project, did individuals need to pay tuition fees to access that project? I am assuming they would need to with the community college.

Mrs. Vodrey: I understand that in the pilot program phase individuals were not paying a tuition fee. I am informed now that often it is the sponsoring organization who will pay a tuition fee for the person's participation in the certificate program.

Ms. McGifford: So a sponsoring individual—could the minister explain to me what she means by that phrase?

Mrs. Vodrey: I was wondering if we had an example, but I think in a general way it might be the Northern Affairs community or it might be a specific band who would be sponsoring an individual to go through the certification process.

Ms. McGifford: The minister seems to be implying—and maybe I am putting words in her mouth—that, despite the fact that the project has been moved into Keewatin Community College where a tuition is paid, accessibility is not an issue.

Mrs. Vodrey: I can provide for the member the information that I have received which suggests that it does not appear to be an issue. In fact, as the program was set up, it has now moved in the direction that it was understood to be moving.

Ms. McGifford: It would seem to me that training recreation directors in the North is extremely important work because of the fact that we hear over and over

again that there is not much to do in some of the northern communities and directing energy into recreation seems to be a very healthy way to direct energies. It seems to be a very proactive kind of project, so I certainly hope that the inclusion of a tuition fee is not decreasing accessibility to the work of that project. I wonder if there is any information on numbers. I do not know how many persons would formally graduate from the project in a year as compared to what has happened since the program has been transferred.

Mrs. Vodrey: While we are attempting to find the numbers, I will just make a couple of comments to the member's comments about northern recreation. I would also say that it, I think, is a very important part of community functioning in all areas, but there are certainly some very important effects that have been shown in terms of recreation in northern communities. I understand that the number of graduates who will be graduating this spring is five. I am also informed that there is a full intake for this September '97. I understand that the number is in the range of 12 or more, and now that it is being administered by Keewatin Community College, people actually come out with college certification.

Ms. McGifford: I still wonder how many students graduated before this program became part of Keewatin Community College.

Mrs. Vodrey: I am informed that at the previous graduation there were 19 who graduated. I understand that in this case there was an intake of approximately 12 with a graduation of five, so there is an attrition rate while people become settled with the program. I certainly would be hopeful that in the next intake, which is this September, that there will be a very low attrition rate, but sometimes it is always hard to tell with family matters and other issues that pull people away from the completion of a course in a sequential manner. However, I will certainly be watching that program.

Ms. McGifford: Mr. Chair, with a fall from 19 graduates to five, it is pretty hard for me to believe that the implementation of a fee has not made the program less attractive than it formerly was. I mean, this is a decrease of some 400 percent. It just seems to me it has to have made a difference.

Mrs. Vodrey: I would not want to oversimplify the number of graduates by simply reflecting on a fee, a tuition fee which is required to receive certification in most areas, and this one is no different from others if this is to be viewed in such a professional way.

Now, the member draws a comparison between the 19 who graduated and the five, but the intake was smaller. The intake was 12 or so, which I gave her in my previous answer. The intake being smaller does not necessarily reflect the fees either. The member could draw a simple conclusion that that might be one of the reasons, but there could be many others in terms of interest in the community. There are varying numbers of people who apply for entry in a number of areas, and we will be talking about other programs, I believe, in the Status of Women in terms of where the numbers of entrants vary. It is not necessarily because there is a fee charged in terms of the numbers who actually graduate. I know the member knows that there is also an attrition rate which occurs, to my knowledge as a former Minister of Education, in most faculties in most areas of study.

* (1510)

I believe the point that she is making is to say that this program is an important one and needs to be monitored for its effectiveness. I understand that we, as a department, have kept the research and evaluation functions of the program. So, in keeping the research and evaluation of the program, then I think it will be very important for us to watch and see—does this program have a reasonable uptake, is the attrition rate similar to other programs or is it higher for some reason—and therefore to evaluate. So, to the member, in our discussion, I want her to know that the point is not lost. However, I do not think that we can simply draw the line between whether or not the pilot project versus the program which was always intended, to my knowledge, to become a part of the regular program offering of Keewatin Community College, that the imposition of a fee is in fact the reason for a lower intake because I think that is a very simplistic way to look at it.

I understand as well that there were communities who were involved in the pilot project. Those communities have been served very well, and so now

communities have to decide what further uptake they will have. Other communities have to decide. So we have a group of communities who are part of a pilot project from which there were some graduates, 19 graduates, I understand. Other communities now have to make a determination as to whether or not this is a priority for their communities as well.

So I would, in our discussion, say that I think it is very important that we maintain a watchful eye on the evaluation of the program, because I do think that the service rendered by graduates is important.

Ms. McGifford: I wonder if the minister could tell me what the fee is to take the program at Keewatin Community College.

Mrs. Vodrey: Mr. Chair, I am sorry. I do not have that information. I will be happy to get it for the member.

Ms. McGifford: I think I disagree with the minister. The minister commented that this situation was no different from any other situation and that most programs, nearly all programs, required a student to pay tuition and undertake a course of study and then graduate. But I think that it is different in that, just in the way that northern Manitoba is different from many other Manitoba communities in that the resources in northern Manitoba are often extremely limited. So I do not think that I am being simplistic. I think it only makes good sense to consider that a tuition fee may well discourage students from enrolling or even bands from being able to enroll.

I know the minister also deprecated my observation that 19 graduated previously, and in the spring of 1997 there will be five graduates, by talking about attrition. But I am assuming that the year 19 graduated there was also an attrition rate and some students were lost. So, if we are going to be logical, we have to apply the same arguments to the same years. It seems to me that the simple truth is levying this tuition fee—and I am not even arguing that it should not be there. I am saying that it has made a difference in the number of persons who graduate from that program.

Mrs. Vodrey: I think the member is perhaps a little sensitive in her use of deprecation. We are discussing

an issue, and it is obvious that we have differing opinions on the issue. I think the member is aware of test groups, when people begin something and all attention is focused on them, that perhaps the attrition rate is not necessarily as great when you are the first or you are the focus. When the program then moved into a regular program methodology, there has been some attrition, and I think the attrition rate is important to discuss because there is a fact. I am informed that there was also quite a high attrition rate in the New Careers program when that was offered through Keewatin Community College. So this is an issue.

You know, Mr. Chair, I want to say that I do not minimize the issue of attrition, because I do know for Keewatin Community College that when people attend there they do have to leave their home communities. That is one of the major issues of educational issues in the North, and I remember considering it very carefully in terms of how to assist people within their communities. I am also not attempting to rely on it. I use it as one explanation in terms of the numbers. But, when we have an intake of approximately the same again this fall as that class, then I think that part of our role in terms of evaluation is, one, to look at it, and if there is some way that we can improve an attrition rate, then I think we need to try and do that as well.

If we have a low uptake, then I think we need to look at that also to say, has there been some kind of a deterrent? But I do not think that we are at that point yet, although I think our discussion today has been one which certainly points out an important issue, because we think that the graduates are important to the communities.

Ms. McGifford: Far from being sensitive, I am merely looking for logical and intellectual consistency in what works in one situation also applies to another. So if there was attrition in one situation, then presumably there was in another. However, I think I have made my point, so perhaps we could move on.

I understand that Recreation is the branch that is involved in the Child and Youth Secretariat.

Mrs. Vodrey: Yes, that is correct.

(Mr. Marcel Laurendeau, Chairperson, in the Chair)

Ms. McGifford: I wonder if the minister could tell me then how Recreation has worked with the Child and Youth Secretariat. Have there been financial commitments? Does the department have staffing commitments, and specifically, what work has been done?

Mrs. Vodrey: From the Recreation side, we have had a commitment to the Child and Youth Secretariat. I am informed of one-half a staff year. We have not committed financially. We have not put in a contribution financially towards projects to this time. However, there, I believe, will be some projects announced in the near future in which we will be making a financial contribution.

The staffperson has concentrated most efforts in the area of concerns around juvenile prostitution, emotional behavioural disorders, juvenile sex offenders, and youth street gangs. So youth at risk has been an area of concentration for the Recreation side.

Ms. McGifford: Actually I do not have any more questions on this.

* (1520)

Mr. Chairperson: 14.2. Culture, Heritage and Recreation Programs (h) Recreation and Wellness Promotion (1) Salaries and Employee Benefits \$415,000—pass; (2) Other Expenditures \$217,500—pass; (3) Grant Assistance \$665,700—pass.

14.2. (j) Regional Services (1) Salaries and Employee Benefits \$921,600—pass; (2) Other Expenditures \$303,300—pass; (3) Grant Assistance \$35,100—pass.

Resolution 14.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$29,838,700 for Culture, Heritage and Recreation Programs for the fiscal year ending the 31st day of March, 1998.

Mrs. Vodrey: In the organization of the Estimates book I know that we move on to 14.3 Information Resources, but I wondered if my colleague would be willing to consider instead line 14.5 next and then revert to 14.3. If we could move to 14.5 now which is the line dealing with capital appropriations, I currently have the staff with me who may be able to assist in

providing information. So I wondered if there would be agreement to do that.

Mr. Chairperson: Is there agreement of the committee to move over to line 14.5? [agreed]

So we will move now on to 14.5.

14.5. Expenditures Related to Capital - Grant Assistance (a) Cultural Organizations \$3,752,800.

Ms. McGifford: I have a few questions here, and perhaps I will just start asking them.

Could the minister tell me why the grants to cultural organizations have increased? Is there a particular project which accounts for the increase? Is there are particular project?

Mrs. Vodrey: The increase, I understand, is the \$525,700, which is included in the Canada-Manitoba Enabling Vote under the General Agreement on the Promotion of Official Languages. In short, it is for the Centre du Patrimoine.

Ms. McGifford: Then I misread that, because I thought that sum was to be added to what was already in there. So the minister has cleared that matter up for me.

I notice the Heritage Buildings grants have decreased by 16.5 percent. I wonder how it has been determined, or if it has been determined, that heritage buildings are 16.5 percent less important than they were last year.

Mrs. Vodrey: I understand that over the years this fund has made really considerable progress towards the restoration of historically designated properties, and the reduced level will sustain the initiatives. Clients also can reapply for phase stages of restoration at this point as well.

Ms. McGifford: So the minister is saying most of our heritage buildings are in very good shape and we do not really need the same kind of money as was available last year or perhaps the year before even.

Mrs. Vodrey: Well, I did not say that everything was complete, and it would be wrong to think that was what I had intended as well. What I did say was, over the

years the fund has made some considerable progress. There will always be requests. There will always be, I am sure, even more requests than the dollar amounts could actually meet in each year. However, I do understand that the level that has been put forward this year will sustain a number of initiatives which have been put forward, initiatives which may be seen by the community in fact as priority initiatives, and that there is still a commitment by this government in this area to assist heritage buildings

Ms. McGifford: I wonder if the minister could tell me how many requests were received last year and, if any, how many were turned down.

Mrs. Vodrey: Mr. Chair, we do not have that list with us, but the point is one in which I made in my last answer. I believe, though I could be corrected, that in fact there were probably more requests even than the dollar amount that has been available, but the decisions are made based on the priorities which are put forward, and there has been a recognition of some work being done. So as this government has looked at developing priorities, I am very pleased at how they have been able to maintain this grants program, and I understand that in maintaining it, we look to be able to assist in the heritage buildings area, relating to capital, the priority requests that will come again.

Ms. McGifford: Is it the Heritage Grants Advisory Council that makes decisions about these grants, who gets them and who does not?

Mrs. Vodrey: Mr. Chair, the answer is, no, they are not recommendations that come from that group. They are, instead, recommendations which come through the department, and the applications are evaluated according to a point system and then recommendations are received through the department.

Ms. McGifford: Could the minister explain to me what branch or division or part of the department she was referring to?

Mrs. Vodrey: Mr. Chair, it is the Historic Resources branch.

Ms. McGifford: In one of her answers the minister said that priorities were created. So it is the Historic Resources branch that creates the priorities.

* (1530)

Mrs. Vodrey: Mr. Chair, I understand that there are eligibility criteria, and the eligibility criteria are that the building must be a provincially or municipally designated heritage building of a particular architectural or engineering merit and of historical significance. The applicant must be the owner of the building, or the applicant must be the holder of a long-term lease—that being at least a minimum of 10 years beyond the date of the application to this program—and the applicant must provide long-term maintenance to the designated historical site. Then with that eligibility criteria, I am informed that there is a point system, and through that point system, the priorities are recommended.

Ms. McGifford: Well, clearly then, the priorities do not change from year to year. It is not as though one year the priority is saving or providing funds for urban houses and the next year it is for something else. There seem to be some quite fixed criteria.

I understand then that the Historic Resources branch, if I might ask this question at this point, makes decisions about community museums grants, community heritage grants and heritage buildings. I am wondering why the Heritage Buildings line is here then and not in the Historic Resources. I realize this is kind of a housekeeping question, but sometimes I find the Estimates books quite confusing, and this is one of them.

Mrs. Vodrey: I understand that it is the provincial accounting policy to show capital in a separate area.

Ms. McGifford: If a place like Eaton's store were looking for money to restore it, would this be the area or be the place that it would apply for a grant? I am not doing this work on behalf of Eaton's. I am just curious.

Mrs. Vodrey: The building would need to apply for a heritage designation, either under the city or the province. Then, depending on which it received its designation from, they would be eligible then to apply for a grant. I understand that the grant is a little bit more if it is a provincially designated building than if it is a municipally designated building.

Ms. McGifford: Can a building be both provincially and municipally designated and be eligible for funds from both?

Mrs. Vodrey: No, it cannot.

Ms. McGifford: I have a few questions about the Community Places Program, which of course is a program near and dear to the hearts of New Democrats, since I believe it was first announced by a New Democratic government in the 1986 throne speech.

Are there one or two intakes for applications for this program?

Mrs. Vodrey: There is one intake for this program.

Ms. McGifford: So all decisions about monies are made at the same time, and could the minister tell me when that intake is, please?

Mrs. Vodrey: The deadline for the application submissions was May 2, but for areas where they were affected by the flood or where community members were busy fighting the flood and were unable to get the application complete in terms of certain details, then there has been an extension for those applications on a case-by-case basis depending upon the needs in their community.

Ms. McGifford: I understand that formerly the maximum grant was \$75,000 and that the maximum grant at sometime fell to \$50,000. Is my understanding correct, and if it is, when did it change, and I suppose, why did it change? Indeed, why did it change?

Mrs. Vodrey: The member is correct that there has been a change in the maximum level. The maximum level now for a grant is \$50,000. I am informed that the change occurred approximately four years ago, and I understand that it was in an effort to provide perhaps more opportunities for people. If the grant was slightly less, there may be in fact some additional applications which might be funded.

Ms. McGifford: So the minister was striving for more equitable distribution, or this may have been one of the reasons behind the decision, I gather. This is a matching grant program.

Mrs. Vodrey: Yes, it is a matching program.

Ms. McGifford: From some analysis that our caucus staff did, we found that from the 1995-96 list of recipients that 70 percent of the grants went to constituencies held by Conservative members and that 75 percent of the money granted went to constituencies in which Conservatives were the MLAs. I find these numbers very interesting. I wonder if the minister would like to comment on it or indeed if she would like to account for it.

Mrs. Vodrey: I am sure that the NDP staff did their best in terms of trying to determine what the allocations are. My understanding is that, first of all, members and community groups need to know about the Community Places grant, and so it does require members in particular, all of us as members, to make sure that our communities know about the grants and also what may qualify. I understand as well that the department certainly works very hard with all applicants in terms of trying to assist them in developing their applications wherever they need assistance.

So in the first instance, I would say that communities need to be made aware, and members. If the member has a concern about it, members on the other side, if there is any information that can be provided to them that would be helpful to them, I would be more than happy to make sure that they receive it. But that seems to be the first step.

Ms. McGifford: Well, last year when I asked the then minister about this matter, he said that there was an attempt to spread grant money around the province and he said, and I am quoting him here: The folks that work in this area work with our regional offices throughout. I think it is the seven regions of the province evaluate and look at the needs.

Then he says later on: The staff and the Community Places offices go out and evaluate each and every application that comes in. They like to look at all the projects and see what community funding is available and whether the project meets the criteria. Of course, they like to do that.

He certainly gave the impression that there was an effort to distribute monies equally throughout the

province. It would seem to me that he also gave the impression and took responsibility for his ministry to inform people about the availability of Community Places grants. After all, he was the Minister of Culture, Heritage and Citizenship for the entire province, not just for the 31 Tory ridings, and so it of course would be his duty to keep everybody informed, and yet the statistics show 75 percent of Community Places grants, 75 percent of the total dollars went to Conservative constituencies.

* (1540)

Mrs. Vodrey: Well, first of all, I would say that the member does seem to have a very good idea of what my department can do to assist communities, and I believe that they do that, that our regional services do provide assistance, that there is the effort to go out and assist and assess communities. But, when the member brings a political question to this Chamber, such as more went to Conservative ridings, in her estimation, than others, then the answer is also one which says then perhaps there needs to be some effort on the part of local members or those who are assisting to also make sure that, if there is a program or project or an initiative in their community that they would like to have assessed, then there be some effort to help the community put that forward.

That is in no way diminishing the responsibility of the department to assist. The department is available to assist and will; and, to my knowledge, in the short time that I have been in this portfolio, it certainly does. But, when the question is a political one, suggesting political, then I think that we cannot avoid, on the other hand, the need and the effort of all of us in this Chamber as well to assist in our communities.

Ms. McGifford: Last year when I phoned the Community Places office to get an application for my community centre I was told the application was changing, and I have never heard back from Community Places until this day. I mean, I have not still heard on this day. So my effort to find out things certainly did not work.

Mrs. Vodrey: Well, I have to say that is a first that I have heard of that difficulty the member had, so I am glad she raised it. I wish she had raised it before now

even. There are many opportunities for us to talk on these matters, and if there is an operational matter that I should be made aware of, then I am always glad to know and will make every effort to see what the member needs or any person, if I received a concern about the department, to make sure that in fact that was passed along and corrected. So, for the member opposite, I will make sure that she does receive a phone call with applications or whatever she would like to have, and I will endeavour to have an explanation provided as well.

The only way you can do things better is if somebody tells you what you need to do. So, if you had a concern about that, I certainly would have been glad to have known about it even before today, because the problem is today, the deadline has passed.

Ms. McGifford: I have my individual concern, but the concern that has led to the questions that I have been asking was not peculiar to me, it was the statistics that I quoted.

I wonder if the minister could tell me exactly who makes decisions on who gets grants, and if there is an appeal process.

Mrs. Vodrey: The decisions are made by government on recommendation of the staff, and in looking at the applications, staff for Community Places make a determination based on merit. They look at the need for the facility within the community or the assistance to the facility. They look at the degree to which funding is in place, or if there is something still outstanding that is required. They look to provide technical assistance which may be required.

For instance, the example that I have been informed of is a day care example in which case we will ask for assistance from the day care people to provide technical assessment. Also the staff look at the ability of the community to actually sustain the operating of the facility. Our regional staff provide the assistance, particularly with the assessment of the projects.

In terms of an appeal, I understand that there is not a formal appeal process. However, where there is an appeal, they are certainly considered one by one, or one at a time, for appeal.

Ms. McGifford: Last year I asked the minister for a list of grants approved for '95-96, that is to say, in '96-97, for the Estimates for '96-97, I asked him for a list of the previous year's grants. I did receive a list on May 14.

Now on a list dated May 14, 1996, I got a list of the '95-96 grants. Now the budget estimate for '95-96 for Community Places I understand was \$3.5 million, and I understand from the annual report that the actual money in grants was \$2,707,000 and a little bit, and yet the grant that the minister sent me lists the total grants as \$1,755,081. So I am confused by the disparity between these three figures.

Mrs. Vodrey: The staff and I were having a little difficulty attempting to help the member in terms of the reconciliation of those three figures. However, I can tell her that in the Estimates, the Estimates reflect what is cash paid out from projects of previous years plus our estimate of what will be required to be flowed this year.

So, if the member would like, we would be more than happy to sit down with her and look at that really quite technical question. It is a little bit hard across the floor for us. We do not all have the same books that she is referring to, so I make that offer and I will see if it is suitable to the member.

* (1550)

Ms. McGifford: I would certainly like to accept the minister's offer.

I understand that Community Places is a lottery-funded program, and we know that lottery funds have increased dramatically since 1988, and we notice that grants to Community Places have not. I think that at one point the Community Places Program gave away as much as \$10 million. It is now down to \$2.5 million, and I wonder if the minister expects this program to continue to decline. Is there a plan to phase it out? Is there a policy?

Mrs. Vodrey: I understand now and would tell the member that all the Lotteries revenue generated flows now into the general revenue of the department, so that this program is not directly funded from a Lotteries funding line, and that then those dollars have to be

weighed against all the priorities of government including priorities of health care and education and services to families.

In terms of our commitment to the program, the member asks if it is being phased out. To my knowledge there is not a plan to do that, certainly at this point.

Ms. McGifford: I have no more questions.

Mr. Chairperson: Okay. 14.5. Expenditures Related to Capital - Grant Assistance (a) Cultural Organization \$3,752,800—pass; (b) Heritage Buildings \$300,000—pass; (c) Community Places Program \$2,525,000—pass.

Resolution 14.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,577,800 for Culture, Heritage and Citizenship, Expenditures Related to Capital - Grant Assistance, for the fiscal year ending the 31st day March, 1998.

We shall now revert to Resolution 14.3. Information Resources (a) Client Services (1) Salaries and Employee Benefits \$1,965,800.

Is the minister bringing in some new staff? We will just take a couple of minutes for the new staff to get here.

Mrs. Vodrey: I would just like to take a moment to introduce the staff who have joined me at the table. I would like to introduce Cindy Stevens, who is the acting executive director of the Information Resources Division; and Mr. Mike Baudic, who is the business manager, Information Resources Division.

Ms. McGifford: Mr. Chair, I just have a very few questions on this division, time being of the essence. I wanted to ask the minister if it would be accurate to say that more than other branches of Information Resources, Client Services works more exclusively for the government in power.

Mrs. Vodrey: Mr. Chair, I do not think that would be an accurate characterization. Client Services works for all of the departments of government in an effort to provide information to the people of Manitoba about those services.

Ms. McGifford: But Client Services, my understanding is that Client Services does a lot of specific work for the government in power as far as writing speeches, news releases, et cetera. Is that true?

Mrs. Vodrey: Mr. Chair, well, I think we really need to draw the distinction between a political speech and a speech which is written about the department, about the initiative. The press releases are departmental press releases. They are not political press releases. It is information which is developed for the department, being the client, regarding services or initiatives which is then delivered to the people of Manitoba.

Ms. McGifford: So then I understand the minister to say that Client Services provides informational and descriptive kinds of materials and speeches, et cetera, but these speeches are not political in nature at all. Having said that, I think that all speeches are ultimately political, so maybe I should say overtly political.

Mrs. Vodrey: Mr. Chair, they are not the political speeches.

Ms. McGifford: Are all employees in Client Services hired through the Civil Service Commission?

Mrs. Vodrey: Mr. Chair, the answer is yes.

Ms. McGifford: Mr. Chair, I see from the chart on page 5 in the Estimates book, that the acting head of the Information Resources Division is, indeed, Cindy Stevens, who is with us, and that her immediate superior is the deputy minister. I wonder if Cindy Stevens reports to anyone else other than the deputy minister; that is to say, does she, or indeed does anyone from Client Services, have a regular reporting relationship with any of the Premier's (Mr. Filmon) personal advisors or staff, for example?

Mrs. Vodrey: Mr. Chair, there is not a reporting relationship to the Premier's staff.

Ms. McGifford: Is there a regular relationship?

Mrs. Vodrey: Mr. Chair, there would be a working relationship where the Client Services is working setting up a news conference, for instance.

Ms. McGifford: Sorry, Mr. Chair, because of the information aspect that we have already discussed.

Mrs. Vodrey: The answer is yes.

Ms. McGifford: Are news releases, advertising materials or public information initiatives vetted through the Premier's Office ever?

Mrs. Vodrey: Mr. Chair, I understand only news releases which are involving a ministerial announcement.

Ms. McGifford: So that the relationship between the Premier's Office or indeed the office of any minister and Client Services is an exchange of information and not an overseeing or reporting kind of relationship?

Mrs. Vodrey: Mr. Chair, the answer is yes.

* (1600)

Ms. McGifford: Is there any relationship between Client Services and Barbara Biggar?

Mrs. Vodrey: I am informed that her business is one of approximately 400 registered suppliers on a registered suppliers' list.

Ms. McGifford: Could the minister tell me, please, what a registered supplier is?

Mrs. Vodrey: I am informed that it is any business registered to do consulting. It might involve printers, graphic designers, writers, a range of skills.

Ms. McGifford: Mr. Chair, can I ask how much money was paid to Ms. Biggar's company last year by Client Services?

Mrs. Vodrey: There was none paid by Client Services. So the member would have to go through other departments if she was looking for that.

Ms. McGifford: Could the minister tell me, please, who is responsible for the accuracy of news releases? Is it the minister who releases a document or Client Services who might write it?

Mrs. Vodrey: I am informed that it is a joint process between Client Services and the departments to ensure that the information is accurate and correct.

Ms. McGifford: So nobody is ultimately responsible for the accuracy. It is neither Client Services nor the minister's office.

Mrs. Vodrey: Mr. Chair, this is a question that, I think in an effort to be fair with an answer that is going to be in Hansard, I am trying to find the correct way to talk about, because obviously a department would be responsible for providing the correct information for Client Services being able to communicate that. The question is, ultimately, who would be responsible. Well, it is difficult. It would be a department. However, Client Services also would have to take some responsibility for something which was in any way incorrect.

Ms. McGifford: I wanted to take this opportunity to both thank and congratulate the Legislative Library and their staff. I think both the reading room staff here and the staff on Vaughan Street are excellent people and provide excellent services. I certainly found them to be committed above and beyond the call of duty and to have remarkable skills in chasing down materials and getting these to the various MLAs, usually very expeditiously, often under great pressure. So I wanted to thank them on the record for the fine work they are doing, and the assistance they provide us in understanding our work and in adopting positions on various issues. So thank you.

Mrs. Vodrey: I appreciate those comments on behalf of the staff. Certainly that has been my experience, too, and now, as minister, I am very pleased to pass on those comments.

Mr. Chairperson: 14.3. Information Resources (a) Client Services (1) Salaries and Employee Benefits \$1,965,800—pass; (2) Other Expenditures \$301,000—pass; (3) Public Sector Advertising \$2,384,100—pass; (4) Less: Recoverable from other appropriations (\$2,768,500)—pass.

14.3. (b) Business Services (1) Salaries and Employee Benefits \$919,600—pass; (2) Other

Expenditures \$882,000—pass; (3) Less: Recoverable from other appropriations (\$260,300)—pass.

14.3.(c) Translation Services (1) Salaries and Employee Benefits \$962,900—pass; (2) Other Expenditures \$396,600—pass.

14.3.(d) Provincial Archives (1) Salaries and Employee Benefits \$1,692,900.

Ms. McGifford: Mr. Chair, earlier, much earlier I asked the minister about measures to enhance and co-ordinate services and training with regard to FOI work as was set out, I believe, in a letter from the Premier (Mr. Filmon) to deputy ministers. The minister at that time asked me to ask under Section 14.3.(d), and so I want to bring that matter up again.

Mrs. Vodrey: I would like to take a moment to introduce Sue Bishop, who is the executive director of the Provincial Services Division. In answer to the member's question, I understand that responding to requests for advice on FOI and records management practices with support access certainly is a normal part of the work of this unit. There is a steady demand for consultation, and I am informed that in 1996-97 government records staff responded to 2,549 calls for advice or information.

In addition to this normal service, the staff held two informational sessions for access co-ordinators and officers. On June 25, approximately 35 government staff gathered to share experiences and learning relating to their FOI duties. In addition, government records staff used the opportunity to brief participants on the discussion paper Access to Information and Privacy Protection for Manitoba, which had been circulated to departments. There was a brief discussion of fair information practices, which are the fundamental basis of the modern privacy legislation. A further session was held on October 2 attended by approximately 50 staff. At this time oral presentations were made, which provided historical and international context for privacy legislation, also reviewed again fair information practices, discussed features of recent legislation from other provinces, and also assisted or alerted participants to the future need to be able to identify the types of personal information which are held in departments.

Ms. McGifford: So then, Mr. Chair, it would seem to me that these workshops were held in the spirit of professional development and education.

Mrs. Vodrey: I understand that could be a fair characterization.

Ms. McGifford: Will similar workshops be conducted in the future? Is this going to be an annual sort of event?

Mrs. Vodrey: Mr. Chair, I understand that it will certainly be annual and as needed if more is needed, particularly in relation to the new legislation, which will be introduced in the House this session.

Ms. McGifford: I have no more questions. Thank you.

Mr. Chair, I would like to thank the minister for her co-operation. I look forward to meeting with her and her staff regarding the matter that we discussed earlier and, well, I look forward to our next Estimates.

Mrs. Vodrey: I will just take one moment as well, Mr. Chair. As I said at the outset, there are many issues which relate to policy and so on which I will be working on over the next year, and I have appreciated the member's co-operation in terms of some of the detail which we have had to retrieve. I will certainly follow up on that meeting in which I made the offer to deal with the rationalization of the three lines, and thank her for her patience in this Estimates process.

* (1610)

Mr. Chairperson: Shall the item pass—pass; 3. Information Resources (d) Provincial Archives (2) Other Expenditures \$1,451,400—pass.

14.3.(e) Legislative Library (1) Salaries and Employee Benefits \$680,300—pass; (2) Other Expenditures \$598,100—pass.

This concludes this aspect of it. We will now revert to resolution—oh no, I am sorry.

Resolution 14.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,205,900 for

Culture, Heritage and Citizenship, Information Resources, for the fiscal year ending the 31st day of March, 1998.

We will now revert to 14.1 (a) Minister's Salary \$25,700—pass.

Resolution 14.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,284,700 for Culture, Heritage and Citizenship, Administration and Finance, for the fiscal year ending the 31st day of March, 1998.

This concludes the Department of Culture, Heritage and Citizenship. Is it the will of the committee to take a five-minute recess or go directly into the next department?

The committee recessed at 4:11 p.m.

After Recess

The committee resumed at 4:21 p.m.

STATUS OF WOMEN

Mr. Chairperson (Marcel Laurendeau): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of Status of Women. Does the honourable minister have an opening statement?

Hon. Rosemary Vodrey (Minister responsible for the Status of Women): I am pleased to present today the working Estimates of the Manitoba Status of Women ministry, for the fiscal year ending March 31, 1998.

The Ministry of Status of Women envisions a society committed to true equality for both women and men in our country. To that end, we are focusing our efforts on four major areas. These are: promoting and supporting women's economic self-sufficiency; providing education and training for women; eliminating violence against women; and addressing the challenges of today's youth.

The Manitoba Women's Directorate promotes equality for women directly by working to influence government decision making through research support, policy development and evaluation of government programs, and indirectly by interacting with the community, the business sector and various departments of government to raise awareness of the reality of women's lives.

The Manitoba Women's Directorate also works with its counterparts across the country to address issues of common concern such as more effective maintenance enforcement legislation; the socialization of girls; strategies to protect women from violence; and researching ways to monitor women's economic self-sufficiency. Our government believes the most effective guarantee of economic security for Manitobans is having the means to obtain employment. The departments of Industry, Trade and Tourism and Rural Development recognize the potential of the entrepreneurial sector and the vital contribution that women can make. They offer programs designed specifically for women to assist them in starting their own businesses.

(Mr. Edward Helwer, Acting Chairperson, in the Chair)

Industry, Trade and Tourism has extended the Business Start program, targeted towards women and rural entrepreneurs, for a further two years. It is a loan guarantee program allowing entrepreneurs to borrow up to \$10,000 to match their equity contributions. This program has provided a total of 207 loans to women to date. Similarly, Rural Development offers the Rural Entrepreneurial Assistance Program, which provides loan guarantees to participating lenders for rural businesses. The amounts range from \$10,000 to \$100,000. To date, 33 loans, totalling more than \$1 million, have been granted to women by credit unions and CIBC, 80 percent of which is guaranteed by the province.

Industry, Trade and Tourism and Rural Development also offer services and training in business start-up, business plan development and market analysis and mentorship.

The best form of security is a job, and this government is committed to breaking the cycle of

dependence on social assistance. Through welfare reform and Making Welfare Work, we have refocused training and social assistance to help recipients move to employment.

Manitoba Education and Training and Family Services offer social assistance clients training in job readiness, specific skills, and also provides job placement support. Making Welfare Work initiatives include community services and rural jobs projects, Manitoba Conservation Corps, opportunities for employees, Youth NOW and Taking Charge!. These initiatives will help more people achieve self-reliance.

Since the introduction of welfare reform, there has been a reduction of 676 in the caseload of single parents. Since the introduction of Making Welfare Work, 22.7 percent or 3,900 social assistance recipients are reporting income. We have built on the success of these programs by allocating \$1.5 million over '96-97 for a total of \$8.9 million to Making Welfare Work.

The Women's Directorate also has developed and administers the successful Training for Tomorrow Scholarship Award Program. A total of 141 \$1,000 scholarships have now been awarded to women entering two-year diploma courses in math-, science- and technology-related programs at the province's three community colleges. These programs will equip women to obtain employment in today's high-tech labour market.

Another priority for our government is increasing access to computers in distance education throughout the province. Our government has provided \$10.7 million through the infrastructure program for distance education, and we will continue to expand these capabilities.

We also will provide \$1 million for a new program, Technology Learning Resources for Schools, that will put more computers in classrooms across Manitoba.

Our government has also introduced the Manitoba learning tax credit in our 1996 budget. In 1997, the Manitoba learning tax credit will provide \$17.3 million in direct support to students and their families. This represents an increase of \$5.3 million and is the first refundable tax credit in Canada.

We are also providing \$1 million for the establishment of scholarships and bursaries. We will add \$1 to every \$2 raised by universities and colleges.

Our government is working with the Government of Canada to launch Partners for Careers, a \$1.4-million initiative to place aboriginal high school, college, and university graduates in positions in the private and public sectors.

This government's commitment to the women of our province is very evident in our efforts to address violence against women. Manitoba has the most comprehensive approach in the country, for example, a zero tolerance policy; a dedicated family violence court, the first of its kind in Canada; education programs for domestic violence offenders; protected name status in the Land Titles Office to protect victims of violence by making information unavailable to stalkers; a central registry for domestic violence offenders which is accessible to police services; and a women's advocacy program.

Manitoba has the best system of shelters and support services in Canada. Funding has increased 150 percent over the last 10 years with 29 agencies offering crisis shelter support and follow-up.

To help identify ways of making workplaces safer, crimes more difficult to commit, and increased personal safety, the Manitoba Women's Directorate, in partnership with CIBC, Workers Compensation, the RCMP, and the province's police services, has launched Keeping Safe at Work. This province-wide initiative focuses on the safety of those who work alone or travel to work alone and provides tips on how to maximize personal safety.

Mr. Chair, I have some of the brochures which are distributed across the province, and I am happy to table these now for the member's information.

CIBC and the directorate offer information sessions at workplaces and at CIBC's employment development centre. As well, Train the Trainer workshops and public information sessions have been conducted in Flin Flon, Thompson, The Pas, Portage la Prairie, Brandon, Dauphin and Swan River.

Hopes for a prosperous future for young Manitobans are based on equipping them with the skills they need to be productive and healthy citizens. Therefore, the Women's Directorate is focusing on the healthy development of young women. Our efforts are targeted towards encouraging girls and teens to stay active in sports or recreational activities, stop smoking, refrain from early sexual activity, recognize the importance of staying in school.

Our aim is to encourage young women to replace unhealthy behaviours with healthy ones. Toward that end, Manitoba Status of Women has launched Take the Challenge, a comprehensive initiative in its early stages designed to address the challenges facing today's teenage girls. The directorate has established partnerships with other government departments, service deliverers and community organizations to maximize the effectiveness of a major campaign to encourage personal responsibility and attitudinal change.

* (1630)

The first part of Take the Challenge focused on the benefits of physical activity for girls. The directorate has partnered with several agencies to bring this initiative to Manitobans. The directorate, together with Manitoba Sport and Manitoba Health, supported Manitoba Physical Education Teachers Association training conference for women leaders in sports, developed a poster called Do It For You which has been distributed to all junior and senior high schools across the province.

Mr. Chair, I brought a poster for the member. I was not sure whether she had one and thought she might like to have that, so I will table that for her now.

Together with the Canadian Association for the Advancement of Women in Sports in physical activity, or as it is called, CAAWS, distributed the Do It For You poster across the country. I thought that was just terrific. The directorate also introduced On the Move, an initiative designed to encourage nonactive teenage girls to participate in a fun-filled, supportive recreational activity, and is working to have On the Move incorporated into the Urban Sports Camp model so that inner city community groups are better able to

consider the unique needs of teenage girls when developing their programs.

The directorate has received support from Sport Manitoba and the Recreation and Wellness branch to host a workshop and Train the Trainer session titled Perspectives in Women's Leadership designed to encourage women's participation in leadership roles in sport and recreation. In addition to research and analysis, the directorate also provides an outreach function.

This April, the Women's Directorate is piloting a new method to enhance outreach liaison and referral service delivery to much of northern and rural Manitoba. Five women employees from the departments of Housing or Labour living in the communities of Thompson, The Pas, Flin Flon, Dauphin, and Brandon will participate in the work of the directorate on a part-time or casual basis. These women will create a link between their communities and the Women's Directorate. They will provide consultation on issues of concern to women and they represent the directorate at significant community events.

This new approach offers a number of advantages. It allows the directorate to draw on local expertise and the knowledge of women involved in their communities. This approach facilitates enhanced collaboration between Winnipeg and outlying communities, more effective service delivery and more efficient use of limited fiscal resources.

Mr. Chair, the Manitoba Women's Advisory Council is an arm's-length body appointed by government to advance the equal participation of women in society and to promote changes in social, legal and economic structures. In appointing members to council, the Manitoba government selects persons who are representative of various geographic, ethnocultural, socioeconomic and professional sectors of Manitoba.

In October of last year five new members were appointed to council, along with a new chair, Mrs. Sandra Hasenack. In addition, 10 reappointments were made to council. The goal of council is enhance the status of Manitoba women. It accomplishes this by serving as a provincial resource and exchanging and disseminating information, research and women-

centred programs; constructing policy recommendations that can be implemented to improve the status of women; building a co-ordinated and enhanced network of individuals and organizations working to promote women's equality; acting as a facilitator in building effective and collaborative partnerships among women, community organizations, service providers, researchers and government departments.

This council has determined its present priorities to be women's health, child care, teen pregnancy and violence against women. Council has formed in-house working committees to address these specific issues, and at the same time it continues its overall focus on community liaison and outreach to rural women in the province.

Council has had a very productive year. It has liaised with over 160 community organizations; participated in or attended more than 60 workshops, meetings and conferences; provided support services, such as free faxing, photocopying and mailing to 70 nonprofit women's organizations and individuals from the community; maintained a mailing list of over 2,100 names, including individuals, women's organizations, government offices and general organizations; offered free of charge a well-used, one-stop community resource library; provided expertise, cosponsorship, committee representation and consultation for many community events and conferences.

Council undertook a major role in the planning of the Premier's conference, Shaking the Tree, and the upcoming training conference on family violence. It is also represented on other committees such as the Women's Health Reform working group and the Centre of Excellence for Women's Health Research Planning Committee. Council has participated in conferences such as the Farm Women's Conference in Brandon, as well as public hearings on child care, child welfare and the civil justice system.

Council showed its support of low-income women by sponsoring a number of them to women's events this year. It has also updated and republished its handbook, Parenting on Your Own, with printing assistance from Taking Charge!. One-half of these handbooks were

made available to single parents, and over 2,000 copies were sent to service providers.

As part of its community liaison, council holds bimonthly open house events on topics of interest to the women's community. As part of its liaison with the national community, council recently organized, hosted and chaired a meeting in Ottawa with all other provincial advisory councils. This was to facilitate a sharing of best practices, as well as discussion of issues of common concern.

Women's health is an ongoing priority of council. Some examples of council's involvement in this area include its work with Women's Health Reform working group. Its focus is to address issues that arise as a result of reorganization and health reform as it affects women.

Council has also played a major role in advocating and planning for a prairie region centre of excellence for women's health research. Some other health issues that council is following include midwifery, fetal alcohol syndrome, prenatal and postnatal health, new reproductive technologies and menopause. Council is concerned with the high rate of teen pregnancy in Manitoba. To address this issue, council is investigating some innovative programs and consulting with the community on possible solutions.

Council continues to work towards the attainment of a violence-free society through its provision of referral services and information to hundreds of women. Council offers assistance to individual women who are victims of family violence.

Another council priority relates to the provision of child care. To broaden its knowledge, council heard presentations from Marcel Laurendeau, the MLA, on his review of the child care system; Reg Toews, formerly of the Child and Youth Secretariat; and the Manitoba Child Care Association. As well, two council members who are educators have been invited by the Minister of Family Services (Mrs. Mitchelson) to be part of the review process through membership on the child care committee.

Council continues to address issues that affect the following: Women's education and training; immigrant, visible minority, disabled, aboriginal and Francophone

women; social policy review; women and justice; the 4th World Conference on Women held at Beijing.

Council made a submission to the CPP Secretariat regarding the need to include a gender analysis in any proposed changes to the CPP. As the Minister responsible for the Status of Women, I brought this to the attention of my provincial counterparts at our annual meeting as well as to the attention of our provincial government. As a result, our Minister of Finance (Mr. Stefanson) has proposed mandatory splitting of CPP as a way of addressing pension inequities between spouses upon dissolution of a marriage. I understand this is being reviewed in the next round.

* (1640)

Consultation with rural women was determined to be another high priority for council. Four community outreach meetings were held: Gimli, Thompson, Morden and Winkler, and Souris. In this upcoming fiscal year, council will hold outreach meetings in Swan River in May; Flin Flon in October; and the Eastman area in February. This will complete a province-wide consultation by council on issues of concern to rural women in Manitoba.

Council priorities in the upcoming year will continue to be, No. 1, Parenting on Your Own. This handbook, published by the Manitoba Women's Advisory Council for one-parent families, is an ongoing project. Two, informational meetings: Council will continue to organize sessions on various areas of interest to facilitate input from women on issues relating to women and to develop partnerships with community organizations. Three, planning consultative committees: The advisory council will continue to act as a consultant and a resource to various community committees such as women's conference planning committees. Four, storefront assistance to the community: Council will continue to make photocopying and mailing assistance available to women's organizations.

In addition, women's organizations will have access to council's boardroom, library resources and computer. Council will also continue to provide the weekly facts list of upcoming events to women's organizations and

interested community members. Other services council will continue to provide to the community include referral services and information resources. Five, the reference library: Council continues to make its library resources more user friendly and accessible to the general public. Council will actively promote this service to the public.

In conclusion, council looks forward to another productive year. In keeping with its mandate, council will continue to work diligently to enhance the status of women in Manitoba through its advisory role to government on matters of concern to women and its active participation in the women's community.

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

The Acting Chairperson (Mr. Helwer): We thank the minister for those comments. Does the official opposition critic, the honourable member for Osborne, have any other opening comments?

Ms. Diane McGifford (Osborne): Yes, Mr. Chair, I do wish to respond to the minister's statement.

The minister, I believe, began her speech, her remarks by talking about equality, and the word "equality" was sprinkled throughout her speech, as indeed it should be, because that is the mission of the Status of Women ministry. The minister spoke about the work of the directorate or the priorities of the directorate, this year being economic self-sufficiency, training and education, ending violence against women, and I believe the fourth one was the development of young women. Certainly all of these priorities are very laudable and I have no quarrel with them. They seem to me to be exactly the work that should be being done.

The minister spoke about the work that the directorate is doing with regard to maintenance across the country. The minister and I both know that

maintenance is a very testy issue for women, a very thorny issue and an issue that has not always been well resolved, and in fact once it becomes an interprovincial concern, has very infrequently been well resolved. So I am very pleased to hear that the directorate is doing this kind of work.

The minister also cited, I believe, the socialization of young girls as something that the directorate was working with, and I gathered from that, helping girls deal with social pressures and develop other personas besides the ones that society urged them or the ones that society pressures them to adopt. So certainly that seems to be extremely laudable.

The minister spoke about the work that I, T and T and Rural Development is doing with women in regard to businesses. She mentioned the loan guarantee program. She mentioned economic development, especially with regard to women's businesses, training in business setups and other aspects of women's business. I know I have missed something here trying to just jot down notes as the minister was speaking.

One of the things I did in a former life was research for movies, and one of the movies I was the researcher for was a movie entitled *A Web, Not a Ladder*. It was about women in business, so I certainly appreciate the need for women to have access, especially to money. It is still harder for women to get bank loans than it is for their male counterparts, and women appreciate and need, of course, to develop their business skills before they go into business.

I think I am right in recalling that women are starting businesses with much greater frequency than they have in the past. Most of them are small businesses, and I believe their success rate is quite tremendous and something that we women can all be very proud of, so I certainly encourage women to enter business as long as they know what they are doing and as long as the market is solid and as long as it is something that women can make a living by.

One of the things I know I ran into in the research I was doing was that women in businesses were very frequently working tremendous weeks—80 hours a week—and not really being able to pay themselves a

wage, just taking expenses. So there are businesses and businesses.

The minister spoke about Manitoba as having the most comprehensive policy to end violence against women, and I think that there are other provinces that may quarrel and may think that their policies and their programs are more comprehensive.

I thank the minister for the copy of Keeping Safe at Work. I did make it my business to get about 50 copies from the Women's Directorate, and we have taken them to various businesses in our constituency, and I think it is a very worthwhile project. Certainly safety for women is extremely important when they are working alone or at night, and the pamphlet is excellent. So I think that is very important, too.

What else? The minister spoke about the emphasis on young women and the need to replace unhealthy behaviours with healthy ones, the need to encourage young women to take personal responsibility and help those who needed the help to make attitudinal changes. Certainly we need to begin with women when they are young in order to help them become who they really are and not become women that society would have them be. Again, this is a very worthwhile initiative and I think it is wonderful.

Many of the things the minister said in her remarks about the Women's Directorate were not repeated but had their counterpart in her remarks in the advisory council, so I think I will leave what I want to say about the advisory council to my questions. I did want to say that it seems to me, regardless of anything else, one of the most serious issues affecting the lives of women in Manitoba is poverty, and since cuts in programming has been a hallmark of this government, I think this government, in some ways, has hindered the full and equal social and economic participation of Manitoba women in life in Manitoba.

Not only are great numbers of Manitoba women living in poverty, but great numbers of Manitoba women are really being denied the services that they need, while others are finding services increasingly difficult to access. I think that some of the things that I am referring to are well known. For example, I know I have spoken about the increased charges for

Pharmacare and how they affect women, especially older women. I know I have spoken about eye examinations and how many women will probably forgo an eye examination when it requires payment, rather than put this money out from the family coffers they made, decide that their children really could use it a lot better than the individual women.

* (1650)

(Mr. Gerry McAlpine, Acting Chairperson, in the Chair)

The government has also cut social assistance, particularly to single parent families. Most single parent families are headed by women, and single parent families with children over six now have a parent who is supposed to find employment. Not always easy. Not always easy when child care is not available, and child care continues to be a problem in the province of Manitoba. The numbers of subsidized cases, I believe they are now called, have been frozen. Many families simply cannot afford the \$250 top up, which most child care centres levy on top of the subsidy, so this means worried, anxious parents, usually women, as women continue to be the primary caregivers to children and are primarily responsible for their children's well-being.

One of the other consequences of this freeze in the number of child care cases are latchkey kids, and latchkey kids have anxious, unhappy mothers. With regard to family violence, I know the minister spoke about the Family Violence Court, but I would like to point out that there is a continuing backlog in Family Violence Court. I would also like to point out that in 1996-1997 Family Dispute cut grants to all its agencies, and although the funding has not been cut this year, all of these agencies are suffering financially. They have really suffered years of financial decreases or else the levy has remained frozen while their operating costs have increased of rent, telephone, lights. Everything has gone up. The only thing that has gone down has been the grant—or some years, to be fair, the grant has remained constant. Of course, inflation has eaten up some of these monies.

The minister also, in regard to family violence, spoke about the Women's Advocacy Program, and I think the concept is an excellent one; however, I have had

women tell me, constituents who ultimately phoned my office, about the difficulty of making contact with the family advocacy program.

I would like to mention, too, the \$25 fee which is now levied in order to access legal aid, and I wonder how many women this prevents from pursuing maintenance issues. I would imagine at least some because some women simply do not have \$25. I cannot help, Mr. Chair, but ruefully note that the Estimates of Expenditures for the Status of Women have decreased once again. This year they are down \$893,400, and the staff years are down to 11.35. I think I need to confess that these reductions test my faith in the government's commitment to the Status of Women, and together with those program cuts outlined earlier, when they are factored in, my faith wavers still more, and especially as I become convinced that the women who need most empowerment are the ones who are most affected by government policy.

So I return to where I was a few minutes and say that the poor women in our province are suffering disproportionately and that this government has not been kind to them and that women with or without money are still women, and I think there are a lot of inequities and unfairnesses in the current services and programs for women. Thank you.

Mrs. Vodrey: Well, I have made my opening remarks. I will wait until perhaps the member has some questions. Obviously, we could debate this for some time, but I will try and deal with some of my responses to the questioning.

The Acting Chairperson (Mr. McAlpine): We will invite the minister's staff into the Chamber, and when appropriate, the honourable minister may introduce them.

We are on Resolution 22.1. Status of Women (a) Manitoba Women's Advisory Council (1) Salaries and Employee Benefits \$161,200.

Ms. McGifford: Mr. Chair, I wonder if the minister and I could agree, since the department is rather small, to ask questions more informally and not line by line.

Mrs. Vodrey: Mr. Chair, I will attempt to answer in that way then. I just need to know, would the member

like to have the advisory council here as well then, or would you see us doing the directorate first and then the advisory council?

Ms. McGifford: Actually, I have a few questions from last year—from concurrence actually—and I think that we will soon be adjourning for the day. So I do not think we do need the advisory council at this point.

Mrs. Vodrey: I am prepared to go ahead, Mr. Chair. See how this works.

Ms. McGifford: Last year during concurrence I asked the minister—now, maybe having said that I do not think we need the advisory council, I am going to ask the question about the advisory council—for the amount of the research budget for the advisory council. The minister did undertake to get the information, but I have not yet received it. I am still interested in receiving it, and I wonder if I could get this information. If the minister does not have it at her fingertips, I could get it in the near future, I am sure.

Mrs. Vodrey: I understand that the advisory council staffperson does have the information that is outstanding, and so when they come into the Chamber, I will provide the member with that.

Ms. McGifford: I had also asked at that point some questions about the advisory council and whether it did its own research or whether there was contracting out. So I am assuming that would also be part of the information that the council is bringing in.

Mrs. Vodrey: Mr. Chair, yes, that is correct.

Ms. McGifford: Mr. Chair, the minister mentioned the Do It For You project in her opening remarks, and I believe the minister also mentioned the Do It For You project during concurrence last year. She spoke of stats regarding the benefits and trends for girls taking physical education, and my understanding is that these stats were used in developing the program. I wonder if it is possible for the minister to provide me with copies of these statistics. I do not have them, and I wonder if the minister would be able to get them.

Mrs. Vodrey: I understand that we do not have them here to read into the record, but we are certainly happy

to provide them. They are statistics that I have used in a number of speaking opportunities, as well, to try and make the point of the importance of the effect of physical activity for young women.

Ms. McGifford: I am a little confused about the Do It For You program, but maybe I am not. I think I understand that the Do It For You program has a series of projects, and I wonder if the minister could give me a little detail and maybe it would clear it up for me.

Mrs. Vodrey: That is right. Do It For You is the overall name for a series of projects which are focusing on some of the overall goals that I spoke about on behalf of young women to assist young women in terms of choosing healthy lifestyles, responsible decisions for themselves. The first step, or the first project of Do It For You was a Train the Trainers for physical education and now the next project is one called On the Move, which deals with the involvement in recreation of young women. There will be more, as well, as the project develops.

* (1700)

The Acting Chairperson (Mr. McAlpine): Order please. The hour being 5 p.m., time for private members' hour. Committee rise.

Call in the Speaker.

IN SESSION

Madam Speaker: The hour being after 5 p.m., time for Private Members' Business.

PRIVATE MEMBERS' BUSINESS

PROPOSED RESOLUTIONS

Res. 9—Diabetes and Aboriginal Health

Mr. Oscar Lathlin (The Pas): Madam Speaker, I move, seconded by the member for Thompson (Mr. Ashton), this resolution on Diabetes and Aboriginal Health. I would just like to read out the resolution.

“WHEREAS over 50,000 adults in Manitoba have been diagnosed with diabetes and this number is growing by approximately 4,000 more each year; and

“WHEREAS by 1991 almost 20% of Treaty Status Aboriginal women in Manitoba now have diabetes nearly four times the rate of Non-Aboriginal women; and

“WHEREAS the prevalence of diabetes has increased by over 40% amongst Aboriginal women and by over 50% amongst Aboriginal men since 1986; and

“WHEREAS the hospitalization rate for both cardiovascular disease and strokes for people with diabetes is five times the rate for those without diabetes; and

“WHEREAS the onset of diabetes is frequently related to poverty conditions; and

“WHEREAS there is an acute shortage of dialysis machines in the communities where the number of people with diabetes is growing fastest; and

“WHEREAS the number of people afflicted with diabetes in Aboriginal communities has reached a health crisis situation.

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Minister of Health to consider developing an action plan and time-table for implementing a Cross-Departmental strategy for combatting this deadly disease; and

“BE IT FURTHER RESOLVED that this Assembly additionally request that the Department of Health consider working with the Medical Services Department to prioritize the installation and upkeep of dialysis machines where numbers warrant in rural and Northern communities.”

That is the text of the resolution.

Motion presented.

Mr. Lathlin: Madam Speaker, I rise this afternoon, I guess, with mixed feelings as to whether I should sponsor the resolution, move the motion to sponsor this resolution here, the resolution having to do with diabetes amongst aboriginal people, particularly in northern Manitoba. Indeed, I think some of you may be wondering why put forth such a resolution, especially

in this Chamber here. The reason I say that is because whenever we bring forth issues that deal with aboriginal people, the tendency of this government is to say to us, you know, that we are of treaty status and are therefore wards of the federal government and that we should be talking to the federal government rather than impose on this forum here.

In view of that, I say that I had mixed feelings, but also there is another reason for having the mixed feelings that I do, and that is, I look at the ugly and shameful reality that exists among aboriginal people. That reality is, in this case we are talking about the state of health, but we could be very well talking about other areas such as the socioeconomic conditions of aboriginal people in general. Here we are talking about the state of health and in particular diabetes.

Madam Speaker, it sickens me every time I hear and read a report that talks about aboriginal people, because we have had so many reports now. More recently, we have had the royal commission on aboriginal affairs, which was a very expensive undertaking and quite comprehensive and so therefore would have pretty far reaching and comprehensive recommendations. So far the federal government has refused to even talk about it, and by now other distracters have been busy trying to convince each other that to implement even some of these recommendations in the commission report would be too costly. Besides, this report deals with aboriginal people, and we can get away, just as we have in the past, to not listen to the report and then shelve it and nothing will come of it and nobody will say anything and there will be no political embarrassment for anybody because nobody really cares.

In pretty well all aspects of aboriginal life, Madam Speaker, studies have shown, reports have shown consistently that every time a report comes out we occupy the extreme side of those statistics that are presented in those reports. So again now people are asking themselves, because I am asking myself, why do I bother bringing this resolution here? Is there an audience here? Is there an audience here that will listen? Does the audience here care enough to be able to take the contents of this resolution and implement something?

* (1710)

Madam Speaker, reports by Medical Services Canada, our own provincial government, Department of Health, College of Physicians and Surgeons here in Manitoba and other provincial governments, provinces, universities, foundations have produced all kinds of reports. Do you not think that we get the picture by now? Do you not think that the time for study, time for unveiling or giving out reports is long over? Do we not see what I call the ugly reality? Do we not see the picture? Do we not understand it by now?

Accidental deaths, for example, are way, way higher than the rate for nonaboriginal populations. The Manitoba college here will tell you that. The incidence of diabetes has reached a point where a lot of people call it an epidemic, almost like tuberculosis in the early years, and we are afraid that it is going to really, really decimate and destroy our people.

Indeed, Madam Speaker, some of our people are saying to themselves that they see their mothers and fathers, their grandfathers and their grandmothers and even now their brothers and sisters who are being amputated quite regularly. Almost every person that gets hit by diabetes sooner or later gets amputated. Our people are now wondering to themselves whether this, in fact, is an experiment. Is this a government experiment? Is the government trying to find a cure for diabetes and they are practising on aboriginal people? It is true. I kid you not. This is what our people are saying, because back in the days when tuberculosis was at an epidemic stage, this is indeed what our people were saying then too.

I listen to stories from elders from my reserve who tell me that on a Wednesday afternoon a truckload of tuberculosis patients would leave The Pas hospital and be taken to the sanatorium at Clearwater Lake. Then, by Monday afternoon, about half of those people who were taken there towards the end of the previous week would be shipped home by the same truck back to The Pas, to the morgue, because they had died in a matter of less than a week.

So when all that was going on, our people started to get suspicious. They started to wonder why all these people were dying and were not being cured. So our people are saying today, you know, maybe this is what

people are trying to do again, almost like what they did when tuberculosis was at an epidemic stage.

Madam Speaker, as I say, any and every report that comes out dealing with the lives of aboriginal people, we occupy that part of the report where they talk about extremes. In other words, either we are the lowest or we are the highest. Alcoholism and its effect on unborn children, you probably know, is really killing our people. We still have the lowest education in the province of Manitoba, although that is changing very slowly. We have the highest unemployment situation. Our unemployment situation does not get better even though the government, in its press releases, and Stats Canada say that the unemployment rate is getting better and better in Manitoba.

The statistics that are incorporated in those reports, Madam Speaker, do not take into consideration the 80 to 90 percent rate of unemployment that exists in all of the northern, isolated aboriginal communities. I do not think that is fair. I do not think that is right. I think the unemployment rate should tell the true story, at least in Manitoba.

And so, because we have such a high unemployment rate, poverty continues to get worse and worse. We continue to live in a lifestyle that is not conducive to healthy living. We know, we know as aboriginal people, we have to get out of that rut.

Let me tell you, we were not always in that rut that we are in today. We were well people at one time. We used our own medicine at one time. We used our own prevention programs.

As a young child growing up on a reserve, I hardly remember—as a matter of fact, I do not think I can say that I remember an elder or a person from the reserve going around in wheelchairs. We never had wheelchairs to begin with, but I do not remember even anybody walking around on crutches because his or her leg was amputated. I do not remember that at all. Why? Because diabetes was nonexistent, and so today we are faced with a situation where if we do not do anything soon, we are going to be faced with what I call having to decide whether we should go on or we should continue with what we have been doing so far—and we

know that has not been working—or whether we are going to finally take some action.

We are going to finally go back to those reports, we are finally going to listen to the people, we are finally going to look at the ugly truth, the ugly reality that exists there for aboriginal people and forget about jurisdiction, forget about whether we are treaty Indians, forget about whether we come from Shamattawa where everybody seems to have given up in terms of how that community will survive. Forget about that we are Indians, you know. Think of us as people, think of us as human beings who deserve some attention, human beings, people, who deserve a chance.

So with those words, Madam Speaker, I urge all honourable members of this Legislature to pass this resolution and also to decide for themselves that this extraordinary situation requires some pretty drastic measures to correct. I thank you for listening to me.

* (1720)

Hon. David Newman (Minister responsible for Native Affairs): Madam Speaker, I congratulate the honourable member for The Pas (Mr. Lathlin) for bringing this resolution forward. It provides an opportunity to share with this House, and with the honourable member, some of the well thought out approaches to this enormous challenge that we face as a province. I include all people of Manitoba in this challenge. It is not just an aboriginal challenge, but it is very clear that the victims of this dreadful disease are disproportionately aboriginal. That in itself makes the kind of challenge which perhaps can be used as a model in the way we go about addressing it because that is just one of the special needs that the aboriginal people in this province have. It is going to require the best wisdom, the best science, the greatest collaboration and the greatest amount of good will that we can muster in order to make headway in significant ways with the challenge.

The resolution, Madam Speaker, is pretty accurate in the preamble in the first four paragraphs that those statistics coincide with my researched knowledge of the issue. The source of some of this data has been, of course, the Department of Health itself and the people throughout the medical community and the community

at large and the aboriginal community in particular who have played a role in developing an approach. One of the starting points was a diabetes symposium that was held on Tuesday, June 25, at the St. Boniface Research Centre, which event 127 people from government and nongovernment and corporate sectors, hospitals, community clinics, regional health authorities and aboriginal communities attended.

Growing out of that event was another event that took place more recently, and I had the good fortune to represent the Premier (Mr. Filmon) and the Minister of Health (Mr. Praznik) at an event held in downtown Winnipeg on January 31, 1997. This was entitled the Aboriginal Diabetes Consultation. It was held at the Lombard Hotel and it was a follow-up to the symposium June 25, 1996. It was sort of a workshop format and a consensus was reached at this symposium that the province develop a provincial diabetes strategy that would be co-ordinated and facilitated by the Diabetes Unit of Manitoba Health.

The purpose of that symposium was to formalize the consultation process with the aboriginal community for the development of a provincial diabetes strategy. At this particular event 61 people from aboriginal communities, government and nongovernment sectors attended the day-long session.

The co-operation at that meeting was demonstrable, and I know that one of the most respected elders, Frank Wesley, was there, and he himself, of course, is a person who is a diabetes patient. He is also an elder who is closely related to the Assembly of Manitoba Chiefs as an elder drawn on by them from time to time. He is a person who commands considerable respect and is very much involved in this strategy.

The initiation for this whole process goes back to 1994 when the Diabetes Burden of Illness Study was initiated by the Diabetes and Epidemiology Units of Manitoba Health, and the ongoing longitudinal study from 1986 and onwards defined the incidence and prevalence of diabetes and its complications among the people of Manitoba. This is unique to Manitoba. It is the only one of its kind in Canada, so we have a very significant body of research which is a firm foundation for a very, very well-thought-out strategy.

I am concerned that my honourable friend the member from The Pas (Mr. Lathlin) did bring in some emotion, and I would say some negativity to the process. I think this is one very, very positive opportunity, and it certainly is one that we can work together with certainly the representatives of the North on the other side of the House and the members in government and the broader communities that I have described. We can and will make progress. The will is there in government.

The point that has been made that this is a status-blind issue I identify with and, Madam Speaker, certainly would encourage that this not just have a federal jurisdictional kind of focus. It is not a Status Indian issue. This is on a special needs basis, a broader meaning of aboriginal population issue. It is an issue that must be addressed now, as well, because the projection trends indicate that in 20 years, the prevalence will triple in aboriginal people, from 7,322 in 1996 to 21,124 in the year 2016.

The Honourable James McCrae, the former Minister of Health, realizing the seriousness of the situation, was responsible for providing the leadership to move in the directions I have described. Under the new minister, the Honourable Darren Praznik, continuing progress is being made.

So what is the current status of this strategy? The president of the University of Manitoba, Dr. Emöke Szathmáry, and Grand Chief George Muswagon have agreed to serve as co-chairs for the Provincial Diabetes Strategy Steering Committee. One might ask why Dr. Szathmáry, with her busy schedule and heavy responsibility, would take this on, and she answered that question herself at the symposium. She has a passionate personal interest in this particular disease because of background research work that she did in Ontario. She agreed to serve because she felt she owed it to the people she came to know and to the cause which she came to understand by doing her research work with aboriginal diabetes. So she is not just motivated out of an intellectual curiosity as much as she is motivated to get results. I would believe that Grand Chief George Muswagon would also be—and I know him and I know he is there motivated to get results. I know Elder Frank Wesley is also there and motivated, Madam Speaker, to get results.

* (1730)

So this is a working strategy. The first meeting of those co-chairs has taken place and the following people have committed to the steering committee. They include Ms. Nellie Erickson, Ms. Pauline Wood-Steiman, and I know Pauline has in Island Lakes a sister who is on dialysis, another committed person—I am sure Nellie Erickson is too and Dr. Cathy Cook. A person of national renown is also involved, Dr. Lindsay Nicolle. Dr. Kue Yang, Ms. Linda Brazeau and Ms. Susan Rogers are the co-chairs of the five working groups involved in the strategy.

There are some very ambitious recommendations that are being made that involve a substantial budget, a substantial financial commitment, involve recommending a provincial diabetes program, involve administration of funding through the Public Health branch of Diabetes and Chronic Diseases Unit control, and the recommendations that are going to emerge, as I understand it, will support the implementation of recommendation of the provincial diabetes strategy.

The kinds of provisions are covering operational costs, including northern and rural consultations and travel and accommodation expenses and development of a diabetes education centre of excellence, sustainable community-based diabetes projects and resources, maintenance of the diabetes database, initiation of a diabetes surveillance system and determination of the direct and indirect cost of diabetes to Manitoba.

Now, in government, it is well known that you have to make a case and priorities have to be determined, and as I wrap up my remarks, I again highlight the seriousness of the problem, because diabetes has a high disease burden that goes far beyond diabetes itself. For example, 71 percent of newly initiated dialysis in aboriginal people is caused by diabetes, 91 percent of lower limb amputations in aboriginal people are caused by diabetes, dialysis costs in Manitoba in 1996 were more than \$10 million, 35 percent of treaty status women between the ages of 25 and 44 have diagnosed diabetes.

I emphasize and I encourage all members to appreciate that increased awareness, collaboration and action at the community level offers the best hope for

reductions in the incidence and prevalence of diabetes and its complications. I emphasize community based. I emphasize the collaboration. I emphasize good will. Let us work at this challenge together.

Mr. Steve Ashton (Thompson): I wanted to make sure I put some comments on the record on this resolution because I believe the member for The Pas (Mr. Lathlin) has brought, not just a resolution to this House, but a challenge. I do believe that the health crisis facing our First Nations communities, and facing First Nations people in urban communities, is something that has to be addressed by all Manitobans, all levels of government, both in terms of the specific subject matter of this resolution, that of diabetes, and in terms of the kind of appalling conditions that the member for The Pas talked about just a few minutes ago.

I want to really credit the member for The Pas for putting on the record just how much things have changed in his own time, his own recollections in terms of communities, because I find there is an unfortunate tendency at times to view things, when you have significant problems, as having always been that way.

In fact, Madam Speaker, not only was it not that way, as the member for The Pas pointed out, I know I talked to many elders, many people actually, not even elders, but many people who reflect on the fact that it is only very recently that many of the health problems that exist today amongst aboriginal people have been as pronounced as they have become. Which leads to the obvious question of why. I will give an example. I was in Split Lake recently. I had the honour of attending a brief ceremony for an elder who had just reached 100 years old, and it was interesting because, in fact, the elder is probably 107 and Sam Kitchekeesik is considered 100 by the date of the baptism certificate. He has led a very interesting life, a very good life, I might add, that he added to. He worked on the rail line for many years. It is only in the last few years that he stopped going to the trap line, much to his dismay.

What struck me is just how dramatically things have changed in the community of Split Lake. This is an elder who remembers, Madam Speaker, the signing of the treaty in Split Lake, I believe in 1908. He

remembers very clearly the signing process, and he also remembers very clearly the lifestyle that existed at that time.

Just to put it in perspective, Split Lake now is not considered a particularly remote community, but the road was only constructed in 1982, so we essentially have a community that even 15 years ago was totally isolated. But it is a community that had a very traditional lifestyle, and in many ways that is still evident today. It is a community that I would say probably has a greater role in the decision-making process—from the elders, real decision-making process—than any community in northern Manitoba.

What we are dealing with when we deal with health problems, I believe, is a symptom of some of the bigger societal problems that are facing First Nations communities. I say societal problems, Madam Speaker, because we have to recognize that much of what is happening is occurring because of deliberate policies of successive governments, deliberate policies that attempted to break aboriginal culture, to break aboriginal communities, to break the spirit of aboriginal people. As a by-product—I believe some might suggest, as I know the member for The Pas referenced, there have always been suspicions that it went further—but in many ways, one of the by-products has been breaking the health of aboriginal communities.

I recommend, by the way, that those who have not had the opportunity to talk, for example, to those who suffered abuse of residential schools, there is a new book out by Agnes Grant, which I recently had the opportunity to read. It supplements, certainly, those recollections that I know many people have expressed to me directly, but when you look at the systematic attempt by the federal government, and I might say, reluctantly, by various religious orders, to destroy the language and culture of aboriginal people, something that was occurring through the residential schools until less than a generation ago, Madam Speaker, is it any wonder that we see the kind of situations occurring? I think one has to recognize, indeed, and I had a very interesting discussion with someone recently who said, you know, the interesting thing is people focus on the residential schools and the horrendous things that happen there, but some of the same elements of cultural

destruction were part of schools on reserves for many years, as well.

* (1740)

So it is an accident? I suggest, Madam Speaker, it is not, because if you look at the policy of successive governments, federal, provincial, there has been an attempt since the beginning of any formalized government in western Canada, first of all, to take land from First Nations people; second of all, to restrict the ability of First Nations to use the land that has traditionally been their usage; third of all, the attempt to assimilate, destroy all vestiges of aboriginal culture, and then in the long run, end up with a situation where you essentially have destroyed First Nations. I use that word—I know some people talk about it as being a genocide. Well, one only has to look at the examples of recent times. I know there will be a tendency at times to say, well, we do not want to politicize this discussion, but you know, Madam Speaker, we live in a time today when even in this election, at least one federal party, some might suggest more than one federal party, still have that same philosophy, the kind of philosophy we saw in the 1969 white paper.

We see in successive documents, internal documents, that have clearly put on the record the desire of various people of various political stripes to eliminate First Nations treaty status, to eliminate the treaties. I say this because I know there is a candidate in my own constituency, Churchill constituency, right now, who is suggesting that somehow now, decades after the treaties were signed, they should be ripped up, no return of the land involved, but ripped up, and that is why I say this is a societal problem. The health conditions facing First Nations communities were not the making of First Nations communities. They are a direct by-product of the systematic attempts by society as a whole to assimilate and destroy aboriginal culture, the aboriginal economy and the aboriginal way of life.

So, Madam Speaker, the obvious question is: Where do we go from here? I credit all those who are part of the various strategies and the studies. There is a more recent one from the College of Physicians and Surgeons of Canada out just today which is recommending action. But you cannot deal with the question of diabetes, I believe, in isolation. First of all, I agree 100

percent with the member for The Pas (Mr. Lathlin). You cannot treat this as a jurisdictional issue, and I say that again. Some will say I am being somewhat political, but I remember when the First Minister, during the election, said, well, we have problems with poverty but that does not really count because it is aboriginal poverty; that is a federal jurisdiction.

I remember being in the community of Nelson House, which I represent in the Legislature, where they went to the point of—I will tell you how concern was in Nelson House. They asked the Conservative candidate not to visit that community after that time because they were so offended by the comments that were made by the First minister. I do not know if the First Minister meant what he said, but I certainly know what the message was to aboriginal people. It was, well, you are not really Manitobans.

But, you know, it is ironic because, when the province wants to go to Ottawa for transfer payments, First Nations are counted, but when it comes to accepting some of the responsibility that we are all indeed Manitobans, I think that comment that was made by the First Minister speaks volumes of the government's approach. I want to go further, because I really believe that we need not only a federal-provincial approach on dealing with specific health issues, but we need to deal with the roots. Indeed I believe there needs to be a specific approach on diabetes. There is a lot that can be done in terms of lifestyle and diet and other issues. I believe that there are various things happening now. There is some good movement in that direction. I think that is fairly significant.

But you know, Madam Speaker, even then, until you deal with some of the spiritual destruction that I see, the hopelessness that many young people feel over their future, you are not going to be able to accomplish what you would like to be able to accomplish through preventative health care. I mean, it is difficult to go to people who have a sense of hopelessness and say, you should improve your lifestyle a bit here and there. Until you deal with the root causes you are going to have great difficulties.

Similarly, we can put in improved health facilities and, by the way, it is absolutely unacceptable that in

northern Manitoba we have virtually no personal care homes. Whether it be in First Nations communities—there are only, I believe, one or two—but in the entire Thompson region that I represent, there is not a single personal care home. Elders, seniors, aboriginal, nonaboriginal alike have to travel to Winnipeg away from family and friends or in some cases to remote or for them remote rural communities.

If you wish to deal with the health problems you have to deal with the root problems. You have to start dealing with the chronic levels of unemployment and the destruction of traditional economic activities that we have seen in the last number of decades. We have got to stop dealing, as we have seen, with federal and provincial governments of the last decade cutting back. How do you expect people to deal with health concerns and health problems when you see, for example, the provincial government cutting back on welfare rates and the federal government matching that in First Nations communities.

When you see a federal government that has cut back unemployment insurance more than any other government in history, crippling many northern communities, taking away the livelihood of many seasonal workers—how can you deal with the root problems when you have educational programs being cut, like the Access programs. How can you deal with the root problems when young people, even if they finish high school, are having a difficulty continuing with post-secondary education. How can you deal with the root problems, the health problems when you see the despair of young people, where you see communities, and I mentioned the elder who worked on CN. I see patterns in many of the communities I represent where the grandparent worked on CN for 35 years and was proud of working on CN and trapped as well, Madam Speaker, continued the traditional lifestyle.

I see the parent, usually in their 40s or 50s, laid off from CN after 15 years and unemployed. I see the youth, Madam Speaker, with no hope or prospect of employment. I have seen this even in the last four years where virtually all the jobs have been wiped out of many Bay Line communities. What struck me with that is when I went and visited with an elder in Pikwitonei one time who had gone through that experience and the

pattern I mentioned, his family pattern. What was most sad, I had to visit him on the occasion of the suicide of his grandson.

Now, people may list that as a health problem, a mental health problem. Indeed it was, there were elements, Madam Speaker, of despair that young person felt, but I think as a society we have to recognize that there is far more to it than that. If that young person had hope, would he have committed suicide? I will not end on this because I believe that we can do a lot more. We live in a country that the UN says has the best quality of life in the world. Why is it then that so many of our residents of Canada, particularly northern Manitoba and particularly First Nations, live in Third World conditions, with Third World health problems, with Third World social problems? This is a country where we should all be living in luxury in many ways.

I say it is up to us as a society now to try and turn back history of the last 100 years and start recognizing we have to work with First Nations as partners. We have to put aside jurisdictional disputes, and most importantly, we have to give hope, we have to have a vision of economic and social and personal development in First Nations communities which we generated by those communities in partnership with other levels of government.

Madam Speaker, when we have that kind of vision, I believe there is nothing in this province we cannot do in terms of dealing with any problems, whether it be the health problems or the social or economic problems. Thank you.

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, of the vision, and we talk about the vision. I think it is interesting that we in society today have lost that vision. In looking at the aspects of aboriginal diabetes, or in terms of that issue, I think there is a bigger picture to this whole aspect.

As far as my understanding in terms of working in health and paying particular interest in what the honourable member raises today, I would like to raise this issue here. With the Midewiwin, religion was the principal spiritual path for the Ojibway. Typically, aboriginal people did not differentiate between physical and spiritual health. All aspects of the world, including

plants and animals, were considered to possess real and practical spiritual powers. Midewiwin priests, both men and women, trained in healing and ritualistic medicine. Midewiwin women trainees received years of secret training, and a priest's education might not be considered complete until he had reached an advanced age.

* (1750)

Much of this training involved the preparation and use of plant remedies. Today we tend to regard native medicine as quaint and superstitious, but in fact about 500 modern medicines, such as digitalis and aspirin with the white willowbark, originated in native plant remedies. Madam Speaker, when we talk about this resolution and we talk about aboriginal diabetes consultation, which was held on January 31, 1997, to continue an intersectoral consultative process with members of the aboriginal community for the development of a provincial diabetes strategy, I hope we are talking about a strategy that is something different than the strategy that we have been functioning under and looking at over the last number of years because that strategy has not worked. It has failed us miserably, and the member for The Pas (Mr. Lathlin) and his people can attest to that. I think we have to address that in a serious way.

My 14 years in terms of that I have spent looking at health and looking at it in a holistic way, and I talk about the holistic way in talking about whole foods. Whole foods are live foods, and I talk about live foods. We in society tend today to complicate the challenges rather than allow natural things to occur. We have lost that perspective on what life is. Life supports life. In wholeness we can alter those foods physically or chemically, but we cannot alter them to the point that those foods are no longer live. Our bodies need large varieties of whole live foods.

I am taking a different approach to this aspect in terms of my understanding as far as health. I do not think that we in governments, whether it be the federal government or the provincial government, that is not our responsibility as governments. I think we as individuals have to gain an understanding and trying to do the right things because I sincerely believe that we as a society have relied too much on the medical

profession, so to speak, as being the know- all and end- all of all health.

That, to us, has failed because what they have studied is not about health; they studied about treating disease. Where has that got us? The honourable member for The Pas can speak about that. He witnesses that, and that is not the direction we in society should be going.

We talk about whole foods. Our bodies are made up of elements of the dust of the earth just like the elements in the soil. Plants can take the elements from the dust of the earth and convert them into whole living elements that are attached to living enzymes which are taken into our bodies in the form of food that our bodies need with the vitamins and the minerals in them. Foods that are cooked or altered chemically destroy the life force. Live foods promote life, while dead foods promote the opposite.

Promote degeneration—disease and death will follow. When you eat live foods, your body will crave live foods, and if you eat dead foods, your body will crave dead foods. The result is that we eat more dead foods, we end up as a society getting fat, because we crave, we are always hungry. It is basic common sense. Either we are overeating or we are dieting, and if you look at diet, what are the first three letters of diet?

An Honourable Member: D-I-E.

Mr. McAlpine: It is to die. When you consider that our bodies contain 75 trillion cells, and the major life force of these whole foods that make up these enzymes are the enzymes in the whole foods that we eat, that is what we call regeneration. The enzymes are the major workers of the body, and the millions of enzymes in our bodies are the chemical matchmakers for the body chemistry.

Madam Speaker, in all the seriousness of this whole aspect, there was a medical doctor, Dr. Pottinger, years

ago. He did this experiment, and he used cats only because of the fact cats had shorter lifespans. I am not trying to belittle this thing by using cats, to the honourable member for The Pas, but this doctor used 900 cats. What he did was, he split them up into three groups. He fed the first group whole, live foods for four generations. He fed the second group for four generations good foods altered with vitamins and minerals as we know them, you know, chemically made. Then he fed the third group food that was dead—cooked food, dead food.

To make my point before my time runs out here, through all four generations, all those in the first group, the cats lived full, whole lives and died healthy deaths. The second group were sick by the time they reached old age and died unhealthy deaths. It got to the point when the third group, by the time they reached the third and fourth generations, the young were born sick and in the fourth generation they did not even conceive. So when you look at that and compare that to what we are doing in society today, I mean, the only thing is that we are going to end up the same way as the cats. The only thing is, it is going to take us longer to get there.

If we continue to do that, and maybe there is some comparison to the fact that the honourable member for The Pas talks about the people in the North being adversely affected. I do not know if statistics prove that or not, but it makes sense in the fact that, how are those foods sent up there? Are they sent up in forms that are not healthy? They say that 75 percent of the potatoes that are eaten in society today are either eaten in potato chips or french fries.

Madam Speaker: Order, please. When this matter is again before the House, the honourable member for Sturgeon Creek (Mr. McAlpine) will have five minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 12, 1997

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