



Fourth 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

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 3, 1998

The House met at 1:30 p.m.

Introduction of Guests

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Rail Line Abandonment

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I beg to present the petition of K. Edwards, M. Hill, J. Marchuk and others praying that the Legislative Assembly of Manitoba request that the provincial government go on record requesting CN and CPR to not proceed with any discontinuance of lines until the report has been tabled, that being the Estey Grain Transportation report.

READING AND RECEIVING PETITIONS

The Brandon Area Foundation

Madam Speaker: I have reviewed the petition of the honourable member for Brandon East (Mr. L. Evans). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: No. Dispense.

The petition of the Brandon Area Foundation praying for the passing of an act to amend the Brandon Area Foundation Incorporation Act.

TABLING OF REPORTS

Hon. James McCrae (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): Madam Speaker, I am very pleased to table the 1997 Annual Report for Manitoba Public Insurance, A Stronger Future.

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 twenty-two Grade 11 students from Sisler High under the direction of Mr. Chris Bandfield. This school is located in the constituency of the honourable member for Inkster (Mr. Lamoureux).

We also have twenty-four Grades 4 and 5 students from Balmoral Hall School under the direction of Ms. Caroline Knowles and Ms. Christine Kowalec. This school is located in the constituency of the honourable member for Wolseley (Ms. Friesen).

Also, we have twenty-four Grade 8 students from Munroe Junior High under the direction of Mrs. Laura Black. This school is located in the constituency of the honourable member for Elmwood (Mr. Maloway).

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

* (1335)

ORAL QUESTION PERIOD

Manitoba Public Insurance Corporation
Deductibles—Car Theft

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, in 1996 the government changed the policy dealing with MPI deductibles to extend those deductibles for victims of car thefts here in Manitoba. In debate last year we raised our objections to this change which we thought was making the victims pay twice. This last period of time I have met with an individual who has been labelled by the media as a Good Samaritan who stopped his vehicle on Highway 6 in March of this year to help three young people who looked like they were in trouble. He was assaulted by these three young people. His vehicle was stolen, and to add insult to injury, the individual was told by MPI that the deductible of \$500 will apply.

I would like to ask the government today, with the MPI announcement, will they be reversing this policy on deductibles for victims of car thefts.

Hon. James McCrae (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): Madam Speaker, Manitoba Public Insurance has partnered with police agencies to assist in making our streets and highways safer places for Manitoba motorists. We have partnered also to ensure that the burgeoning car theft industry could be brought to a halt. The growth in that industry has stopped, and now we are working towards reducing the incidence of car thefts.

With respect to the deductible about which the honourable Leader of the Opposition asks, those Manitobans carrying extended coverage in this particular coverage year do not pay the deductible. Those who maintain only the basic coverage do pay the deductible in recognition of the principle that insurance is a partnership between the ratepayer and the insurance company.

Mr. Doer: Madam Speaker, this government changed the policy in 1996. The deductible was not applied to victims of car thefts here in Manitoba. This individual, whom I have mentioned, a constituent, who has been named by one media outlet as a Good Samaritan, does not want his name used, but he feels that he has been victimized three times: once, when his vehicle was stolen; twice, when his throat was slashed by the alleged assaulters; and a third time now by our own Manitoba Crown corporation.

I asked the government last year. They did not call this a rate increase when the deductibility was changed, a fact pointed out by the automobile association. Why will it not put all its resources into stopping car thefts instead of putting some of the fees and expenses back on victims?

Mr. McCrae: Madam Speaker, there are a number of objectives that the Manitoba Public Insurance wishes to achieve with its policies. If the honourable member needs to be reminded, I can tell him that, as of last year, Manitobans paid the second-lowest premiums across the country for auto insurance on an overall basis and that, with the bringing in of a \$700 deductible in the

province of Saskatchewan, we can now say that overall Manitobans pay the lowest rate of insurance in Canada, and that we have the most comprehensive set of benefits almost anywhere in North America.

That being said, I am quite sympathetic with the matter the honourable member raises. The fact situation is unique, and I am sure no one setting policy ever had intended that someone in a Good Samaritan situation like the one the honourable member refers to would have thought of that particular type of incident when setting policies. I do not know what I can do in this case, but I certainly would be pleased to investigate the matter further.

Mr. Doer: Madam Speaker, we are pleased that the publicly administered, publicly run auto insurance operations in Canada, in Saskatchewan and in Manitoba, do produce the lowest rates in North America, and again speaks well to the whole issue of public ownership of that Crown entity.

Madam Speaker, when the change was made by the previous government, the Public Insurance Corporation executives said it is unfortunate that innocent victims will have to spend more money. It is unfortunate that we have gone from 2,400 car thefts in Manitoba in 1992 to some 9,800 car thefts in '96. I know that Manitoba has the highest per capita car thefts in Canada. I know that Winnipeg is lower than Vancouver in terms of national comparisons, but we believe it sends the wrong message to victims. Surely public Crown corporations can have a consistent message for victims of crime that we purport to have in other areas of government. Surely we should not make the victims of car thefts, if they have acted responsibly, subject to deductibles. Will the government, again, look at these policies that unfairly victimize victims twice in Manitoba?

* (1340)

Mr. McCrae: Well, as I said, Madam Speaker, thanks to the efforts of Winnipeg Police and funded by Manitoba Public Insurance as a Crown-owned insurance company, we have seen car-theft activities levelling off in Manitoba, unlike in B.C. and Saskatchewan where we, unlike what the honourable member said, see actually worse rates than we do in

Manitoba. I am not saying that to say that the rates of car thefts in Manitoba are acceptable, because they are not, and that is why efforts by the Justice department, by police authorities and MPI are directed towards this particular problem.

But, you know, the honourable member says that we enjoy low rates and comprehensive benefits because of public ownership. Maybe it has a little something to do with good stewardship. If we go back to the days of the Doer-Pawley administration, we know very well what happened with rates at Autopac. It was this government that made Autopac accountable to the Public Utilities Board, not honourable members opposite, and nothing to do with public ownership.

Children's Services Provincial Comparisons

Mr. Doug Martindale (Burrows): Madam Speaker, yesterday in Question Period the Minister of Family Services said that she wished that she had a model of child welfare that Manitoba could follow. Perhaps the minister would like to look at the Province of Saskatchewan where they have half the number of children in care as Manitoba in spite of a similar population base. They have no children in hotels. They have had no cuts to foster care rates, and they have had no cuts to welfare. I would like to ask the Minister of Family Services if she would be willing to study the Saskatchewan model and if she can figure out why they are so much more successful in keeping children out of care than Manitoba.

Hon. Bonnie Mitchelson (Minister of Family Services): I thank my honourable friend for that question. I do want to indicate that, just as little as half an hour ago or so, I was speaking to a minister in Saskatchewan and we were talking about the issues around child welfare. He was certainly expressing the same kinds of concerns and issues in Saskatchewan as we experience in Manitoba. I do want to indicate that, contrary to what my honourable friend might put on the record, our foster rates are higher in Manitoba than they are in Saskatchewan; they are higher in Manitoba than they are in Alberta, and that is looking at just the basic rate. I want to indicate that children are assessed on an individual basis when they need placement in care through Winnipeg Child and Family Services or any

other agency, and in addition to the basic foster rate, which is higher than Saskatchewan's and higher than Alberta's, children get additional supports that they need to continue to try to find a better way of life.

Foster Care Temporary Placements

Mr. Doug Martindale (Burrows): Will the Minister of Family Services, who knows that we have dozens of children in hotels and dozens of children, averaging 60 to 65 a night, in four-bed units, devise a strategy, any strategy, to get children out of temporary placements and into foster homes and into permanent homes? What is this minister going to do to reduce the unacceptably high number of children in temporary placements?

Hon. Bonnie Mitchelson (Minister of Family Services): That is exactly the issue that is being addressed by both my department and the Winnipeg agency. As a result of the high numbers of children in hotel placements last year, we put in place a process where, on a day-by-day basis, both my department and Winnipeg Child and Family Services agency review the issues surrounding every child in hotels, Madam Speaker, and we have been very successful in moving people or children out of those circumstances. Although we have not been able to clear the issue up completely, we have had a significant impact.

I do know there are still some issues around the long-term placements in hotels, but those are not children who can go into foster care at the basic rate. Those are children with exceptional needs, and the recruitment of foster parents for those children is an ongoing issue and one that we are attempting to address.

Adoption Maintenance Subsidy Government Support

Mr. Doug Martindale (Burrows): Madam Speaker, will the Minister of Family Services respond to one of the concerns raised in the strategic planning workshop document released this week and consider, in spite of the fact that this document says that Manitoba has refused to proclaim an adoption maintenance subsidy, an adoption maintenance subsidy like other provinces have, so that we can get children out of temporary

placements and into a sense of permanency in family homes? Will this minister act on this recommendation?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, I want to correct for the record that this was not a document that was produced at the strategic planning session. This was a document that was put together by the agency in preparation for strategic planning on how to fix the issues and solve the problems. I make no apologies for the Winnipeg agency going through that process, and I am sure that as a result of that, we will see significant changes in the way we deliver child welfare in the city of Winnipeg.

* (1345)

Diagnostic Tests Waiting Lists—Reduction Strategy

Mr. Dave Chomiak (Kildonan): Madam Speaker, unfortunately, Manitobans are faced with a spectacle of United States clinics advertising on television in Winnipeg telling Winnipeegers and other Manitobans to go down to receive MRI, CAT scans and ultrasound tests in the United States because of unacceptable waiting lists. Unfortunately, the minister's own Winnipeg Regional Health Authority says, and I quote, in Manitoba, waiting lists for ultrasound, CT and MRI are significantly longer than those in other Canadian cities. We have been saying this year after year after year, minister after minister.

My question to the Minister of Health is: will you put in place a system to deal with the unacceptable waiting lists in the interim period until your grand scheme unfolds, the grand scheme that has been promised, version 3 or 4, now for some time? Will you put in place a temporary stop-gap measure to deal with people, so they do not have to go to Grafton, North Dakota, as the TV ads have said?

Hon. Darren Praznik (Minister of Health): Madam Speaker, not only is the answer to that question yes, but it is also that we have done that this winter. That was part of the initial tranche of dollars that was provided to Dr. Blake McClarty. We have our waiting lists going down in all of those particular areas of CT scans, ultrasounds. We have increased the hours of operation on various diagnostic equipment in our community hospitals, and week by week, month by month, we are seeing improvements in those lists.

As the Winnipeg Hospital Authority takes over its role in diagnostics—and part of the plan that was unveiled the last couple of weeks calls for a 15 percent increase, I believe, in the number of procedures to deal with backlogs, and that is moving through the approval stage. So the temporary plans have been put in place are underway, and the long-term solution is working its way through to also be put in place.

Mr. Chomiak: Madam Speaker, will the minister's ad hoc plans which are not taking effect, endeavour today and promise this House that he will write to all of the doctors in Manitoba, outline specifically what his plan is so that those doctors—and I have talked to them—who are giving their patients the number for the Grafton clinic will not have to do so and will know that they will be able to get their services here in Manitoba expeditiously without having to send patients to Grafton, North Dakota?

Mr. Praznik: Madam Speaker, first of all, the member says ad hoc plans. The plans were developed by Dr. Blake McClarty who has a responsibility in that area for diagnostics. He developed a plan last winter at our request. We put the funding in place. Staff have been hired. Where staff have not been, they are because they are completing training programs. I know one of the issues that arose in developing this plan was that a class of technicians, I believe, graduates in August, and we are awaiting that to add to our capacity to deliver more services.

The member referenced MRIs. I am pleased to indicate that this year, in fact within a few weeks, we hope to be opening the new MRI at the Health Sciences Centre. We have two new MRIs coming in at St. Boniface, one a replacement, one a new one. So all of the work, all of the planning is there, and it is coming to fulfilment.

Madam Speaker, if anyone is advising patients that they have to go to Grafton, I would suggest that is not representative of the Manitoba reality as the plan unfolds and develops.

Mr. Chomiak: Madam Speaker, will the minister not agree that the minister's pronouncements, like those on Betaseron and getting covered for Betaseron and like those on waiting lists that we have heard month after

month and year after year, the time between the minister's pronouncement and the actual implementation of the plan is usually so lengthy that people suffer and have to wait on waiting lists? We know the MRIs are coming on maybe later on in the year. I am asking him: what commitment will the minister make in writing to doctors in Manitoba and to patients in writing to indicate specifically when those commitments will come on stream, and what will be done in the interim? If you are willing to do ads and hire public relations people, why will you not put in writing your commitments to reduce those waiting—

* (1350)

Madam Speaker: Order, please.

Mr. Praznik: Madam Speaker, the member references Betaseron. Our commitment was to fund the MS Clinic to run the program. We cannot help it that the MS Clinic, which had two physicians when they undertook the project, now has one, and that has caused a delay. [interjection] Well, the member says I cannot help it.

I cannot produce a neurologist with that expertise overnight. I do not have one in a hat; I do not have one in a closet; I do not have one I can pull out to put in place. When we negotiated the arrangements with the MS Clinic, they had two physicians. They now have one. That one physician is going to be away for a period of time to attend a conference. That is something that none of us in this Chamber can prevent, and we have provided the authority to do whatever is possible to solve that particular problem.

Madam Speaker, the information is there. It is available to physicians. The regular routes of conveying information on scheduling are there. If any physician is telling their patients to book, given what is happening, I would just hope that it is not happening as part of other negotiations with respect to doctors' remuneration.

Introduction of Guests

Madam Speaker: Prior to recognizing the honourable member for Elmwood, with the House's indulgence, I would like to draw the attention of all honourable members to the loge to my right where we have with us

this afternoon Mr. Dave Blake, the former member for Minnedosa.

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

Desktop Management Services Bidding Process—Vendor Presence

Mr. Jim Maloway (Elmwood): Madam Speaker, my question is to the Minister of Government Services. A \$150-million computer contract between the government and SHL is the government's biggest megaproject in its existence. It was easy to see who would win the computer contract when something called vendor presence accounted for 25 percent of the total points, and price only counted for 15 percent of the points.

I would like to ask the minister: would he define “vendor presence” and explain to the bidders, who were not given a definition, why it counted for more points than price?

Hon. Frank Pitura (Minister of Government Services): Madam Speaker, I think the honourable member has to—I share some information with him to try to get the area that he is questioning clarified for him. The Manitoba government entered into a 66-month contract with Systemhouse. The total cost of that contract was approximately \$143 million over the length of the contract. The incremental costs over that same period of time in the entire contract are in the neighbourhood of \$30 million to \$35 million.

So the member is asking in terms of the contract evaluation criteria, and I must say that in terms of most, if not all, contracts that the provincial government has with potential suppliers of services and/or product, there is a contract evaluation criteria that is put into place with respect to each time a request for proposal is put out. This is not unlike any other government across this country or any other jurisdiction, Madam Speaker.

Bidding Process—Hardware

Mr. Jim Maloway (Elmwood): The minister again refuses to answer the question. I would like to ask the minister a supplementary. Can he confirm that several companies, including at least one Manitoba company,

quoted lower prices than IBM for the actual hardware provided? Can he confirm that?

Point of Order

Hon. James McCrae (Government House Leader): Madam Speaker, honourable members sometimes do this. They do not do their homework, and they come to the Legislature and ask ministers to confirm certain information.

Madam Speaker: On a point of order?

Mr. McCrae: Yes, on a point of order, Madam Speaker. It is the member's duty and responsibility to bring forward information and put it before the House and then ask questions about whatever he wants to as a result. But to ask ministers to confirm, I believe, is out of order.

Madam Speaker: The honourable member for Burrows, on the same point of order.

* (1355)

Mr. Doug Martindale (Deputy Opposition House Leader): Madam Speaker, on the same point of order, I think this question is entirely in order and the government House leader is wrong. We are asking questions about the expenditure of \$150 million. Surely that is in order.

Madam Speaker: The honourable member for Inkster, on the same point of order.

Mr. Kevin Lamoureux (Inkster): I think the government House leader is somewhat confused. You cannot pose possibly a hypothetical question. That might be in order to stand up on a point of order and suggest that it is out of order, but to pose a question of the government of the nature that has been posed, there is definitely nothing wrong, I would suggest, Madam Speaker, because what you will find is that 50 percent of the questions that are asked are in fact of the very same, typical nature.

Madam Speaker: On the point of order raised by the honourable government House leader, indeed I will take the matter under advisement so I can research

Hansard to check the exact wording of the question by the honourable member for Elmwood.

* * *

Mr. Maloway: Madam Speaker, my supplementary to the same minister is: would the minister release the point system and totals and confirm that several companies, including at least one Manitoba company, quoted lower prices than IBM for the actual hardware provided?

Mr. Pitura: Madam Speaker, I have shared with the member across the way the contract evaluation criteria that were used in the selection process. I have taken the liberty, as well, of taking the honourable member with me over to the operation centre to show him how the system of a managed system works. I am sure that the honourable member is quite aware of the reasons behind the approach taken by the provincial government with regard to having a managed environment, desktop environment, so that we can face the issues of data transmission of facing the challenge of the year 2000. So I am sure that the honourable member is well aware of all these things that are happening.

But to help the member out even a bit more, the per seat cost for the managed environment, of the \$141 million, is about \$1,760 per seat per year. For the standard office suite, it is \$97 per seat per year. For the data communications charge, it is around \$372 per seat per year. For e-mail services, it is \$152 per seat per year. So I think the honourable member now has all the costs that he needs to know.

Bidding Process—Evaluation

Mr. Jim Maloway (Elmwood): Madam Speaker, once again the minister refuses to answer direct questions.

Madam Speaker: Question.

Mr. Maloway: My final supplementary to this minister is: would he give us the names and qualifications of the four individuals who reviewed and evaluated these proposals?

Hon. Frank Pitura (Minister of Government Services): Madam Speaker, again, I think I shared with

the honourable member across the way what the total cost of the 66-month contract is. That is what it will cost taxpayers in this province, and because of the ongoing cost that we have on an annual basis, for each government department had nothing happened, therefore we can assign an incremental cost. That incremental cost is estimated to be \$25 million to \$30 million over the 66-month contract. So there is all the entire costs that are there for this entire contract, that is, with Systemhouse.

* (1400)

Chartier Report Recommendations—Implementation

Mr. Neil Gaudry (St. Boniface): Ma question est pour le ministre responsable des services en français. J'aimerais tout d'abord féliciter le Commissaire l'honorable juge Richard Chartier pour un rapport dont les recommandations semblent, de prime abord, précises, et avant toute chose, de bon sens. De plus, il apparaît clairement que le processus de consultation utilisé par le juge Chartier était transparent et ouvert, allant même jusqu'à rencontrer le cabinet du gouvernement.

Madame la présidente, ma question au ministre est la suivante: dans l'esprit d'ouverture dégagé par le rapport Chartier, et considérant que le cabinet du gouvernement en connaît déjà très bien l'orientation des recommandations, quelle échéance et quelle date le ministre a-t-il fixées pour la mise en oeuvre de ces recommandations?

[Translation]

My question is for the Minister responsible for French Language Services. Firstly, I would like to congratulate the commissioner, Honourable Judge Richard Chartier, for a report whose recommendations seem, at first glance, precise and, above all, common sense. Further, it clearly shows that the consultation process used by Judge Chartier was transparent and open, even going so far as to meet with the government cabinet.

Madam Speaker, my question to the minister is the following: in the spirit of openness that emerges from the Chartier report, and given that the cabinet is already

very familiar with the orientation of the recommendations, what time lines and what date has the minister set for the implementation of these recommendations?

Hon. Darren Praznik (Minister responsible for French Language Services): I thank my colleague from St. Boniface for the very important question.

It is our intention, as we indicated in our press release yesterday, that a committee of deputies in which the Clerk of the Executive Council is involved has been struck and will be reviewing the details of the particular recommendations to develop the implementation plan, including time lines. There are also other players involved with this recommendation, that being the board of directors of St. Boniface Hospital, which has a very significant role to play, along with the Winnipeg Hospital Authority, so they, of course, will have to be consulted as well. Our intention is that we can begin implementation in the fall. That should also be accompanied with a set of time lines for the completion of that process.

Committee Membership

Mr. Neil Gaudry (St. Boniface): Au même ministre, Madame la présidente: qui sont les membres du comité appointé par le ministre pour faire le suivi du rapport Chartier? Est-ce qu'ils sont des francophones?

[Translation]

To the same minister, Madam Speaker: who are the members of the committee appointed by the minister to do the follow up on the Chartier report? Are they Francophones?

Hon. Darren Praznik (Minister responsible for French Language Services): No, the committee is composed of deputy ministers led by, I believe, the Clerk of the Executive Council, who has had a significant role in the development and implementation in the policy over the years. The intention is to have those individuals who have to deliver the new services or bring about implementation of the proposals to be able to figure out what has to be done, what time line it can be done in, and are there any problems or difficulties that have to be overcome to achieve implementation of those recommendations. So it is important those people within government who have

the responsibility to administer those program areas and services are at the table developing the implementation plan.

Community Service Centres

Mr. Neil Gaudry (St. Boniface): Ma question supplémentaire: le ministre accepte-t-il la recommandation N° 3 qui dit, et je cite: que des centres de services communautaires soient établis dans les régions désignées bilingues. Et quand et où verrons-nous l'ouverture du premier centre?

[Translation]

My supplementary question: does the minister accept recommendation No. 3 which reads, and I quote, that community service centres be set up in the designated bilingual areas, and when and where will we see the first centre opened?

Hon. Darren Praznik (Minister responsible for French Language Services): Madam Speaker, with respect to community service centres, if memory serves me correctly, I know many of my colleagues over the last while have been exploring that for general government services to have one-stop shopping. So the common-sense part of this proposal fits into some of the other plans we have been working on as government over the years. The concept, of course, is to make sure there is a centre where a person could at least access generalists who can get the information they need. In the current policy, there are many designated bilingual positions that are located in offices that are outside of Francophone communities and outside of the traffic pattern for those communities.

The detail of how we put that together, which would also include, I think, consideration for the union representing our employees and other issues, has to be developed, and that is the area, I think, which will require the most work in developing the implementation plan. But I can assure the member, once that work is completed, we will want to announce that information and time frame.

Agriculture Industry Safety Net Programs

Ms. Rosann Wowchuk (Swan River): Madam Speaker, the recent cold weather, the frost and the

threats of further frost show the vulnerable position Manitoba farmers are in, much more vulnerable than central Canada. It also shows clearly that farmers need stable funding safety net programs for income stabilization and risk management, as well as disaster relief. Given that the memorandum of understanding on farm safety nets is coming to an end and a new one must be negotiated, can the Minister of Agriculture tell this House how he is going to ensure that Manitoba farmers get a fair share of the money to ensure the risks that Manitoba farmers are facing are addressed equitably to other producers?

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, first let me thank the honourable member for a timely question. It is indeed trying times for all too many of our farmers, who were looking forward to an early positive start to our year with the weather that we enjoyed, now are finding themselves fighting frost in some instances, too much rain in a few other instances, and drought, all at the same time. As she says, it points out the risks of prairie agriculture.

I can report to her that not only my officials but the coalition of people of different farm organizations have been working diligently for the last several months, have been in contact and are working, have had several meetings in Ottawa in preparation for the ministers of Agriculture conference to be held on the 1st of July in Niagara, Ontario, this year where the safety net package will be the No. 1 item on our list for deliberation.

Ms. Wowchuk: Madam Speaker, I would like to ask the Minister of Agriculture if he feels the position taken by Ontario farmers that allocation for safety net money should be allocated on the value of the product rather than on risk is an acceptable position, or is he prepared to ensure that the safety net programs that are brought in will address the risks that are so important to Manitoba farmers.

Mr. Enns: Madam Speaker, very directly to her question: no, I do not believe that that is in the interests of Manitoba farmers or prairie farmers. The prairie region has, as we are experiencing right now, very specific risks, higher risks, I might add, than those faced by the farmers in Ontario or British Columbia. Also, on the issue where we have a greater percentage of horticultural crops, higher-value crops, if you place

the insurance envelope all on value, we tend to lose out, particularly if the federal government has a cap on their overall contribution to the safety net program. So we are working to maintain what we have, hopefully some improvements in the package as have been suggested by different groups.

I might add, Madam Speaker, that we are fortunate in Manitoba that over 80 percent of our agricultural land is covered by insurance, the highest subscription of any province of any jurisdiction in Canada.

Ms. Wowchuk: The minister has indicated that his staff and he have been working on negotiations. I would like to ask the minister if he is prepared to push for additional funding, for money, so we could have some of the disaster relief programs that other farm groups have asked for, and whether he will ensure that the federal government does not further renege on their responsibility to agriculture, as we have seen them do in the last budgets that they have presented.

Mr. Enns: Well, Madam Speaker, it is not difficult to agree with the honourable member for Swan River. First of all, I want to acknowledge, and I want to remind honourable members opposite, that I and the farmers of Manitoba appreciate very much that this government, at the conclusion of the GRIP program, directed very significant portions of that premium that went towards that program into what we call the Enhanced Crop Insurance Program. I attribute part of the reason why we have such a high subscription rate to the fact that that has made our basic crop insurance program relatively fairly attractive to most farmers.

So it is my hope to make that possible. The federal government also provided us with some transition monies. It is very important that we retain those transition dollars so that we can maintain the current level of the program, at best, in its current form, hopefully with some improvements to take in some additional crops, particularly in the horticultural area.

Red River/Lake Winnipeg Coast Guard Services

Mr. Gregory Dewar (Selkirk): Madam Speaker, my questions are for the Minister of Highways and Transportation. As the minister knows, there are just

three people working at the Coast Guard base in Selkirk. The federal government has recently spent over \$5 million to renovate this base, and currently it has been leased out to a private boat manufacturer. The 12 staff of the Coast Guard boat, the Numao, have been laid off. Currently, to provide Coast Guard services on Lake Winnipeg and on the Red River, there are just two zodiac boats and another small boat. That is all that remains to provide this service.

Has this government conducted any studies of its own to determine what this would mean for commercial fishing, for sport fishing and for casual boaters on the Red River and Lake Winnipeg?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, the member raises an issue that is unfolding—again, federal decisions that may impact us in Manitoba. As the Department of Highways and Transportation, I will commit to the member that we will review the circumstances and what potential outcomes might happen that we would want to take action on.

* (1410)

Mr. Dewar: Is the minister confident that there is adequate staff to operate the pollution containment equipment in case of a serious pollution spill, environmental spill on either the Red River or Lake Winnipeg?

Mr. Findlay: Madam Speaker, my first answer fits again. We will review the circumstances and determine if there are outcomes that the member is mentioning that need to be addressed. We will review.

Red River/Lake Winnipeg Dredging Services

Mr. Eric Robinson (Rupertstland): My questions are also for the Minister of Highways and Transportation, further to my colleague's questions, the member for Selkirk, and he correctly pointed out that there have been job cuts at Selkirk.

I would like to ask the minister what the status of negotiations is with respect to dredging, and that dredging continues at the mouth of the Red River and also the major docks along Lake Winnipeg.

Hon. Glen Findlay (Minister of Highways and Transportation): I do not have that information with me today. I will find out and report back to the member.

Mr. Robinson: I thank the minister for that response.

Another part of this is that the communities of Berens River, Pine Dock, Bloodvein, Poplar River, amongst others, depend on the services of a riverboat for virtually all groceries, goods and supplies. I would like to ask this government whether or not it acknowledges that dredging is very crucial to this region.

Mr. Findlay: Madam Speaker, for supplying those communities with goods off the waterway is important. We recognize that very clearly. Part of our review that I have committed to, we will analyze the member's question and determine where and when we need to lobby for dredging services.

Linnet Graphics Contract Expiration

Mr. Tim Sale (Crescentwood): Madam Speaker, could the Minister of Industry, Trade and Tourism tell the House when the monopoly enjoyed by Linnet Graphics expired and when the agreement for selling that company was entered into and signed?

Hon. James Downey (Minister of Industry, Trade and Tourism): First of all, Madam Speaker, I do not agree that Linnet Graphics had any monopoly on anything. They were a company that was started in the province of Manitoba. With new technology, they are now creating some 60 jobs in the province of Manitoba. I could deal with the other—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Downey: Madam Speaker, the date I will get for him for Estimates, which we will be entering into very shortly.

The member keeps referring to some 300-and-some jobs. If the project had gone to the third phase which was planned, then we would have accomplished

the amount of jobs that were in place. There were two phases that were completed, of which has accomplished—

Madam Speaker: Order, please.

Contract—Manitoba Hydro

Mr. Tim Sale (Crescentwood): Madam Speaker, if the agreement to give Linnet its, essentially, lock on all provincially directed services in fact ended some time during 1997 as is claimed, or at the end of 1996, can the Minister of Industry, Trade and Tourism explain to the House why Manitoba Hydro entered into an untendered, long-term agreement with Linnet last summer? Where is the commitment to openness, to tendering, to an even playing field?

Hon. James Downey (Minister of Industry, Trade and Tourism): Well, first of all, Madam Speaker, if Linnet Graphics were not operating in Manitoba, Manitoba Hydro would not have been able to get the services from a company right here in our province. So I want that to be made clear.

Secondly, Manitoba Hydro run their own operation. If they wanted to go to Linnet Graphics and make a deal with Linnet to do work for them, that is their business. We are not intrusionary like the New Democratic Party across the way and want to mess around in everything that goes on in this province.

An Honourable Member: And mess up everything.

Mr. Downey: Absolutely.

Crown Corporations Tendering Process

Mr. Tim Sale (Crescentwood): Madam Speaker, is the Minister of Industry, Trade and Tourism then telling Manitobans that there is no open tendering program at any Manitoba Crown corporations, that the government of Manitoba does not require Crowns to live by the same rules that the government lives by? Is the Industry minister telling us that Linnet does have a continuing monopoly with Crowns but just not—

Madam Speaker: Order, please. The question has been put.

Hon. James Downey (Minister of Industry, Trade and Tourism): The answer, Madam Speaker, is no. But what there is in the province of Manitoba is a good government that does not fritter away money like the NDP, where we are still paying the debts for one Mr. John Bucklaschuk for \$2 million in Autopac.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

HOPE Project

Mr. Jack Penner (Emerson): Madam Speaker, the crop is good, a bit of frost.

I rise today to congratulate some of the farmers in the Arnaud and Lowe Farm areas, residents who are growing wheat this year for the Foodgrains project. HOPE, or Helping Other People Eat, is a project of the Arnaud and District Community Growing Project. This worthy project raises grain—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Penner: Thank you. Again, HOPE, or Helping Other People Eat, is a project of the Arnaud and District Community Growing Project. This worthy project raises grain for the Canadian Foodgrains Bank and is seen as an alternative to straight grain donations from farmers. A similar growing project is also underway in the Lowe Farm area.

Projects such as HOPE enable a greater number of community members to participate and take part in these important growing projects. By banding together as a group, companies often become involved, as well as individuals, in donating money towards buying fertilizer and inputs into growing this grain. The Arnaud and District Growing Project began in 1997 with 160 acres of land seeded to flax. This year the project has expanded to 280 acres, and they are going to be growing wheat.

According to Harold Janzen of the Canadian Foodgrains Bank, more than half the cost of growing each

of these acres of wheat will be covered by non-participating farmers and companies that otherwise would not be able to participate in this project. The remaining costs are going to be made up of individual cash donations.

Once again, I would like to congratulate those individuals who are participating throughout Manitoba in ensuring that there is going to be a greater degree of donations made to the Foodgrains Banks across this province. People such as the Janzens and others in the Lowe Farm area are going to ensure that there are going to be 2,500 people who are going to have food on their tables this year compared to what they would have had without a project such as this.

Misericordia General Hospital

Ms. Jean Friesen (Wolseley): Madam Speaker, on behalf of my constituents, I have expressed many, many times in this House my concerns about the closure of the Misericordia. I have spoken frequently about the absence of community consultation, the unconscionable treatment of sisters, staff and patients in the decade of uncertainty to which the hospital has been subjected. Today I want to add the comments of constituents who have written to me this week.

One constituent says: If the government intended to close this as a hospital, why did they set up comprehensive breast care programs? Why did they designate it as an ophthalmology centre? Why are they closing this hospital when its cost per patient is lower than the cost per patient at each of the two major teaching hospitals? How many hospital beds are they taking out of the system that are currently used as hospital beds? Where will they replace them? The government caroms from one health care and education issue to the next, either changing policy on the fly and according to the whims of the ministers or stonewalling against public outcries and opposition attempts to address the issues, or both. Please stop, the constituent adds, the disastrous plan to close the Misericordia General Hospital.

* (1420)

Another senior citizen writes: I am amazed at the thoughtless treatment of the Winnipeg Hospital

Authority to convert to a long-term care facility the Misericordia General Hospital. In the last year I was taken by ambulance to this hospital for emergency treatment. There I was treated with care by the hospital staff, kept in for improvement. Please do not make the mistake of closing this hospital. It is too important. I join with the rest of the neighbourhood to give my support to the wonderful doctors and staff.

Thank you, Madam Speaker.

Government Action

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, I want to remind all Manitobans that our government is committed to ensuring Manitoba remains the best place in Canada to live, work, invest and raise a family, and through consultation and partnership with Manitobans, we continue to work towards this goal. Therefore, it was especially gratifying to see the results of a recent Angus Reid poll indicating that seven out of 10 Manitobans give their communities high ratings. In fact, almost three-quarters scored their communities as either a four or a five out of five.

Our government, through the balanced budget, taxpayer protection, and debt retirement legislation, has ensured that the priorities of Manitobans, job creation, health care, education, family services and community safety, continue to be provided with the necessary resources both now and in the future. Unemployment in our province remains among the lowest level since the early 1980s. Our long-term debt rating has been revised from stable to positive, and our economy continues to improve in diversity and with strong export focus. As well, Manitoba continues to attract world-class events, including the 1998 Grey Cup, the 1999 World Junior Hockey Championships and the 1999 Pan American Games. These events allow Manitobans an opportunity to showcase our great province to the tens of thousands of guests anticipated.

As we move forward into the next century, our government will continue on the path we have embarked on to ensure the growth and achievements continue. We will continue to consult with Manitobans and strengthen the partnerships that have made Manitoba the great province that it is today. Thank you, Madam Speaker.

Misericordia General Hospital

Ms. Diane McGifford (Osborne): During the past weeks, I too have joined with the member for Wolseley (Ms. Friesen), the member for Crescentwood (Mr. Sale) and the Leader of the Opposition (Mr. Doer) asking questions about Misericordia Hospital.

Today I want to share with the Legislature a letter from a woman in the community who was particularly concerned about the closure of the breast care clinic.

I am writing with respect to the fate of one of the very few multifaceted breast care programs in Canada, the program at the Misericordia General Hospital. My main concern is saving the integrity of this program rather than saving the location of the program per se. This program provides comprehensive and integrated care to hundreds of women with both benign and malignant breast diseases. There were over 400 visits made to the clinic last year alone. For women with breast cancer, this program has co-ordinated all facets of their care from their first visit to their initial diagnosis and treatment as well as ongoing care as it is necessary. My question to the provincial government and the Winnipeg Hospital Authority is why would you dismantle a program with demonstrated excellence? Why would you jeopardize the physical and emotional health of the women who currently use the program and those who will need the program in the future? Surely there must be a way that this valuable asset to the health care system can be either moved in its entirety to another facility or that modifications can be made so that the program can remain at the Misericordia. This program is recognized nationally as an innovative and comprehensive approach to breast cancer care. Let us not lose it in the name of health care reform. The cost would be too great.

Madam Speaker, if I might continue, let me just say in closing that this is one of many letters that I have received in my constituency on the breast care clinic, and I would like to add my voice once again to that of women in the community who would like to see this breast care clinic remain in Misericordia Hospital open and running. Thank you.

Red River/Lake Winnipeg

Mr. Gregory Dewar (Selkirk): Madam Speaker, the Minister of Highways and Transportation's (Mr.

Findlay) answers to my and my colleague from Rupertsland's questions regarding the future of the Coast Guard and the future of dredging services in the Selkirk and Lake Winnipeg area were less than reassuring. To the many Manitobans who use the lake, we raise the issue of concern about the safety of boaters on the lake. We also raise the issue of the concerns regarding pollution containment in the event of a spill. His answers were very vague and, again, less than reassuring.

Madam Speaker, my colleague from Rupertsland raised the issue of dredging. This is also a big concern. There are many communities along the eastern shore of the southern basin of Lake Winnipeg who rely upon water transportation for their supplies in the summer as they have no road access. Also, if the Red River at the mouth of the Red is not dredged, this could inhibit all types of vessels from entering the lake. As well, in terms of the spring breakup, there are also concerns that if in fact the river is not dredged out, this could inhibit ice from flowing from the mouth of the Red into the lake during the spring breakup. It could, as well, cause problems in terms of ice jams on that lake. Ice jams on the river and a potential for flooding has happened in 1996, so we urge the government to take some action to ensure that the Red River and Lake Winnipeg are safe for boaters this season and for future seasons. Thank you.

Committee Changes

Mr. George Hickes (Point Douglas): I move, seconded by the member for Broadway (Mr. Santos), that the composition of Standing Committee on Law Amendments be amended as follows: Burrows (Mr. Martindale) for Wellington (Ms. Barrett); Osborne (Ms. McGifford) for Broadway (Mr. Santos) for Thursday, June 4, 1998, for 10 a.m.

Motion agreed to.

Mr. Edward Helwer (Gimli): I move, seconded by the member for Charleswood (Mrs. Driedger), that the composition of the Standing Committee on Law Amendments be amended as follows: the member for Springfield (Mr. Findlay) for the member for Lakeside (Mr. Enns); the member for Arthur-Virden (Mr.

Downey) for the member for Gimli (Mr. Helwer); the member for Riel (Mr. Newman) for the member for Brandon West (Mr. McCrae).

Motion agreed to.

* (1430)

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, the opposition House leader and I have been having our discussions with the view to having two private members' hours tomorrow morning. I would be asking today that we waive private members' hour for today.

Madam Speaker: Is there leave to waive private members' hour today? [agreed]

Thursday morning's proceedings will involve two separate one-hour private members' hours. Agreed.

Mr. McCrae: Madam Speaker, I would not want there to be any misunderstanding about that. That was indeed what had been worked out between the two House leaders.

Madam Speaker, I wish to obtain the unanimous consent of the House, notwithstanding the sequence for consideration of Estimates as outlined in Sessional Paper 142 tabled on March 24, 1998, and subsequently amended, to consider in Room 255 the Estimates of the Sport Directorate. These changes are to apply until further notice.

Madam Speaker: It has been moved by the honourable government House leader, seconded by the honourable Minister of Family Services (Mrs. Mitchelson)—no?

Mr. McCrae: Madam Speaker?

Madam Speaker: Yes.

Mr. McCrae: I beg your pardon. I know that everyone understands this, but we need to have it on the

record that this would happen on the completion of Industry, Trade and Tourism.

Madam Speaker: Is there unanimous consent of the House to alter the sequence of Estimates for Room 255, to have the Estimates of the Sport Directorate take place on completion of the Estimates of the Department of Industry, Trade and Tourism, these changes to apply until further notice? [agreed]

Mr. McCrae: Madam Speaker, I move, seconded by the honourable Minister of Health (Mr. Praznik), 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.

* (1440)

Motion agreed to.

COMMITTEE OF SUPPLY (Concurrent Sections)

JUSTICE

Mr. Chairperson (Gerry McAlpine): Order, please. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 254 will resume the consideration of the Estimates of the Department of Justice. When the committee last sat, unanimous consent had been granted to have all questions and answers considered under line 4.1.(b)(1).

Mr. Kevin Lamoureux (Inkster): I appreciate the patience from the member for The Maples (Mr. Kowalski). I thought I was going to be done, but I have been provided the opportunity to do a little bit of a follow-up in the sense that, Mr. Chairperson, one of the things that I was able to do was to get some actual numbers since last we met. I made reference to one of the things that I do within the riding is get some sort of feedback from people, constituents as to what they really believe.

To pick up on when the minister made reference to the meeting that he had in Ottawa where you get civil servants—and I think that civil servants do a wonderful job. There is no doubt about that, but I was intrigued

when the minister had implied that—or in some of the comments that the minister put on the record yesterday. What I wanted to do is give some sort of an indication of the types of numbers that I have been getting back from this one particular survey that I sent out.

Now, it is not complete in the sense that there are about 80 more than I had given the minister the other day, but I will read verbatim the actual question that I posed to my constituents. These questions are something I do on a regular basis, so these are not individuals who respond; what we are talking about is households. I do not necessarily know them all obviously. I would anticipate that we will probably get a few hundred more in, so it is only partial results, but I would think that this is a fairly strong indication of the general feeling from within the riding.

The one question I posed was: do you support a minimum period of incarceration for someone who is found guilty of breaking into a residential home? Interesting response. I always give yes, no, no opinion for answers. This way there is some statistical benefit for me that can be derived out of it. Obviously, the issue is a lot more complicated than that, but this is a summary of just over 400 people that have returned—330 people said, yes, that there should be some sort of a minimum sentence; on the “no” side, 47; and 13 people had no opinion.

I think that strongly reflects what it is that I was saying just two days ago and one of the reasons that I believe that we are being let down within the system. But always wanting to give the benefit of the doubt, to give the benefit of the doubt here would imply that there has been some miscommunication or we are not getting our message out. That is the reason why I specifically asked the minister: for that individual who gets caught breaking into a house on a Sunday afternoon, what is likely going to happen to that person? Or to get some sort of a summary of what actually takes place, because then this way I am allowed to convey to my constituents, and maybe, like me, my constituents could possibly be wrong. What I can at the very least do, if I am wrong in my assumption, is get the correct message out to my constituents. I think that they would be pleased, for example, to hear about the home invasions, Mr. Chairperson. So information of that nature is most valuable.

The second part to that question—and I do not have a summary of that as of yet, but I will get it to the minister once I do have it—was: if yes, how many months? That really fluctuated. A number of people who put “yes” did not necessarily fill it out, for whatever reasons. It varied from one month to 60 months and beyond. But the purpose of it is just to emphasize that so many people believe in the need to have some sort of a minimum incarceration for people who break into homes because, like me, I believe they believe that it is far worse than any other type of a property crime. It is not a property crime.

Now, the most amazing statistic—and I would ask for special attention, if I could do that, for this particular question because I was really amazed with the response. The question that I posed was: do you feel our courts are too lenient on violent offenders? Really surprised with the response: 388 said yes; 10 said no; six had no opinion. You know, it did surprise me. I did not expect that sort of a response from this question.

One has to ask: who are the people that are taking the time to fill out the questionnaires? These questionnaires that I send out are not just one or two questions. It takes a while to fill them out. A number of them I hand-deliver, just to knock on some doors, and, as I say, we will get some more. If that particular percentage continues, I think it reinforces one of the initiatives that I have taken upon myself to try to put into place and to present to the Chamber.

I know I have had opportunity to touch base with both the Free Press reporter and the Sun reporter, indicated that I would be doing it; I do plan on doing it. Time has not allowed me to get it done as of yet, but my intentions are at some point to do it, and that is, it was going to be a petition. Now, I actually have it worded, and I want just to take the time, just so at the very least it is on the record.

* (1450)

It is the standard petition addressed to the Legislature: We humbly swear that an independent judiciary does not justify a total lack of public accountability; That the lack of public confidence and the level of frustration in our judicial system continues

to grow; Wherefore your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to advise the minister of the need to consider establishing an independent judicial review committee to report to the Legislature on ways in which our judicial system can better serve the public of Manitoba.

Mr. Chairperson, I started working on this particular petition before I started to get any sort of tabulation of results, and once I have seen the results, I really do not believe I am going to have too much of a problem getting signatures on this particular petition, and if it was within my budget I am sure I could probably mail these petitions out to the individuals who have been replying to me and probably get them returned very quickly. But the purpose is not to get a large number of signatures. More importantly, for this particular issue for me personally, is to make the minister aware, to lobby in the best way that I can, so the first opportunity I get back into knocking on some doors, I will be personally asking individuals to sign this particular petition and whenever the opportunity is there.

It is just to make a statement, so I am not going to say I am going to bring in thousands of signatures, whether it is 10 signatures or it is 100 signatures, I think the significance is very well demonstrated in the numbers that I have presented to this particular committee in terms of the general lack of confidence. I really do believe that is there because of the whole resistance to any sort of change in an area in which it is necessary, and there is a role for us as elected officials to make sure that those that are charged with the responsibilities of the judicial system are being held somewhat accountable to a certain degree, always wanting to watch out for the importance or the need to maintain judicial independence.

I recognize that. I have said that on numerous occasions. I sincerely believe that, but I do not want to use that as an excuse for not addressing what I know my constituents want me to address with the Minister of Justice. There are no doubt many areas that are being talked about or caused the frustration for my constituents. It is not under the jurisdiction of the province of Manitoba and we need to see some changes in Ottawa, but I think we have a responsibility to do what we can internally in order to alleviate some of those frustrations.

I would conclude by asking the one question, at least this portion of my questioning by asking the one question of the minister because I really and truly do want to get some, a better idea of the break-ins, of when could I anticipate receiving information as to the number of successful prosecutions of individuals that have broken into homes in some sort, whether it is percentage or some sort of an idea. For example, how many individuals would have been given a suspended sentence that had been successfully prosecuted? How many did not spend a day in jail, or a percentage? We know that there are hundreds of individuals who are involved.

I would like to think that there has got to be something from within the department or the judicial system that allows us to say here are the number of break-ins that were prosecuted and 10 percent of them had no jail time or incarceration time whatsoever; 20 percent served from this period to this period. I would think that there has got to be something and I would appeal to the minister to expedite this particular issue because it is something that I would include in future correspondence to my constituents. It is either I have to continue to very strongly press for change, or I have to start pressing more for getting the communication better established so that people can start believing or having more belief or stronger beliefs or showing more confidence, I should say, within our judicial system, so I have asked that of the minister.

Hon. Vic Toews (Minister of Justice and Attorney General): I will not go over some of the aspects that I have already addressed. I certainly enjoyed my discussion with the member two days ago in terms of this particular issue. As I have already indicated, the home invasion has been a matter that has been taken very seriously in this province. I believe that we have established a benchmark of about 10 years in terms of sentences for those types of offences. Certainly that is what the Court of Appeal is willing to impose. Indeed, there may be other situations where that may not be sufficient. I believe our department will continue to monitor that situation to ensure that appropriate sentences are imposed.

I think that kind of a sentence sends out a message that people will be very careful before contemplating that type of activity. It is one of the reasons why I am

still a firm believer in the constructive murder sections that the Supreme Court of Canada struck down. When people jointly go to commit a dangerous act, and I am thinking especially of armed robberies, under those old constructive murder sections—I believe it was Section 213 of the Criminal Code that the Supreme Court struck down—it used to be that you were a party to the offence when somebody got killed during the course of that robbery. It was not just the main perpetrator that was convicted of murder, but it was all parties were convicted of murder.

I thought that sent out a very, very strong message to anyone participating in any degree in a robbery or some kind of a violent activity or an activity where that kind of risk to any reasonable person, any objective thinking person, that was a consequence. So our Supreme Court of Canada decided that, on the basis of the Charter of Rights, that was unconstitutional, and I disagree with that position. I still disagree with that position. I believe constructive murder was a very, very important tool that the police needed in order to get the job done.

I would indicate that many American states still have constructive murder on the books and still continue to convict individuals on the basis of constructive murder. I think it is not an issue of law as much as it is philosophy. Sometimes we find the Charter being used to advance political rather than legal interests. I say that without hesitation because one cannot divorce political judgments from the Charter, because there is essentially very little guidance given to the courts in trying to determine what in fact should be done with respect to any situation.

* (1500)

My point of view is that why should these political decisions be made by nine appointed people as opposed to members of Parliament who are elected. A constituent pointed out a very interesting fact to me in asking me whether or not one had to be a citizen of Canada in order to be a provincial judge. I thought about that, and I realized that in order to be a lawyer in Canada it is no longer required to be a Canadian citizen. That was struck down as unconstitutional, that requirement by the Supreme Court of Canada as a result of a case coming out of British Columbia. So

one has to be essentially a landed immigrant to be capable of being a lawyer.

Now, if that is the case, then the only qualification to be a judge in this province, a provincial judge, is to be a person at the bar for five years. Well, that leads to the interesting situation where a noncitizen could technically be empowered to strike down laws under our Charter of Rights that citizens who are elected by citizens have passed. I thought that was an interesting situation. So he brought it to my attention, and I thought that was something worth considering, because all of these decisions involve political considerations, yes, in a legal context, but they are policy decisions.

So I am concerned when some of our laws that citizens have passed on the basis of their considered opinion, and then our courts strike that down. Now, I am still very pleased that our courts have gone along with the higher sentences in home invasions. I think they are very, very important. As I indicated to the member, I have a great deal of sympathy for minimum jail sentences in certain cases. Again, we run into the difficulty with the courts striking those down under the Charter of Rights, and, as I have indicated on a prior answer, I think the parliament has been made very wary of implementing minimum sentences.

I think even if one does not implement minimum sentences, I think in order to establish some kind of consistency across Canada and even perhaps Manitoba, minimum sentencing guidelines I think would be of great assistance so that the citizen out there knows that if a certain offence has been committed, the court looks at a certain sentence as being the appropriate one and can lower that or raise that, depending on mitigating or aggravating factors. So, again, I think that would be a positive step.

Now, barring both minimum sentences and sentencing guidelines, are there other options that we can come up with? I think there are, and those discussions are going on presently in my department. The area of break and enter specifically is one that has been the subject of discussions within our department to see what can be done, failing any substantive federal legislative action. So I think the member, in that respect—for me, it is premature to comment on that issue, but I certainly have a great deal of sympathy for

his position. In fact, the survey that he has conducted is a very helpful one and instructive one, and I look forward to seeing the full survey so that we can consider that in any policy discussions that we have within the department and indeed within the Legislature and between members.

The issue of the petition is a good one. I am very supportive of petitions. I think petitions, especially when one looks at who is signing these petitions, are very instructive. The more anonymous the names are in the sense that they are not recognizable as being advocates or public figures of one sort or another, the more credibility the petition takes on for me. I am speaking personally. Perhaps members in my caucus do not always agree on that point. I happen to believe that the average citizen taking the time to sign that type of petition, to put his or her name down to it, is a very significant matter.

The member knows that it is very difficult to go out and get memberships in a political party, even if those memberships were free, or to get somebody to sign up on a union card or join any kind of an organization. In my opinion, all things being equal, a citizen thinks very carefully before signing one of those petitions, and, even where a citizen does so very quickly, it is probably as a result of having thought about it for a long time and this is the first opportunity that he or she has in expressing that opinion in a concrete way. So I would encourage the member to continue in that activity of the petition that he has mentioned.

In respect of the specific figures on break and enters, we do not track them in that type of a formal way, nor do we have the technology at this time to be able to track those sentences. We look at what sentences are given in terms of a range, perhaps, that the Court of Appeal has said is acceptable, that benchmark that the Court of Appeal sets, because the Court of Appeal is essentially the court that sets the length of sentences. It is not the Supreme Court of Canada. They have consistently refused to get involved in sentence appeals, where it is just a strict sentence appeal. So it is our Court of Appeal for the Province of Manitoba that essentially sets what a sentence will be.

In one respect that is not good, because we get real discrepancies occurring right across Canada. So for

certain offences you may get punished a lot in one jurisdiction and not as much in another, and I think that is not quite right. I would prefer to see more of a standardized approach, and that is why I am a believer in a minimum sentence or at least sentencing guidelines right across Canada at least as something to measure it against.

In Manitoba, we will have, for example, the Court of Appeal saying: this is the acceptable range for a break and enter or a home invasion. We know in Manitoba now what the acceptable sentence is for a home invasion. It is not 14 years. That is too high. Ten years appears to be what the Court of Appeal has said is an acceptable sentence, and there will be mitigating and aggravating factors that will lower that sentence or raise that sentence. So that is how Crown attorneys have traditionally determined whether or not a sentence is appropriate.

It is what I did when I was a Crown attorney and I believe what most Crown attorneys still do. The point that I was leading to is that with the prosecution information system that is being established through technology and computerization, PRISM, that type of information will be available. We will begin to build a database that will give us that type of information. So at this time the only thing that I could do for the member, and I will still have my staff see what kind of information we can give, but I do not think it will be any more specific than the points that I raised last day, where it essentially means that the minimum sentence would be a suspended sentence and a maximum on what one could consider an ordinary break and enter, where perhaps there are multiple break and enters or extensive damage, would be three to four years.

*(1510)

The problem with break and enters, which is not always evident, is that you will have the offence reading: break and enter with intent to commit an indictable offence, so the intent could technically be murder. So there you have break and enter with intent, but you could have a very severe sentence, but the plea was one to break and enter. So you could get a sentence of seven years and yet it looks like, well, somebody got a conviction of break and enter and got seven years. The other wording could be: break and

enter and did therein into a dwelling house and did therein commit the indictable offence of theft, and he could have stolen a few dollars and the person would have got a suspended sentence.

Now, you will always see those kinds of extremes because of the nature of the offence itself. I do not think that prevents us from establishing some kind of a target as to what is acceptable. Then if it is break and enter with intent to commit murder, if that is the appropriate case or if it is the only case that the Crown can make, then perhaps that then becomes an aggravating factor where the bar should be raised rather than lowered or remain at that sort of standard position.

So even when we get that information on computer, that will not necessarily help us determine what an average sentence is. They will still continue to fluctuate quite wildly, just because of the nature of crime and, secondly, because of the particular attitudes of individual judges and the discretion that the Court of Appeal allows them in their sentencing capacity.

The last point in this was the member's reference to the independent judicial review committee. I agree with the member that it is very important that we begin to speak about ideas, that we do not, as I have indicated earlier, just because we have done business one way for the last 125 years does not mean we have to continue in that way.

I noted with interest that a Mr. Robert Desjarlais from Thompson wrote a letter in today's Winnipeg Free Press. Well, I am sure that is Mr. Bob Desjarlais of the United Steel Workers, the husband of the NDP M.P. from Churchill, and basically he says that even the idea of elections is on a slippery slope to mob rule, quoting Frances Russell.

If Bob Desjarlais is in fact that Bob Desjarlais and the authority he is relying on is Frances Russell, then I think that there is lots of room still to debate this issue as to whether or not that is on the slippery slope to mob rule. I do not believe that. I do not think that anybody seriously suggests that just because you elect certain judges you have mob rule.

This is without saying that I agree with elections or not. I think that is a discussion that needs to take place,

because I have heard my constituents say it over and over again. What do I tell my constituents? It is not a good idea? It is something we should not do? I know better because I am the Attorney General?

You know, I am only the Attorney General as long as they decide that they will send me to the Legislature. So I have a role to represent their view, separate and apart from my function as Minister of Justice and Attorney General, and I think the discussion has to start with an examination of the idea of: what is judicial independence?

If one goes back in our history, the idea of judicial independence, central to that concept was getting a fair trial, that an accused has a fair trial. I do not think there is anybody in this Legislature that wants to see someone not have a fair trial. Everyone here does. Everyone. No matter what role we played prior to coming to the Legislature, whether we were prosecutors, whether we were police, whether we were formerly with the army, it does not matter. We all believe in that concept.

But what we have seen is an elaboration on that principle of judicial independence by the courts over the last number of years that I think needs examination. Do we, as a society, wish to see judicial independence used, and I do not say that in a negative way when I use the word "used," but used for purposes of essentially collective agreements.

Well, that is a very good question to ask, and when my constituents ask me that question or put that proposition to me, I am not in a position to say: you know, the judges of the Supreme Court of Canada indicated that that is an appropriate role for that section of the Charter and, therefore, it is beyond my ability or competence to question or even to provide you with more of an answer than, say, well, that is what the Supreme Court of Canada decided.

Once we stop questioning our institutions, then the institutions that were designed to serve the people no longer do that. Then we start to lose touch with the reason for these institutions being created. So questioning of authority, questioning of institutions, questioning of established practice is absolutely necessary to the health of our democratic institution. Whether I agree or not that elected judges are a good

thing or terms for judges are a good thing, do our citizens not have the right to ask the question without being accused by people like Mr. Desjarlais that this is simply on the slippery slope to mob rule?

I mean, I have to shake my head and say: if freedom of speech in this country, as the Supreme Court of Canada has said, means that a prostitute can stand on a street corner and communicate for the purposes of prostitution and that falls within freedom of speech, certainly an ordinary citizen asking the question of should we have elected judges, how could that be any less deserving of protection under our Charter? If we, as the Supreme Court of Canada has said, cigarette advertising is protected speech, that commercial activity is protected speech, how can we say: if that is protected, why is it not the right of our citizen to say: I am wondering if there is a better way of administering justice in our country. I find that very, very troubling and very strange that someone would suggest that that is on the slippery slope to mob rule. In fact, that is the lifeblood of democracy that we ask those questions.

So I think that we need to examine these issues. We need to talk about these things. The member has suggested an independent judicial review committee. I do not think at this point I am prepared to make any such commitment. I have certainly indicated my willingness to participate in the Alberta proceedings, to participate with ministers there, to initiate initiatives here that I think are responsive to some of the concerns of our citizens. But whether I agree to a formal process or not, one of the things that I will not do is say to our citizens that you are not entitled to speak about a particular issue. Our citizens are entitled to speak about an issue and to question institutions, be they government or other institutions.

So I look forward in the next couple of months to developing some of these ideas further in conjunction with other members in the House, including the member for Inkster (Mr. Lamoureux), and I do not think I can give you any other information than what I have already said. If my staff, in any way, can provide the member with additional information, Mr. Chair, I will certainly pass that information on to him.

Mr. Lamoureux: Mr. Chairperson, I recall an article that was in one of our daily papers, and it was a

response, I think it was from the Chief Justice, saying that we needed to see more action from politicians, or there was an article saying that they have to take more actions. I look at the results that I got thus far on that one question that I had posed where we had 330 people saying that, for example, there should be a minimum sentence for a break-in.

* (1520)

The minister indicates that the Court of Appeal is what, in essence, sets the parameters of what the sentence will, in all likelihood, be. I am surprised that we are not able to, for example, get a number of how many people received a suspended sentence for break and enter. Under the PRISM system, we will maybe be able to get that number; hopefully, we will be able to get that kind of a number. Why? Because what do you do if you have, on the one hand, public expectation, and it is clearly demonstrated here that there be some form of a minimum incarceration period, and then you have the Court of Appeal that says that is not going to be the case.

So you have the will of the public, and I am not saying with 100 percent certainty that is going to be the conclusive will of the public, but on first glance from the results that I have been getting, I would think that you would have a good percentage of the population suggesting that that is, in fact, what they would like to see. So the judicial system which is supposed to serve the public, at least in part, I would think, is not necessarily fulfilling what expectations the public has of it. If that same principle, if you like, is applied to the government of the day, the public can then choose to throw that government out of office.

I am not an advocate of electing judges. I do not think that is the direction to go. If people want to talk about it, that is fine. I do not have any problem with people who want to talk about it. I just think it would be a mistake personally. A term position is something, especially at the provincial level, that I think is quite responsible. One-term appointments, they can still receive federal court appointments. I think that that might be something that is worthwhile at least talking about and looking at.

But I think there is something missing, and maybe the minister would be able to tell me what it is that is

missing, when you have an overwhelming public opinion saying that this is what we want from our courts, and the Court of Appeal makes the decision that the public is not going to get that.

The specific example I am referring to, again, would be the break-in. Can there be anything done? When it is an issue that is brought up at the door, do you say, well, complain to the courts, complain to the Minister of Justice? How do you ensure that there is some sense of that accountability for the public?

I am very sensitive to the whole issue of mob rule. I know the member for The Maples (Mr. Kowalski) and I differ in some of our opinions at times. I want to be sensitive to that, but I think there are some basics that are there that do need to be addressed, and no one wants to be perceived as being a racist if, in fact, they bring up an issue that is sensitive to ethnic minorities. No one wants to be perceived as being a hangman, if you want to be able to provide what I believe is constructive criticism or a dialogue on what I believe is a valid point.

So can the minister indicate when you have the Court of Appeal that sets the parameters and that those parameters do not come close at all to what the public as a whole, not 51 percent, 52 percent, but 85 percent, want to see, what is the answer?

Mr. Toews: Well, I think it is a good question, but the answer is as basic as our constitutional structure in this country. That is how basic an answer it is. In 1981 or 1982, we went from a parliamentary democracy to a constitutional democracy, and that is a very, very radical change, and people did not realize it.

I mean, the agenda that Prime Minister Trudeau had at that time was—he was not particularly concerned about civil liberties. He never was interested, I believe, in civil liberties. That was not his goal. I mean, we saw how he reacted in 1970 with the War Measures Act. This was a person who was quite willing to abrogate our civil liberties at a moment's notice. One can argue about whether that was an appropriate action or not, but it was an action taken by our democratic leaders, and one has to see it in that context.

The real agenda, it has been argued, that Prime Minister Trudeau had was not one of civil liberties but,

indeed, of certain educational and language rights, and he knew he could never pass that in our country as a constitutional amendment by itself, those educational and language rights. But what you do is you stick those rights into the Trojan horse of civil liberties, and that is what he did.

Now, I think very, very shrewd politically that he did it, because how can one argue with a Charter of Rights and Freedoms? To say you are against rights and freedoms is like saying that you are against apple pie and motherhood. I mean, how can you be against that? So when people did question what was going on, people like the former Premier of Manitoba Sterling Lyon, when he said there is something very, very radical going on here, our democracy is being fundamentally changed, power is being taken away from the people who speak through their elected representatives, nobody listened to him.

But that was the problem, and it was not just Sterling Lyon who said that. It was Roy Romanow in Saskatchewan who said that. Ultimately, democratically they voted in the usual—or they agreed, as was their democratic right to do so. So in the normal democratic system these decisions, if they were wrong, they could be changed under our parliamentary democracy. They could be changed. Can they be changed now?

An Honourable Member: A constitutional amendment.

Mr. Toews: The member for The Maples (Mr. Kowalski) says a constitutional amendment.

An Honourable Member: How many have we seen? It could happen.

* (1530)

Mr. Toews: And he says it could happen. We have put ourselves into a particular legal straitjacket and not just with respect to things that we like. For example, there are things about the Charter of Rights that I like. I believe Section 15 of the Charter is fundamental to our country—equality. It is the equality section. In our multicultural, multiracial society, I think that is an important section to have.

There are other sections that I happen to agree with as well, but the application of these constitutional principles to the area of criminal law is something that I have grave concerns about. I mean, we have seen parliament move to protect women in a number of cases when the system made them victims, especially when they were victims of sexual assault, and the steps that parliament took to protect those women were struck down by the courts as being unconstitutional. The balance was always tilted in favour of the rights of the accused. I think not enough consideration, if it was my opinion that counted, was given to the rights of these victims.

One of the reasons we see today the whole development of victims' groups is not necessarily because we are more victimized, but because we have fewer avenues to change things. The Constitution prevents parliamentarians in many respects from taking proactive steps that everybody recognizes are necessary. We just look to 1982 and say we did it to ourselves. So this emphasis of frustration on the part of victims is a natural outgrowth of that mistake that was made in 1982, where a Prime Minister with a particular agenda brought a lot of baggage into the area of criminal law that I think has been not healthy for our criminal justice system.

Again, people might criticize me for that point of view. I make no apologies for stating my opinion in that respect. So we have moved from a parliamentary democracy that for hundreds and hundreds of years served Great Britain very well. We adopted an American system, a republican system, that essentially is not as flexible, is not as adaptive and without the safeguards that the Americans have in their Constitution.

In my opinion, in 1982, we adopted the worst of all worlds, and that is what we are living with today. I am not one who is simply going to give up and say there is nothing we can do about it. I think there still are things that we can do about it. There are things that I have mentioned, particular programs that our government can undertake, that we will undertake, that we have undertaken. We will continue to do that, but, again, we will have to recognize that is only in a particular context that we will be able to do that. That context is the Charter of Rights as those rights are defined by the

Supreme Court of Canada, not by the politicians and not by the people.

One last point. I have mentioned from time to time here about the Reform Party's proposal in respect of reviewing decisions of the Supreme Court of Canada, where those decisions affect laws of parliament. People are dismissive of it because, well, it comes from the Reform Party. I do not care where a good idea comes from. I do not care whether it comes from a Liberal, a New Democrat, a Social Credit. If it is a good idea, it is a good idea. So that kind of proposal, again, is worthy of discussion. In fact, I think, it is one of the few proposals that we will ever successfully be able to bring about in terms of restoring that balance between the power of the elected people and the powers of appointed judges.

I think it is a very important step. We should not lightly dismiss this, because it comes from a political party that we may not happen to agree with.

Mr. Lamoureux: Unfortunately, within the answer the minister gave, it does not necessarily answer the specific question. One would wonder, for example, does the department through the Crown's office not have the opportunity to appeal decisions? If in fact you have in this case break and enters, where individuals are receiving suspended sentences, and the government, if it believes that there is a need for a minimum sentence in this area that it would be an automatic appeal no matter what the circumstances surrounding it might be, much like you have zero tolerance with domestic abuse. No matter what the circumstances, there are some obligations of law enforcement officers.

So, I think, those types of things would have been what I would have suggested to my constituents if they would oppose the question. I was hoping that I would be given maybe another idea or two as opposed to the constitutional debate. If it was the constitutional debate, I have quite a bit of thoughts on the constitutional debate. Actually, having gone through, I can recall our Prime Minister signing with the Queen and others the Charter of Rights back in the early '80s and repatriating the Constitution. I think you have had several Prime Ministers prior to Trudeau that attempted to repatriate the Constitution to bring it home and were not successful. I think that one of the primary things

that Mr. Trudeau at the time was trying to accomplish was to bring our Constitution, as we did have—well, it was an act of the British Parliament, the BNA Act, to bring it home and to repatriate the Charter of Rights. From what I had understood, and I would have been relatively young at that time so I am not quite as keen on it, but the Charter of Rights is something that came along on the side.

One of the aspects of that whole constitutional debate that was quite positive, I had thought, was the notwithstanding clause. The current Premier, when it was suggested, in fact, he went beyond the suggestion in which it was incorporated of the doing away of the notwithstanding clause. Given what the minister has just said, and I had no intention of getting into the Constitution, but no doubt after the Quebec election, especially if there is another government outside of the PQ, there will be some sort of constitutional discussions. This minister, if there are no changes whether electoral or within cabinet, could very easily be sitting around a table talking about constitutional change.

* (1540)

Given the minister's comments—I am personally and at one time a minority opinion from within; we were a large caucus at the Liberal Party—I always maintained that the notwithstanding clause was a positive thing and definitely worthwhile keeping. So I am interested in whether or not this particular minister supports the notwithstanding clause, but I digress considerably from the original line of questioning. I will just let the minister answer that question. It was only because of his answer, Mr. Chairperson, that I went as far on that particular issue as I did before I get right back to what I was wanting to conclude on.

Mr. Toews: Whether I support the notwithstanding clause or not, I believe that it is the notwithstanding clause that acts as a political release valve that allowed Quebec to stay in Confederation despite the fact that many rulings went against certain statutory provisions that government passed. So it performs a very, very important political function which I think is fundamental to a political compact that we have here, this political Confederation, because the change from the parliamentary democracy to a constitutional

democracy also went—there was a change from a political compact between provinces to a legal contract and that, again, fundamental difference, fundamental difference. So, I think, given that we have this Charter of Rights and that 1982 Constitution, many would argue that it is that necessary political release valve that allows provinces who cannot tolerate certain decisions from the Supreme Court of Canada in areas of their jurisdiction to express politically what they think. So I want to leave it at that. I am not saying that it is the best solution or it is a good solution; I am just saying that in the past, I believe, it has performed a very valuable function in keeping Canada together.

The issue just on minimum sentence and zero tolerance, very quickly. Zero tolerance is very different than minimum sentences. Zero tolerance relates to the prosecutorial role of the Attorney General and the police forces. That is, they and the Attorney General have the full constitutional authority to lay criminal charges. But once that charge is laid, as zero tolerance authorizes police forces to do, in fact requires police forces to do if there is a reasonable likelihood of conviction—the legal test has not changed in zero tolerance. It is the same. The only difference is that once that reasonable likelihood of conviction is met on the basis of evidence, then there is no discretion on the part of the peace officer as to whether or not he or she should lay that charge. So that is within the prosecutorial role of the Attorney General to set those kinds of policy directives.

Similarly in the area of bail and the granting of bail, the Attorney General could set certain guidelines for the prosecutors. In Manitoba, the prosecutors themselves, through discussions, have set a certain policy statement that I as Attorney General happen to agree with. I agree with that position. I assume I could have given direction; constitutionally I could have given direction. That was not necessary because the prosecutors worked out what they considered appropriate. I agree with their position.

Minimum sentences are very different. Once a charge has been laid, then it falls into the bailiwick of the courts to determine how a trial is conducted, what is appropriate, and ultimately what sentence is imposed. One of the things that should be noted even in respect of sentencing—for example, if there is some kind of a

plea arrangement where defence counsel says I will have my client plead guilty to such and such a charge if the Crown will recommend a certain sentence, the Crown looks at that case and says is this in the public interest to do this? Crowns, in that kind of situation, should never simply bargain cases away in order to avoid a trial or to avoid work, but sometimes in the public interest it is a very, very important function.

For example, if a Crown attorney truly believes a murder has been committed but the evidence is not there, and indeed if it went to trial, there may not even be sufficient evidence to convict on a manslaughter, what is the public duty of a prosecutor in that circumstance? Is it to go to trial in any event even where there is not sufficient evidence that there will be a conviction, or does the prosecutor say I will accept on behalf of the people and on behalf of the Crown a plea to manslaughter? And that is done, because I believe that is in the best interests of ensuring that within the system there is a measure of accountability, a measure of responsibility by the accused, perhaps not as much as the individual prosecutor would like.

But that is why the Supreme Court of Canada has said in that Power case, 1994, do not try to second-guess the motives of the prosecutor. I think the prosecutor always has to be accountable, always has to be ready to defend their actions, but sometimes a prosecutor cannot do that in a public way.

I think a very good example was an example just raised recently in the House about the idea that a charge had not been proceeded with in 18 months. The fact is a charge was laid about a year ago. The final reports of the RCMP were not prepared until March of 1998, just a few months ago, and the Crown attorney was given 14 volumes of 200 pages each as a result of that continuing investigation. So those documents would then have to be turned over to the defence lawyer. But if you look at it, on the face of it, you say: 18 months, what has been going on here?

Sometimes every aspect of a case cannot be explained satisfactorily in public because there are reasons. For example, I know some members in the House would like to see a greater role of victims in the actual prosecution of a case. Well, we have to remember, a Crown attorney does not simply represent

a victim. He or she is not simply a lawyer for the victim. He represents the public interest generally, including the victim and including an accused.

* (1550)

Now, if a Crown attorney were compelled at every circumstance to explain why they were taking certain actions, think of the scenario, where, living in a small community, as we have many here in Manitoba, where an accused person kills another person in that community. The family members want to see justice, naturally so, and the Crown, looking at the evidence, suddenly realizes that the evidence is all melting away. There is no evidence, for one reason or another, certainly none that would justify a murder conviction.

Now, if we were to keep the victim's family fully informed, do we then say, well, look, the reason we are going to have to take a plea to manslaughter is that, at the end of the day, we might land up with nothing. How can we say that to a member of the public at that sensitive time in the prosecution when a member of the family could then leave the meeting and sit there, let us say, in a bar, unhappy with that kind of state of affairs. Say something like that, that gets back to the accused. The accused then refuses even to plead guilty to manslaughter.

We respect the confidentiality of a police investigation, which is absolutely essential. We also have to remember that we have to respect the confidentiality and the professionalism of these Crown attorneys.

So often I hear in the House people suggesting that the Crown attorneys have been less than frank or less than diligent. Well, it is the same as suggesting that I, as a lay person, can tell my doctor how to perform open heart surgery on myself.

You know, sometimes we have to recognize that there are things that cannot be publicly disclosed, that it is crucial to the administration of justice that they are not publicly disclosed. So we have to establish that balance.

The issue of zero tolerance, there are certain policy guidelines that we can set. Crown attorneys in certain cases will make very hard decisions that may not

appear to meet the goals of that policy and yet they do so for very good reasons.

The area of minimum sentences again is an issue for the courts. One last point on that issue, and we have raised this before, it is not always an issue of asking parliament for tougher laws. Sometimes the laws are already there. I think it is a question of ensuring that the right evidence is put before the court to convince them that standard past practices of sentencing are not meeting the needs of our society. That is a challenge that my department is faced with and will continue to address. There are steps that we are taking in a number of areas which I am not prepared to discuss publicly at this time, but I would say that is an issue that we do want to address and at least satisfy myself that we are taking all the appropriate steps in that respect.

Mr. Lamoureux: Mr. Chairperson, the member for The Maples (Mr. Kowalski) has been very patient. I do believe that the minister and his office do have constitutional authority that would allow for it to address some of the concerns that the public as a whole has. The greatest one, in all likelihood—and, again, this is not my line of expertise. It is only in the last couple of years where I have really been getting involved in this particular issue, as I was previously concentrating efforts in Health and Education, so I did not designate as much time or resources. Now that I have a good friend who often talks to me about Justice, my interest is somewhat piquing more, and the more I talk about it in the constituency, the more of an issue it becomes. So it is something where I think the public wants to see something. I listen to the minister's responses, and, generally, if I was talking to some civil servants, those are the types of answers I would get, with some exceptions. There are areas in which, as I said in the past, the minister is somewhat bold.

Mr. Chairperson, I am looking, and I use the break-ins because it is what I have on my website. It is the issue which I believe so many people are concerned about, because it could happen to any one of us. Even one of the judges, I believe, had a break-in just recently. In fact, it might have been a home invasion. I think that it is a concern that is out there.

Does the department have the constitutional authority? I believe it does in some areas that can make

a difference. I cited one of those areas, and that is in the whole area of appeals. Nothing prevents them, whether it is the government or it is the prosecutors as a whole, to sit down and say: look, we do not feel generally—and I can understand that they do not necessarily have access to the information that would allow them to get a good assessment of the situation. But if generally it is demonstrated that the public is not being well served with a particular crime against not property, but against a person, I would argue, something should be done. That could be appeals.

If you have, and this is why I posed the question, hypothetically, 200 prosecutions of break-ins, residential break-ins, and 50 percent of them you have complete suspended sentences, the minister cannot tell me I am wrong or that I am right when I say 50 percent of those were given suspended sentences. Maybe in the future he might be able to tell me through PRISM, but I think that if the Crowns' office were to start to appeal decisions and it was made known that they were going to be appealing these sentences because the government, based on what the public want to see happen, take stronger actions, I would think that it could have a positive impact. By taking actions of this nature, it restores some faith.

We talked about zero tolerance. I would argue that a number of years ago, whether it was women's groups collectively or individuals that did not have any sort of real comfort level prior to zero tolerance, but, because the government took a strong action, the reaction from potential victims or victims, I think, has been fairly positive. Again, it reinforced that the government was being sensitive and taking the types of actions which they believe are important.

I think that there are a number of areas within the judicial system, if you start looking at the types of crimes that are committed, in which there might be a need to address what public expectations actually are. It does not mean, as I say, if automatically you do a poll and you have 50 percent plus one and that means that is the direction government has to take. I do not believe that for a moment. I think that it has to be well thought out. That is one of the reasons why I talked about the review, Mr. Chairperson. But to go over in some areas, I believe we put people behind bars that do not necessarily need to go behind bars.

* (1600)

There might be some alternatives to that. Having said that, I would look to the minister to find ways in which the department can actually deal with the issues that are there and not necessarily get frustrated because of, let us say, the Court of Appeal, who ultimately determines the parameters. If the parameters are not acceptable, it does not mean the minister or the government or the Crowns' office should have to be content with that, because, ultimately, even if they end up losing every case that is brought to the Court of Appeal, if it continues and it continues long enough and hard enough, one would think that it might have a positive impact. So, if governments were to do this, I think that there is a little bit more accountability within the system. This is one idea.

The Minister of Justice and, there is no doubt in my mind, the individuals that work for the Ministry of Justice have many more ideas than I could probably even imagine. It is just a question of whether or not the will is there to make it happen, and I think that maybe there would be some benefit, if there is, let us say, no committee or independent review, to have some sort of a public forum. We have had them in the past on education. I believe there has even been one on health, I am not too sure, but I know the government did sponsor one on education.

Maybe what we should be doing is having a public forum on justice-related issues so that individuals can express their thoughts and we can maybe see if we can get something, or encourage the dialogue through that sort of a mechanism, which, I think, could prove to be very beneficial. I do not believe that you are going to get a bunch of hangmen showing up for a public conference, that you will get some open-minded people and common sense should prevail. I know the member for The Maples (Mr. Kowalski) would definitely be there to provide his input.

Mr. Chairperson, the bottom line is that shortly the Estimates of Justice, in all likelihood, could pass, and then the minister—it will go through a few more days, who knows? Some say it will be longer—the session, and after the session, then we are out of it, and we do not see anyone until we are back in session for a while. It will be interesting to see what happens between now

and next year, as long as there is no election; or, if there is an election and my constituents feel it in their hearts to return me, I can assure the minister that there is a very good chance I will be back in the Justice Estimates, and you can rest assured that I will likely be talking about home break-ins again. Hopefully, the PRISM system will be up, and we will actually be able to talk about some numbers. At that time, if the time is there for me, I will likely want to expand it beyond the home break-ins, but that is by far my first priority with respect to the issue of justice today.

So I leave it at that. If the minister wants to comment, he can. I know the member for The Maples has a few words, and I would look forward hopefully to being here next year, when we can have some more dialogue. What would be nice, and I have always thought in the Estimates process, is to allow for dialogue directly between politicians and civil servants. We see it in other standing committees, in particular, Crown corporations and so forth. How wonderful it would be, not to necessarily ask questions—and please do not be offended by it, Mr. Minister—not ask you the questions, but to ask some of the people that are under you some direct questions. But, failing that from happening, because I do not think it will, I do look forward to the next opportunity that I will get to do some follow-up questions on this very important issue. Thank you.

Mr. Toews: Just very briefly then, I say once again in respect to the issue of appeals—a couple of things I should say; we are not hesitant in this province, I think, to appeal cases, and we, by and large, have had a fairly responsive Court of Appeal, that they are responsive to many of the concerns that we have raised in certain areas. In other areas, we have not been as successful. I think, though, that we should not be afraid to lose a few appeals, even though the precedents seem against us. I think we owe it to our people that from time to time we take cases that are not necessarily on solid legal footing, but we believe that it is the right thing to do. So, again, we should not be critical of Crown attorneys who then undertake that task and lose that case. I think that is part of the process that needs to be done. Defence lawyers do it all the time. I think the Crowns have traditionally been a little more reserved in their appeal for a number of reasons because of that broader public interest that a Crown attorney serves.

I will just point out that Manitoba, in respect of transfers of youth to adult court, perhaps does about, I think, 40 percent of all of the transfers in Canada, even though we only have one-thirtieth of the population. This department has been extremely aggressive in ensuring that violent offenders face the full possible consequences for their acts. Again, that is a policy direction that this department has taken and, I think, very, very successfully.

The other thing that we should not forget about is that Manitoba has perhaps one of the lengthiest sentences provided for certain crimes. I think it is Alberta, Saskatchewan and Manitoba in third place, and so of the 10 provinces, Manitoba, the sentences rendered here are, in comparison, lengthy to other provinces. So we keep on strengthening aspects of our justice system where we need to be stronger or make stronger statements.

Zero tolerance, again, is a very, very good example. When I was a prosecutor many years ago, truly the position of the department was that if a woman failed or refused to testify during one of these domestic violence trials, they were held in contempt and they were sent to jail for refusing to testify. We have I think, thankfully, moved light years away from that position and now provide some of the best support for partners of domestic abuse. That is certainly a policy that I would like to see continue.

There are other areas, as I have indicated to the member, where we can take action, where we will take action, whether it is through our prosecutorial policy, whether it is through an appeal policy, whether it is lobbying the federal government for certain changes, and I mentioned one of them the other day, that Manitoba wanted a separate offence of home invasions now. That was defeated, but that is something that I do not think is a dead issue. I think provinces like British Columbia, which experience them on a far more regular basis than here in Manitoba, would certainly be looking at that kind of thing. I think, in time, people will come about and realize that it is a good idea, in the same way that Manitoba was instrumental—and they call them the Vodrey amendments on harassment.

Those were Manitoba-led amendments to the Criminal Code by the former Justice minister, and she did an excellent job in bringing that onto the national agenda. People say that it has not proven to be very effective because only 40 or 50 percent of those matters land in convictions. The point is, those are 40 or 50 percent where there was no offence prior to those amendments being passed. So there is a remedy, even though the remedy may not always be satisfactory. In fact, we have said that it is not always satisfactory. We have said that we need civil legislation to complement that criminal legislation. We have done that in the area of prostitution with our johns legislation, with our johns school. We have done that with our administrative impaired and seizure of motor vehicles laws. We have continually supplemented the federal law where we feel that we have an appropriate area of constitutional jurisdiction and the federal government has not moved to address a particular issue.

The issue that was raised lastly is people behind bars who should not be there. I have my assistant deputy minister of Corrections here, Mr. Greg Graceffo. He is sitting out in the audience, but Mr. Graceffo would be more than happy to sit down with you one day and go through who should be in prisons and who should not be. We have one of the most sophisticated classification systems in Canada in terms of the risk that prisoners pose to the public. We have very stringent policies in terms of the type of people and what type of facility they should be in, and we are looking at ways of improving that. But as time goes on and as a result of certain changes in federal laws—for example, the conditional sentences—we see the type of prisoners becoming more and more deserving of being in jail. There are very, very few people in jail who could, I think, benefit by a different system of correction.

One of the areas where I think we probably do not need people in jail is the intermittents. In my opinion, if a person is safe to be out in the street during the week, he does not pose much of a bigger danger on the weekends. If he is a danger on the weekends, he should also be in jail during the week. That is my position on intermittents. So one of the ways that we have been able to deal with intermittents is by entering into contracts with the Salvation Army to house our intermittents in their facility, and they have been doing

a very, very good job of it. So there is an alternative. So we do not need to occupy prison beds with those intermittent people.

So there is an example, perhaps, of people who were in prison, who when they come into the prison cause all kinds of administrative difficulties for the correctional staff, not only administrative difficulties but security difficulties, because they will come in on the weekends and sometimes are forced to bring in contraband for other prisoners who are there on a full-time basis. So intermittent prisoners is not a particularly good way of dealing with people who should be incarcerated. I do not think it is very effective. Maybe that is a use for conditional persons.

Then there are people who should be in jail and are not. I think the greatest issue that has highlighted that concern is that of conditional sentencing. The law is badly drafted. It does not give enough direction as to what kind of people should be in jail or not, what kind of people should receive the benefit of a conditional sentence. In my opinion, if I had the legislative authority, people who commit serious, violent crimes should never be entitled to conditional sentences. Our department has consistently opposed conditional sentences, not because we do not have the resources to monitor these individuals, but because the issue of the danger to the public is simply not worth the risk of letting these people out any sooner than we have to.

Having said that, we have to recognize, in our provincial jail system, nobody is staying in longer than two years less a day. Ultimately these people come out. I think that our Corrections staff is diligently working to determine what kind of people can be released on temporary absences, even before the mandatory release date. There needs to be a way, an interim period of time, in which they can slowly be reintegrated with the rest of society.

I know Corrections staff have discussed that problem with me and said if a person is dangerous, that is an issue; we need to keep them in as long as possible. But if a person simply needs supports, and all the person is doing is serving two years less a day and no probation to follow, how do we provide them with any supports or provide them with any degree of control as they are reintegrated with society? If you serve the full sentence

and then are released, they are absolutely free. They owe no explanation to anyone. So the issue of temporary absences, even though the public might sometimes see that that person should not be out, because a judge gave him two years less a day and therefore he or she should serve that full time, sometimes in terms of safety to the public, that is not the best way of handling it.

So Corrections staff have a very, very difficult task in that context, but they are working on that. I think that sometimes people are going to make mistakes. We are dealing with human beings. We are not dealing with robots. Even the best classification system, which we have here in the province of Manitoba, cannot predict with a high degree of certainty what someone is going to do the next day. Perhaps somebody's girlfriend is injured by another person and causes that person difficulty, or some other personal problem. Well, those are all things that affect their degree of risk and what happens. So there needs to be a measure of support, and, yes, even an early release date from time to time to reintegrate that person into society in a structured way.

Are there people behind bars who should not be there? Less and less so. Can we make improvements to ensure that there is an appropriate integration even before, let us say, a mandatory release date? I think we need to work on that issue, and I do not think our Corrections staff should be criticized when they make those hard decisions. It is a very difficult situation.

Mr. Gary Kowalski (The Maples): There are so many things that I would love to respond to that have been talked about, but I would like to take advantage of some of the expertise of the staff here today. One thing I will mention—the rest maybe we can save for concurrence when I can talk to the Minister of Justice about some of the philosophical views about the justice system and that.

One thing I know, Graham Reddoch from the John Howard Society reads every word of Justice Estimates every year. I cannot remember the exact words that the minister used that I think he will take exception to, that there are not other systems that we could make use of that will get people out of jails, because I think the minister funds a program called restorative justice. It has been funded by the province for a number of years.

There have been assessments done on it, and it is shown to be cost-effective, maybe not in the way that Allan Fineblit in his paper Criminal Justice Matters: The Re Factor, once they relate to assessment in that he would like to see a cost-benefit factor. I think that is hard to prove over a short period of time. But there are programs out there that can get people out of jails such as restorative justice. I think if you look at the cost of keeping the people in Headingley in comparison to putting someone through restorative justice, it has proved over and over to be a lot cheaper. I think as long as you are picking appropriate cases, it should be continued.

* (1620)

I think of other systems such as mediation services that I think the Mennonite Central Committee is very involved in. I think other alternative dispute resolution programs are good systems that can keep people out of the jails; furthermore, not just keep them out of jails and the cost benefit of that but have a more far-reaching effect on the chances that they will reoffend and be a danger to society. So before I go to some direct questions that possibly some of the staff will have to answer, I had to make comment to that because I know Graham will be reading these Estimates. He will be concerned about the minister's comments if he wanted to respond.

Mr. Toews: I think it is always important to put my statements into a context. We were talking about a specific problem, and that was the problem of break and enters, and some of the other areas where our citizens have come to realize that these are serious problems and need to be addressed by certain minimums or guidelines that the member for Inkster was talking about.

I have never closed the door to the idea of restorative justice. When I said that most of the people who are in jail probably should be in jail, it is because we have been using matters like restorative justice to get people out of jail or to avoid jail in certain circumstances.

I was attending The Maples Youth Justice Committee annual meeting last night with the member for The Maples (Mr. Kowalski) and what a remarkable group, what good work they have done in the community. The

member for The Maples is a chair of that. Not only do we have a system there of these youth justice committees of avoiding people going into some kind of a correctional institute, we have a situation where they are avoiding the court system almost entirely, where police or probation officers or Crown attorneys refer youths to the youth justice committee for what I think are very, very effective dispositions that will prevent these youths from leading a life of crime.

So again, restorative justice, which is an alternative approach to the actual correction system, is something that we need to do, and that our government has consistently supported. For example, when we talk about the good work that people like John Howard or Elizabeth Fry have been doing, no one is taking anything away from those organizations. One will even admit, if one looks at the record of John Howard or Elizabeth Fry, over the years certain concerns have developed that while they were very effective in dealing with certain groups of offenders, they were unable to reach other groups.

One of the reasons why we established the financial support, as did the federal government, for the ALSOW program, Aboriginal Legal Services of Winnipeg, was exactly for that reason, that despite the very good work that John Howard is doing in many areas, we felt that it was necessary to focus in on the issue of aboriginal offenders and deal with aboriginal offenders by an aboriginal group who were specifically concerned about that idea. I know one of the radio commentators indicated that was establishing an apartheid system. It is not establishing an apartheid system.

What it is doing is responding with particularity to a particular situation all within our justice system. I mean we create organizations, the citizens I am talking about, not government, such as John Howard, such as Elizabeth Fry, to try and deal with matters in a restorative way, but what if these mechanisms that nongovernment agencies create are not effectively dealing with a certain segment of our population? Is there not some onus on government to work together with other levels of government, or indeed other community organizations to see if we cannot do things better? I say that there is a requirement on the part of government. So if there are individuals who can be streamlined out of the main process, either out of

prosecutions, out of courts or even if they have served time in jail, just because you have served time in jail or penitentiary does not mean there are not restorative justice alternatives available to them.

So the member indicates that members of John Howard might be reading these. Well, that is good if they are, but I think that our justice system has to be responsive to many needs and be particular enough in respect of the problems that are there. Some of the answers are incarceration. Some of the answers are restorative justice. Some of the answers are family group conferencing which may well be another part of restorative justice, but I think we are past ideology in the area of criminal law in trying to reduce the amount of crime. I think all parties in this Legislature, it has certainly been my experience, simply want effective solutions so that people can live in peace in their community. People have a right to do that and that involves a multifaceted approach and plan.

Mr. Kowalski: I will go on. We could talk about that for a long time, but I will go on.

I see we have Greg Graceffo at the table, and possibly these questions would be in his sphere of influence and expertise. Probation officers, has the number of probation officers been static for the past year? Have we increased them, decreased them, or is it a static number?

* (1630)

Mr. Toews: In respect of the answer to that question, as a result of the Lavoie inquiry, there will be additional probation officers being hired, and there is a certain realignment of certain responsibilities and duties for the probation officers. One of the other things that should be noted is the intensified supervision programs for offenders which involve contracting of that, so even though we do not have more probation officers, some of that work is being contracted to other agencies to assist in that supervision.

Similarly in the bail supervision, which is a part of the new budget, there is an additional amount of money, a substantial amount of money, to increase supervision for people out on bail. I mean, our hope is that this will not act as a licence for courts to then

release more people on bail because they say, well, you have more resources now; we will just release more people on bail.

Our Crowns' policy in that respect will not change. They will take the same position, but what we will be able to do is provide more intensive supervision to the people who do receive bail. I am advised that, as a result of Lavoie, we will have six additional staff years. Full-time equivalencies is what they call them. I used to call them SYs, so I guess—full-time equivalents, all right. Then, in respect of the intensive bail and the ISSP program, there will be 4.5 full-time equivalents. To the extent that I can give numbers at this time, those are essentially the numbers.

Mr. Kowalski: The other area in staffing is Community and Youth Corrections probation secondments. I know we have Lawrie Barkwell at the Manitoba Metis Federation. I remember Wes Charter used to be at restorative justice. We have a number.

When there are secondments like that out of Community and Youth Corrections, are those people replaced, or what happens to their workload?

Mr. Toews: In respect of that issue, there is, in fact, a review being done of that area, the probation officers. The whole division is being looked at, and part of that will be the issue of people in acting positions. For example, you have indicated the name of one such individual. He is on secondment to the Native Affairs Secretariat. Somebody moves into his position on an acting basis.

So we are filling in for that, but nevertheless there was some approval of money for a consultant to look at the whole issue of how and who is providing these services.

Mr. Kowalski: Okay, I understand for that person on secondment, there is someone who fills in in his position, but if that means everyone moves up, there is a shortage somewhere in the system. If there is a probation officer that is then acting as an area director, then you have one less probation officer. Is that a correct assumption? With these secondments, we have less staff.

Mr. Toews: My understanding is, no, we would not have less staff. We would fill that either with a term position, or we will have a correctional officer moving over from another area and filling in in that area. I think it is good that staff move around to some extent to expose them to new areas, new interests, but, generally speaking, we fill vacant staff years. If what happens is as a result of acting, people moving up the chain, ultimately someone fills in at the lower rung on a term position or otherwise. We do that in any number of areas. Certainly in Prosecutions I know we do that on a regular basis where we hire lawyers on a term basis to fill in, and many of those, in fact, become full-time staff as time goes on. As staff at the top levels or other levels change over, they then move into those positions.

Mr. Kowalski: I do not think I am betraying any confidences or anything. We had a discussion last night about what the qualifications are for a probation officer, because right now we have people moving from Corrections doing work that traditionally was done by a "probation officer," PDR reports. For probation officers at one time, I think the requirement was a Bachelor of Social Work degree. We have corrections officers with no university training moving in, doing work that traditionally was done by people with social work degrees as probation officers.

So I know it is sort of like boxing with shadows because even with the term "probation officers"—who are probation officers, who are corrections officers? It is becoming a gray area. But, for people whom I have known to work in that field doing PDR reports, working with justice committees and that, I have known them as probation officers. What are the qualifications for anyone hired for that position?

Mr. Toews: I think that is a very good point being raised by the member, and, no, I certainly do not think you are betraying any confidences. We had that conversation with, in fact, a probation officer at our meeting last night. I think what we have seen over the last 20 years is a changing role of many people in the corrections system. We do not do things necessarily the way it has been traditionally done. That then involves, on the part of my staff, an examination of what are the necessary qualifications, and I think there is a lot of flexibility in determining who in fact should be performing a certain function.

One of the greatest concerns, I think, that many probation officers have had about youth justice committees doing that type of work is that it was not traditionally the type of work that they did—supervise volunteers. Yes, traditionally, they looked at things like presentence reports and, as officers of the court, prepared these reports for the court essentially. That role is changing. There is still a need for that, but I think as our department—and one of the things that we keep on stressing is the role of partnerships with the general community, with nongovernment organizations and volunteer organizations—we find an increasing need for people who can work with volunteers, who can get the most out of volunteers. I say that again in a positive way, that we recognize that many of these volunteers have skills and attributes that are very important to ensuring safer communities.

The skills that might be required for supervising volunteers in youth justice committees are very different than perhaps relating to a judge in the context of writing a predisposition report or a presentence report for armed robbery, so you will see in the new Corrections Act a term of corrections officer, which, I think, is the term. No one is called a probation officer anymore or a social worker or this. It is more of a generic term. Not to say that everyone will have the same degree or same qualifications, but I think it is for the purposes of not just legislative convenience but administrative flexibility that we ensure that the services being provided to the people of Manitoba are done not so much with a view to, well, who has this degree or who has that degree, but are the people appropriately qualified to the job that needs to be done?

It is the same argument I have had with the law reform recommendation that our Small Claims Court hearing officers be lawyers. I disagree with that, and ultimately maybe cabinet will persuade me that I am wrong. I do not know if cabinet has any view on that, but I have a concern about that.

We have very, very good public servants in the Department of Justice who are not legally trained in the formal sense, that is, they did not get a law degree, and they did not get their call to the bar. But, you know, those people have been in court for years and years and years and have valuable experience and knowledge to provide, and to simply say that, well, because you do

not have a law degree, you should not be a hearing officer in Small Claims Court.

* (1640)

There are sometimes advantages to not having a law degree. I know in my own department, when I have hired advisors, I do not always hire lawyers. My special assistant, Mr. Haasbeek, who was the head of the Winnipeg Police Association and who was a patrol sergeant, I believe he spent 25 years with the Winnipeg city police—and RCMP before that. The insight that a peace officer of that calibre provides to me is not necessarily better than a lawyer's opinion, but it is different. It helps give a different view to things, and I appreciate that.

So, similarly, a clerk in a Small Claims Court who may not have a law degree does not necessarily perform worse than a legally trained lawyer. In fact, I would argue that there are benefits to having a skilled public servant who does not have a law degree adjudicate those kinds matters.

If you go through the history of our British Commonwealth or common law, you will see all kind of judges who never had degrees. It was not until very, very recently that many of our magistrates in provinces never had law degrees, were never legally trained, who conducted full-scale criminal trials.

For one reason or another, it has been decided that people conducting criminal trials should have law degrees. Maybe because of the advent of the Charter and other things that has become necessary, but we have to be careful in our search for appropriate people that we do not simply pigeonhole people and say you are qualified and you are not qualified simply on the basis of a degree. Now, I am not putting down degrees in any way. I have two degrees myself. I continue to go to university, I continue to go to classes, and I enjoy learning, but it does not necessarily make me a better lawyer or better able to perform other functions.

I would say that we do have class specifications in the department which identify training and experiential requirements for different levels of probation officers. So certain levels may require certain formal training, and for the purposes, however, of employment, there

are other issues such as equivalencies to formal education that are considered, where appropriate, especially, I would say, in many of our experience with our First Nations people. You know, some of the elders, and you know them as well as I do and perhaps even better, they may not have a formal university degree, and yet the wealth of experience that they bring and the insight that they bring could probably not be matched by mere formal university training. So issues of equity and affirmative action—I do not necessarily use those types of terms, but just to speak generically—we sometimes have to consider equivalencies that, in my opinion, do not lessen the professionalism of the profession, but in fact give us added skills and added value into the services that we are performing.

I would also indicate that many correctional officers are, in the jails or otherwise, do have educational backgrounds that do include university credits or degrees. We have seen that occur in the area of policing generally. I imagine when the member for The Maples (Mr. Kowalski) first went into the Winnipeg city police, he may not have had a university degree, and I do not know if he has one now. All right, he indicates he does, but I think he could indicate that it was not unusual to see police officers coming right into the police force, right out of high school, without a university or any other training. Now we see many officers coming into training with years of experience.

I was just, a number of months ago, at an RCMP graduating class, and I would imagine three-quarters of them had some kind of a university or post-secondary education out of a community college or otherwise. The average age was not 18 or 19 as it used to be, but indeed much older. Many of them had spent time in the armed forces. One, and I will just very briefly mention this, had a master's degree in law, as well as a science degree. His area of expertise in law was aboriginal law, so here is an individual, a raw recruit so to speak, graduating from Depot with eight years of university under his belt. So does it mean that every officer should have eight years of university or five years of university? I think not, and I do not think that is what the RCMP is saying either, but they recognize that they have certain needs and certain areas where a university degree is helpful. So I think they have a very flexible educational standard that meets the needs of the organization in delivering the service to the people. I

think that we need to do the same thing. We should not let form take precedence over substance, and we have to be mindful of that.

Mr. Kowalski: Community and youth corrections is a branch of justice I have always had an interest in. I have been a volunteer there for over 10 years. Going in there, first as a community police officer, and seeing what goes on, of course, I have got a keen interest, and you see things when you hang around an office.

I think sometimes when we use the term “probation officers,” we think of those PDR reports, but I know there are so many different things probation officers are doing, from working with school divisions on nonviolent or crisis intervention, at-risk students, to Art Shofley, I believe it is, doing sweats and working with different groups. You know, working with the justice community, there are so many different things that, yes, I agree totally with the minister that, depending what function they are doing, different qualifications are there.

When the public think of a probation officer, the first thing they think of is that these are the people that offenders who have been put on probation have to report to and supervise. That requires certain skills. I do not know how much time they are doing it, but I see an analogy between here and with some of the issues going on in Family Services about workloads, caseloads, you know, how many files, how many adults or youth does each probation officer have to look after? Do they have the time to supervise a young offender who is put on probation sufficiently other than a 15-minute meeting once a month? Do they have such a case workload? In addition to doing their PDR reports, are they supervising these young offenders, plus attending youth justice committees, plus working with school divisions?

The workload is something that I am concerned about, and I do not know how to get at it. We are seeing in Family Services, through some external reports, some internal reports, a concern about the workload of each social worker, and I am concerned about the workload of each probation officer.

How can the minister give me information that will assure me, as an opposition critic, that the workload for

each probation officer is not onerous, that we are giving sufficient funds in these Estimates to have enough probation officers to supervise these young offenders and adults who are put back on the community and they are supposed to be supervising?

We know, looking at the conviction rate, that the charges have not dropped that much. We have probation officers on secondment. We are asking them to do additional duties of supervising youth justice committees and other things. What is the workload of each probation officer?

* (1650)

Mr. Toews: Well, the issue of resources, of course, is always a difficult one to analyze what is an appropriate level of resources. I think that is something that we continually look at throughout the department and very difficult sometimes when, for example, one is involved in collective bargaining issues and numbers that are being tossed around in that context are provided for very specific reasons, and to simply equate one case with one case is not very accurate.

I had to note the other day when the Leader of the Opposition (Mr. Doer) said, well, the ordinary Crown attorney would carry a load of 70 cases a day, and so I thought to myself, well, even if we assume that there are 60,000 cases in Manitoba, and that has been, I think, the outside number—it is probably closer to between 40,000 and 45,000 of actual charges—but if we assume 60,000 and assume 60 Crown attorneys, well, if they are dealing with 70 cases a day, then they are about a thousand cases per Crown attorney a year, but if they are dealing with 70 a day, they should be able to do all their cases in three weeks and have 49 weeks of holidays. Now, that is the ludicrous kind of argument you get into when you start dealing with the kind of nonsense being spouted by some members in the Legislature.

I think what you need to do is look what kind of cases they are, and what additional supports are available. So, for example, one of the reasons I am so keen on youth justice committees, why I think they are such a great idea, is that we are able to shift certain offenders into an area where the community takes responsibility for supervising these individuals, not

simply as a cost benefit to government, but because we know this is a better way of dealing with those offenders. We know that it is much more effective, and the member for The Maples (Mr. Kowalski) can probably speak much more eloquently in more detail than I can on that issue, but I can give you a provincial average of cases, and a worker would have on supervised probation about 59 cases; other supervision is at about 14. This includes community service orders, open and secure custody for youth, court reports, conditional sentences and offenders in prison with probation to follow, so for a total on average of 73.

Again, that kind of statistic, what does it really mean? It does not mean that much because if we do not want to get into a war of numbers, which is an easy thing to do, we can say, well, in Alberta, probation officers who supervise adults have a caseload of approximately 100 in Calgary and in Edmonton while those outside of the cities have approximately 75 cases, adult. So I can say the probation officers in British Columbia have average caseloads of 80, which includes people on bail, so we have seen a modest growth in resources, and I think with the ISSP program and the supervised bail program, we will see additional resources. We will see additional resources with Lavoie, but it is not simply that way, the old way of doing business just by hiring more probation officers or correctional officers to serve the same kind of people in the same way.

Mr. Peter Dyck, Acting Chairperson, in the Chair

One of the things that I have been very, very taken with is the proactive way some of our corrections officers are dealing with their caseloads. I was out in western Manitoba last year and spoke to some of the officers out there and the programs that they are involved in. When I think when I was a Crown attorney back in the 1970s and how the probation officer just did the predisposition report, and spent I do not know how many hours on the report, and I, as a Crown attorney, would take the report and flip to the last paragraph and see what the recommendation was. I mean, let us face it, that is what the defence counsel did, that is what the Crown attorney did, because the Crown attorney was not particularly interested where this kid went to school or where he did this or where he did that, he wanted to know what the bottom line was. Is the PO recommending that the kid is going to jail or

not? If he is saying that he should not go to jail, well, then, it is a bad report. If he is going to jail, well, this is a very experienced probation officer, and the court should take that into account.

I mean that was basically the way things were handled back then, and I do not think I was an exception when I went to flip to the back of these presentence reports. I think everybody did it, and to some extent it may even go on now. But I think, with credit to the probation officers, they have evolved. They have become very, very sophisticated, much more sophisticated as the system has become more complex, and so they have I think adopted innovative, effective means of discharging their responsibilities to the public. So we say, all right, 75 cases. What does that mean? What supports are there available? What supports can the province provide? What supports can the communities provide? So these are all things that we need to look at.

We need to continue to look at the level of cases, the number of cases, the complexity of the cases, but as I indicated earlier, simply for an opposition person to stand up in the House and say, oh, a Crown attorney deals with 70 cases in a day, is that not a huge load? It may be a huge load if you are talking about 70 impaired driving trials, but if you are talking about 70 charges, and less than that in terms of actual offenders, and you are looking at bail, it may be very straightforward.

I just heard the expression again yesterday that there are—

An Honourable Member: Lies, damn lies and statistics.

Mr. Toews: That is right, lies, damn lies and statistics, and I think sometimes we get into that statistical battle that does not do anybody any good. Unfortunately, sometimes that is all we have to work with, but I think that my staff is constantly aware of the need of providing effective services to these people, and we continue to review it. That is why I was supportive of the supervised bail program, the expansion of that bail program, as well as a continued support for the ISSP program.

Mr. Kowalski: I will just be jumping around to different issues here as they come to mind. This will

not make me very popular in some circles, but a few years back a no-smoking policy was put into all government offices. I have seen in some youth corrections offices, you are not allowed to smoke anywhere in that office, in the lunchroom or anywhere else. As a result, smoke breaks are taken. Has there been any study on productivity before that policy and after that policy? In other words, if someone is going out in the middle of winter to sit in their car for half an hour every couple of hours to take a smoke break, the productivity goes down, and the taxpayers are not getting the bang for the buck they should be getting. Is there any policy? I am sure this will involve unions and what the people are entitled to, but I am concerned that productivity may not be there because of the smoking policy.

* (1700)

Mr. Toews: I can indicate that we do not have a study on that issue, and I think the whole question is a new one. I mean, right here in the Legislative Building now, it is a smoke-free zone—100 percent, is it?—except in the cafeteria. So does that mean that those MLAs who still continue to smoke are less productive? I do not know.

One of the issues I remember when I was working in government, and they still allowed smoking in some of these small offices; they are just basically divisions. Even with the lawyers' offices that were supposed to be soundproof and all that, I think the smoke from the next office would come in, and it would interfere with your ability to work. So it was not the work that was then being done by the lawyer who was smoking that was being interfered with, but it was the lawyer in the next office who did not smoke and who may have found it objectionable that smoking was going on, or the secretary who then found it objectionable that she could not, or he could not, do work because of the smoke. So it is a multifaceted problem. I think both unions and government have to be flexible in the application of these policies. Not to say that we will allow people to smoke, but that sometimes work can get done outside of the strict confines of a collective agreement. I think both managers and employees have to approach these kinds of problems in a flexible way.

The issue of smoking, for example, in the correctional institute itself, I remember back in the

1980s when I was counsel to Workplace Safety and Health, and there was a refusal to work filed by guards in the Brandon Correctional Institute saying that they wanted it to be a smoke-free building. Well, the complication was that these inmates in the prison or in the jail lived there. This was their home. They had no other option. So the suggestion was, well, we have got to put in fans to recycle the air. Well, I looked at the engineering studies, and in order to recycle the air and bring in cold air in the middle of winter and then heat up that air, the costs were just astronomical. Also, the amount of air exchange would mean that you literally could not keep any paper on a desk. You would have to have weights on everything because of the massive change of air in that kind of a facility.

So I do not know eventually what happened. We arrived at some kind of a compromise, but I think that issue keeps on simmering in correctional institutes, in government offices, and I think we simply have to deal with it in a flexible way. So we have not done the study. I do not think at this time it is appropriate to do a study, but I certainly would ask that my staff, whether they are union members or management, work cooperatively with each other to deal with these issues.

It has been pointed out to me that, of course, a study would have to consider the loss of productivity as a result of secondhand smoke through illness. I think I touched on that when I said that when the lawyers in other offices, as I indicated, back in the '80s might have been affected by smoke, and also I might just indicate that there are still issues relating to secondhand smoke that I know my staff are dealing with. So, again, I say: let us try to be flexible in this. I recognize that there are health concerns. Those concerns are paramount, and I would say in some respects, even paramount to productivity.

Mr. Kowalski: I have worked with many probation officers and wonderful probation officers--Alvin Toews the one that is supervising our justice committee, a fantastic effort above and beyond the call of duty. But it concerns me when I drive by a probation office and I see four probation officers sitting in the car smoking in front of the building, and I come by an hour later and they are still there. I am concerned about the productivity. We are paying the bill, and I know that, when you see incidents like that without investigating

it, you do not know. Maybe they worked two hours late the night before. Maybe they did not take lunch. Now, I will grant that.

But I am concerned that because of this policy, if in a number of offices--I have seen it in private industry where if people, because they cannot smoke, are allowed by their supervisors to go outside for an extended absence, are they getting any work done? And we are the one paying the bill. Then it can have an effect because we are asking these officers to supervise offenders back in the community, and if they do not have the time because their habit of smoking is interfering, it concerns me. It concerns me as a taxpayer, it concerns me as an opposition member when I see that. I am not making any disparaging comments about the majority of probation officers, the majority of government workers, but I think it is something to be looked at. What impact is allowing staff for extended periods of time to take smoke breaks? If it is a continual habit, are we getting the service we should be?

Mr. Toews: Well, what I can say, and, of course, there will always be exceptions, is that smokers in the department do not get preferential treatment. That is, you do not get extra time off because you are a smoker, so if people are taking advantage of working time to smoke, that is something that is not acceptable.

Having said that, we also have to remember how often police officers are criticized for being in doughnut shops. It is that kind of myth that sort of gives people a bad name, or the idea that city workers lean on their shovels, or what is orange and sleeps four? A city work truck. Those kind of comments and attitudes, I think, do a grave injustice to many of our public servants. I can tell you I have spent, you know, from 1976 to 1991 in the public service, and certainly in the areas that I was in people worked hard, people cared about their job, there was a sense of professionalism. You know, there were people sometimes who did not pull their load, and one of the things that I found remarkable is how the supervisors, in fact, dealt with that.

People say that you can, you know, get away with a lot in the public service. I did not see that in the Manitoba government, because I believe we had good managers who dealt with those issues on an ongoing

basis. That instilled a lot of good will among the people who were working hard when they knew that everybody was treated fairly and everyone was expected to carry their load. That is an incredible boost for moral.

I can look at some of the branches of my department, one of the ones that I came out of, the Constitutional Law branch, I mean probably recognized as the finest Constitutional Law branch in Canada, very, very good, hardworking people, people who could make a lot of money going off into private practice. Indeed, one of them just did, went to Ladner Downs in British Columbia, working for the B.C. government. They do a lot of the B.C. government work relating to constitutional law, but here is a person recognized as an authority right across Canada, so unfortunately we lost him out of Constitutional Law.

* (1710)

Other areas, for example, Legal Services, when I joined there in 1979, it did not have the high reputation that it has today, and I would attribute that to a number of reasons, not the least of which is the very good management that has been exercised over there in the last 10 or more years. Even before the Conservative government came in, we saw some of those changes occurring, which we, as lawyers back in Legal Services, approved of, and said that is a good step. We would like to see accountability, we would like to see people expected to pull their own weight, and I think public servants generally—when I talk to my colleagues in cabinet or in caucus and they talk about their lawyers, you know, and they refer to their lawyers in the Department of Justice, more and more I think our ministers recognize how good the legal advice that is provided is by departmental lawyers.

I cannot speak the same way about some other areas of my department because I do not have the same amount of familiarity, but when I look at what I saw in Brandon, for example, or off of Notre Dame there, or the Community Release Centre, and see some of the programs being carried out there and the caring, professional workers that we have. Yes, we have problems with smoking sometimes or somebody maybe not pulling their weight. That is a challenge for management to deal with, and there is a measure of

responsibility on the part of each individual employee to make the place a better place to work because I know—and I am going back to my own public service experience—it was not simply the management's problem.

When we had somebody in our office that might not have been pulling their weight—not management's problem, it is everybody's problem because somebody not pulling their weight, whether it is because they are away from their desk smoking and that, means that you do more work. It was an interesting philosophy back then, and I can probably say it now because the director who was there is long gone and, in fact, unfortunately, deceased. He was a very good man. I had a lot of respect for him, but sometimes the way he dealt with problems was that lawyers who were not necessarily doing the best job would get the work taken away from them and the work was given to the lawyers who were doing the good job. That seemed to be a little inequitable, but it was sort of the director's way of punishing the lawyers who were not working. I do not know whether he realized that sometimes some of those people did not mind that fact.

So we have come a long way, both in terms of our management and the calibre of employees, I believe, constantly improving. Not to reflect badly upon me when I was a public servant back then, but I know I had a lot to learn and I did, and we have learned a lot about government in the last 20 years.

Smoking is an issue. It may well be, but the policy is that smokers do not get preferential treatment across the department.

Mr. Kowalski: With a quick question. According to the contract, what are they allowed as far as breaks? An hour for lunch and two 15-minute coffee breaks?

Mr. Toews: I guess that, if we get technical, we can refer to the collective agreement and say: well, they have got a 45-minute lunch and they have got two 15-minute breaks, and they can smoke during that time.

But one of the things that one has to remember about professionals like probation officers, a lot of times they will be working in the evenings, or they will be working odd hours. So it is very difficult to say: are they

carrying out the obligations of their collective agreement? I refer to the Crown attorneys' collective agreement. There are no hours of work. You do the hours required in order to meet the demands of the job. So, if a Crown attorney decides one morning when he or she does not have a trial on or is not in court, that they will sit in the cafeteria for an hour and a half, it is basically their business, because we know that that same Crown attorney, come a jury trial, is working weekends and evenings to ensure that he or she does the best job possible. I think we have to recognize that these people are professionals and that whatever the collective agreement says technically, there will always be gray areas..

Mr. Kowalski: I was putting it together with what we were talking about, acting positions, and, of course, the minister often goes to his Crown attorney's experience and I always go back to my police experience. Knowing that when you are a constable on a shift or platoon and you are put in an acting position, sometimes it is hard to take measures against people whom you are going to go back and work with. If we have a large number of people acting, and then eventually they are going to have to go back and work with those people, coworkers, maybe it is things like the smoking policy, the breaks, are not enforced stringently. I want to make sure that I have it on the record here, that the vast majority of probation officers and the government workers—yes, they work very hard, and like anything else, whether it is Crown attorneys, police work, or anything, it is always the few ones that look bad, sometimes reflect on everyone.

So the question to the minister is that this is about assessments. Are there annual assessments done on probation officers by their area directors, or how is their performance gauged? Is it reviewed annually, or is it just as negative or positive incidents come up they are reflected by the area director? Are there annual assessments?

Mr. Toews: Well, yes, annual performance reviews are done in government, and the probation office, unless I am mistaken, is no exception in that respect. They should be done. But one of the things that should be clear, of course, is that problems should never be left for an annual review. That should be done on an ongoing basis. It is something I certainly did as a

manager, and as difficult as it was to do from time to time, to actually sit a person down, not just at the annual review, but other times when there were issues that arose and dealt with it.

* (1720)

I have some familiarity about being in an acting position. I was the acting director of Constitutional Law, I think for about 18 months, I think from November of '87 or so until sometime in 1989. Perhaps, because of the high quality of the people that I was working with, I never really had that problem. I did have to do annual reviews, at least one or two during the time that I was the acting director, and, yes, they were my colleagues, but that was my responsibility and I did that. Ultimately, I was appointed. What would have happened had I gone back and somebody else taken the position? I do not know. Obviously, that creates difficulties.

We need to, in my opinion, create a sense of commitment by workers to their job, and sometimes by leaving people in an acting position too long, that commitment to getting the job done, whether it is management or otherwise, might be lacking. So that is something that needs to be addressed.

But when I have raised that issue with my staff, there are other considerations. One is the issue of flexibility, of moving people from area to area and giving them a wealth of experience. So I am hoping that this review that is being done of the entire division is going to give us some more insight into how to deal with that problem.

Fortunately, in the area of probation, where everyone is, in many respects, independent of each other in terms of their professional opinions that they formulate, I imagine an area director may well review somebody's presentence report. But, ultimately, the disposition recommended or the course of action recommended is that person's own professional opinion. In fact, I recall sometimes what they used to do is that, if they did not agree, if an area supervisor had sort of made them change the recommendation, they would not sign the report. The report that went to the judge was unsigned, so everybody knew whether the person agreed with it or not. Even though the area director might have seen a

signed report, the report that went to the judge was not signed. That gave an indication about whether someone felt that their professionalism had been interfered with.

I do not know if that practice still is carried on, but all I am trying to get to the point is that these people are professionals. Through their educational standards I think they have a commitment not simply to putting in hours eight to five, but they have a certain sense of personal pride with the job because they are putting their name to a certain document. That also means that there is less supervision of these people. So the issue of acting and nonacting or employee and employer or union person and management may not be as great a concern. I still think there are issues relating to the stability and commitment to doing a certain job. That needs to be addressed, and I am hoping, as I indicate, that the review will address that issue.

Mr. Kowalski: Again, I will go back to my police experience. In the city of Winnipeg there are six different districts, or there was at least when I left. One thing that the department made a practice of was that no officer would stay longer than four years in one district. Often you would go to a different district and work with different people. One of the reasons was that they find people would get stagnant doing the same job in the same community in the same way.

We have a number of community youth corrections offices throughout the city of Winnipeg. I know some probation officers have been at the same offices for years, decades. Is there any policy as far as movement of probation officers? I am not talking about moving someone from Thompson to Winnipeg or from Morden to Thompson. But within the city of Winnipeg, working with different people in a different environment, sometimes it is an invigorating experience.

Many times, I know I was very happy in the district I was working. I made connections and stuff, and I did not want to move. It was probably the best thing that ever happened to me. I have worked in every district in the city. I have worked as robbery, homicide squad, traffic squad, all different squads. It is probably what kept my interest up in police work. In probation there is not the opportunities for promotion as there is, say, in police work. You can move from constable to

sergeant, so on and so forth. So a lot of times people, from when they enter the field to when they retire, they are doing the same job. One way of giving variety is to move people around. Is there any policy? Are there any regulations or any problems with the union contract that would prohibit that? Does the minister see a benefit in moving people around?

Mr. Toews: Do I see a benefit in moving people around? Yes, I do. I mean, if you look at my own career in the public service, I went from a prosecutor to legal services. Even in the area of legal services, I did primarily labour law, but I also did child welfare work at the same time. Then I went into constitutional law from 1986 to '91. Then I went to Great-West Life, doing insurance law for three and a half years. Now I am here. Do I see benefits in moving around? Yes, I do. I think it keeps one interested in what they are doing. Maybe I am just a certain type of a personality type, I do not know. But there are others who will stay in a certain area for years and are very effective at their job.

I can only think of my supervisor in Brandon, a very good Crown attorney. He was there when I came in 1976. He had been there since 1969. He was recently transferred into the city of Winnipeg, about three or four years ago, still doing essentially the same job in Brandon. Now he is doing the same job in Winnipeg, but not doing the same administrative types of work. I do not know if he necessarily was that excited about moving, but all I am trying to say is that there are people who do well in a particular job even though they stay in that job 25, 30 years. There are other people who I do not think would be happy.

I know that one of the things we tried to do in Legal Services was find alternatives or move people from Criminal Justice into Constitutional Law to give them other experience. So while I was the director there, I welcomed people from Criminal Law or people from Legal Services coming in there for brief periods of time.

Mr. Chairperson in the Chair

Similarly in the area of probation, while we want to ensure that people work in the area where they have expertise, I do not think the department is closed to

moving people around provided that suitable places can be found for them and, indeed, where there is an agreement, let us say, between the parties to move or to exchange positions. Should we be more proactive in moving people around? Again, we have to be careful. I mean there is a union contract that says that people are entitled to certain rights.

* (1730)

I will tell you if you go across the street to Great-West Life, they will move vice-presidents from one area to another whether that vice-president has experience in that area or not, and that is not an uncommon thing to see in private industry. In fact, I was reading about a particular company that regularly transferred their vice-presidents. They would never let them stay in an area longer than two years, and put them in totally new areas. They may not have any of the qualifications that one would regularly associate with that, but it gave them incredible strength in terms of their management team by moving people around in that area. I do not know whether I would go that far, but I see benefits.

Once we put people permanently into places—and this is getting back to the acting situation—once you put them in permanently and they do not want to move, then you have a problem. If they are in an acting position, you have much more flexibility. However, as I indicated earlier, the drawback is that you may not have the commitment to any one position or organization, and that causes me some concern. Again, the review that is being done will look at acting positions, and we may be able to find more productive solutions that work to the benefit of not only the employee, but management and indeed the people of Manitoba.

Mr. Kowalski: Just to clarify, so right now there is no policy that they will be in. Unless the probation officer requests the movement, or his area director, more than likely because there is some kind of conflict he is going to request the movement, the department does not as a matter of course move people to different offices just to keep them fresh working with different people. Is that correct?

Mr. Toews: I think that is correct. I know that what the member is referring to or probably referencing in

his own mind is a policy with the Winnipeg Police Service where all of a sudden one day an officer is transferred to another division. I think just recently I was speaking to an officer who was transferred out of the homicide division, and I had asked him whether he was happy about moving. He said, no, but he was moved, and that is the policy. Again, I do not question the management decisions there. It is a policy that we have not adopted in government, and frankly, I do not know whether we would on a province-wide basis.

One of the things that I mention, at the risk of incurring the wrath here of my assistant deputy minister, is we have had some issues at Headingley jail in respect of staffing, but it is relevant to the issue, where we have said that certain people, not because they are doing a bad job, but that maybe for the benefit of the entire institution and for themselves, should be transferred. We have transferred 12, redeployed into other areas within the department or government. I might indicate that, you know, and I do not want to go too far into this, but all 12 have filed grievances, so you can see that there is an issue that needs to be resolved between management and the employee.

So if we are going to adopt that kind of a policy that the City of Winnipeg obviously has with its police force, it is going to have to be done through the collective agreement. Of course, the issue at the arbitration of these 12 grievances, the legal issue, will be does management have the right to exercise its management rights in deploying employees. So that is something that, do we have the policy? No. Are we taking steps in that direction? Yes, we are.

Mr. Kowalski: I think we are beating this one to death, but just to clarify, in the police force every year, it is an annual event, anyone who has been in a district for four years knows they are going to be transferred, and they get to request—

Mr. Toews: Knows they will be transferred?

Mr. Kowalski: They will be transferred if they have been in a unit for more than four years, and they know what is coming up. So they are asked, where would you like to go? The majority of times when I was transferred, I did not want to go. People do not like change quite often, but it was probably to my better-

ment to become a better police officer. Sometimes you would develop good habits working with a certain group of people, sometimes bad habits.

I guess if I were the Minister of Justice, that is what I would be pushing for. I think it would be good for the probation officers to work with different groups of people picking up the good ideas, to move about in the city to different offices. It is history now, but one of the mistakes I think Community and Youth Corrections made years ago was in the reorganization when at one time each office was based in the community and handled all offenders. Now with the reorganization, we have certain offices that just deal with youth. They are not geographically based, and I think it is stretching to call them community corrections, because they are not. What tie do they have to the community? So that was a bad mistake. That is history. It should not have been done.

You see the different dynamic in small towns, in areas where you have a probation officer identifying with the community. You do not see that now after the reorganization with, for example, 77 Redwood Avenue coming into Transcona, the north end downtown for youth. The youth coming all the way to this foreign office there, it is not like that is their probation officer, and what commitment does the staff have based in that community where before it was adult offenders, young offenders. But that is history.

I will not go on and on about this, but I honestly believe that without expenditure of money, by moving probation officers around to work with different people, it reinvigorates them, it causes them to see some good ideas, exchange of ideas. If there are some bad work habits that have developed in certain offices, certain cliches, it breaks them up, and I think it is a very good idea. It is not a forced march type of thing. It is not being done as punitive, it is done for the betterment of probation services. I guess I could even stretch it and say it is for the benefit of taxpayers because they are going to get better performance out of the probation officers when they learn to work with different people. They do not develop cliches, power struggles. Office politics is everywhere, and one way to get around it is by moving people around in a positive way, and as long as it is made clear that it is being done not to be punitive but to keep people fresh.

Winnipeg is not that big of a city. It is not like we live in Toronto. You could drive from one end of the city of Winnipeg to the other in 40 minutes unless you are speeding, which I would never do. I would really encourage the minister to look at that as a proactive measure that does not cost money. I can see an increased performance in probation services.

Mr. Toews: Again, all I can say is that is I think exactly the rationale that we used in the Headingley jail situation. That is exactly the rationale. Now, for those 12 people, the member indicates that these things can be achieved without cost. Well, the cost for implementing that type of philosophy at Headingley in respect of 15, three of whom went voluntarily, was \$1.2 million. That is for retraining and replacement costs and other costs, so it is a substantial cost. But I think it is a substantial cost because we do not have that service-wide policy to enable other people to fill in here or move there, so it is a tremendous cost. But I am not disagreeing that it is not a good thing because I would not have agreed to it unless it was a good thing.

* (1740)

Mr. Kowalski: I was not going to go on, but now you are mixing apples with oranges, not changing people's job functions. They are going to be doing the same job function as a probation officer whether they are at 77 Redwood, or they are at Doncaster, or they are at some other office. They are going to be working with different people under different bosses with different ideas. I think it is very positive. It is not changing their job function.

So I understand there is some acceptance that possibly there is some merit to this, but please do not say that is going to cost us millions of dollars to move someone from doing a PDR report on Redwood Avenue to doing a PDR report on Gateway Avenue. It will not cost us millions of dollars to retrain people to sit in a different desk and work with a different boss and a different community. I do not think that should be put on the record.

Mr. Toews: Let me just say, it is probably something we should not discuss in too great a detail at this point. It is the subject of a grievance. I think that we should probably move on to another point. I certainly have the

member's point. My staff has been here. They have heard what he has said, and I think that generally speaking, the issue of movement, as I prefaced my comments, is not something that I am opposed to. I have done it in my own public service career, and I anticipate that in due course I will be making another move.

Mr. Kowalski: We will move on. One of the things that our justice committee in The Maples did for two years in a row is, we received a grant from the federal government for a hundred thousand dollars to run a Youth Service Canada project.

An Honourable Member: You got a hundred grand?

Mr. Kowalski: Yes.

An Honourable Member: You never told me that—
[interjection]

Mr. Kowalski: Well, to clarify, we were sponsors of a Youth Service Canada program two summers in a row in The Maples where we hired 14 young people between the ages of 18 and 25 to work in the community on crime prevention. I see now that yesterday—I am just reading the headlines, I guess I was not on the federal Liberal government's mailing list—there is a \$27-million program released by the federal Justice minister which allows up to \$50,000 in funding to any town, neighbourhood, association, or school to buy items, staff, and equipment required for crime prevention ideas. I am sure our committee will be looking at applying for such a thing. At the same time, the provincial government has the Justice Initiatives Fund. I am wondering if we can have an indication from the minister: if our justice committee was able to be successful in getting such a program, would there be any hesitation or detriment for matching funds from the provincial government for crime prevention programs?

Mr. Toews: I think what you are referring to is The Globe and Mail article of June 2 for the \$32 million.

An Honourable Member: No, today's Free Press.

Mr. Toews: Oh, yes, I am familiar with that article as well.

An Honourable Member: You are quoted.

Mr. Toews: Yes, I am quoted.

I think it was an article written by Paul Samyn in which he says I gave qualified support to the federal program. I think it is part of that entire \$32 million. It was just that the \$27 million that the member quoted threw me off. I thought maybe they are talking about another \$27 million. That would be just wonderful, although sometimes I am a little skeptical, and I say, well, the \$120 million that they took for off-reserve First Nations people here in Manitoba, that the federal government took over the last five years, and the \$200 million annually that they have taken out of health care, now they are simply putting it back to the community after decimating the community—[interjection] It is so hard for me to be very thankful.

I think it is a step in the right direction, if one looks at it in isolation in terms of crime prevention. Whether I would be prepared to match funds is quite another thing. I want to make the member clear that the \$32 million is not coming to Manitoba. We are guaranteed, I think, under the contract about \$800,000 annually until the year 2003.

An Honourable Member: \$800,000 a year?

Mr. Toews: A year. That is right, \$800,000 a year until the year 2003. Now we are already putting 1.5 into community programming through our Justice Initiatives Fund. I am saying we are already doubling that on an annual basis, and that is aside from all our other community initiatives that we are putting in.

The other point that I would make on that is that the federal government, and the concern I have expressed is that here the federal government is busy going off into community funding and stripping funding out of core programs like our youth institutions. I mean when I became Minister of Justice, my assistant deputy minister said to me, well, you know, we are going to have real trouble in making this budget because our funds are being reduced from 33 percent to 30 percent federal funding, and not only that, they are stripping every last dime out of youth institutions and putting it into community funding. What kind of funding they were talking about, nobody had any idea. When you do

that kind of community funding without criteria, you are usually talking about pork barrelling. That was my concern that that is, in fact, what the government was doing.

So, matching funding, yes. All the provinces have said the federal government has to match funding in the core programs. The youth programs and the Young Offenders Act that we are already running on behalf of the federal government in 1984 started out 50-50. It is down to about 33 to 30 percent, depending on what province you are in. Well, let us talk about the feds honouring their commitments first, because every time the federal government has withdrawn or reduced their funding, who has picked it up? We have picked up the 17 percent that the feds should be funding, and that is millions of dollars every year.

That is why I find it so hard to be enthusiastic, because on the one hand, the Lord giveth, and on the other—

An Honourable Member: Lloyd.

Mr. Toews: —she may well take away. Well, there was a reference here made to a name, but we will leave that name alone.

You know, one of the things that I have been saying over and over again is that we want to work co-operatively with the federal government. We want to work together. One of the things I have said, and my staff is probably way ahead of me on this, is that here is the federal government setting up a National Crime Prevention Centre in Ottawa. Like, they need another government building in Ottawa, right? I mean, if they really want to set up another layer of bureaucracy, at least give it to Brandon or Winnipeg or Thompson or Swan River. You know, there is lots of room for expansion of federal programs in other areas in downtown Ottawa.

* (1750)

So the other concern is not just the \$2.2 million, but what administrative mechanism are they going to adopt to implement that. What I said to the reporter in that article, and I do not know if he used that, is that I want to co-operate with the federal government. Can we

work together in the administration? I spoke to one of my members of my department earlier today who was in fact here, the director of public safety, Mr. Wyman Sangster. He indicated that he already has a proposal that the federal co-ordinator should share office space with the provincial people so that our crime prevention programs could be administered jointly so that we are not duplicating administration but that the money is actually getting into the communities.

One of the concerns—you know, you mentioned a name there earlier, just a first name. Well, there was a bit of a disagreement about a year ago with that individual between me and that individual.

An Honourable Member: That does not narrow it down.

Mr. Toews: No, there are lots of people I have had disagreements with, but this particular person is a politician. In any event, we said that—well, they started up a program, a gang prevention program, separate and apart from the provincial government, with basically no input from the provincial government in that. I thought, well, since we are the ones who are administering the Criminal Code and the municipality is enforcing it in terms of their policing, should there not be a better co-ordinated effort. I think as a result of that experience we have learned a lot of things. I think that the federal government will be much more amenable to working jointly with the provincial government, because we can see the absolute disasters that occur when levels of government or different governments refuse to work with each other because of one reason or another. That needs to be avoided.

I think the best example of that is Bill C-68. I mean, talk about a way of not working co-operatively with other governments. Talk about a way of trying to satisfy a political agenda in one end of the country without considering the legitimate requirements of people in other areas of the country. In Manitoba, for example, look at our First Nations communities and the issues that they face in respect of the registration of guns and hunting and other rights.

So I want to avoid those kinds of mistakes. The more we are open right at the ground level for co-operation between the federal government and the province, I

think, the better the chance of this kind of program succeeding.

I hope that we can develop criteria, not just an administration model about how we work together, but, in fact, what kind of grants is this going to be used for. I remember during the Portage la Prairie by-election. At the same time, the federal government was stripping \$150,000 out of Agassiz Youth Centre because of this policy of reducing 33 percent to 30 percent.

A minister of the Crown, the federal minister was handing out a cheque for \$15,000, and so it is very hard to sound grateful for getting \$15,000 when somebody is going through your pocket and taking out \$150,000. Again, my big concern here is, is this a smoke screen for taking money out of another pocket, and the federal government has been great for taking money out of somebody else's pocket as opposed to their own. Our government consistently has backfilled for programs that the federal government has withdrawn from.

So the member asks am I committed to matching dollars? I am saying I am committed to working with the federal government. I am committed to working cooperatively with the federal government, but I think that it is now incumbent upon the federal government to show a measure of good faith, that, in fact, these \$32 million are new dollars. I mean, we can sort of forgive the—well, I will not say that too quickly, but the fact that \$120 million has been taken in respect to First Nations people out of Manitoba over the last five years, and a billion dollars in terms of health care has been taken out of here. Now, this \$32 million, where does it come from? Does it come from the money that they have already taken from us? We want to work cooperatively.

Mr. Kowalski: I know if I want to get the minister's blood going, I just have to mention federal policy here. But my question was more on the micro level, and I think the minister was answering on the macro level. I was asking in a very small way, if our little justice committee gets \$5,000 from this for maybe a stop lift program—the minister saw statistics from our justice committee yesterday that three-quarters of the shoplifters that we are dealing with are females. Maybe we need a female stop lift program. I am just trying to determine if that would have any effect on any

application under the Justice Initiatives Fund for provincial money. I was not looking for a total matching fund. I will just leave it at that.

Mr. Toews: I cannot give you a commitment for those \$5,000, but if you want to draw up a proposal for that kind of money, that is considered on a very regular basis, those kinds of funds, in our department.

Now, I want to say that when the Legislature authorized \$1.5 million in that Justice Initiatives Fund, one of the concerns that was raised was, so is this simply a slush fund for the government, and that has to be something that we have to be concerned about.

Mr. Kowalski: You can prove it by giving some to The Maples.

Mr. Toews: We can prove it not simply by giving it to The Maples but for any legitimate request that we consider.

So what I had my staff do is, in fact, set up some criteria, that I would know they would address these criteria in evaluating any application that came in with respect to the \$1.5 million. I might just indicate that the Justice Initiatives Fund is intended to support initiatives designed to prevent crime and improve the justice system in Manitoba, and I am reading from the statement. This is a departmental statement that my staff worked out. It continues: It will be used primarily for initiating, piloting, evaluating and implementing new initiatives. Each proposal will be considered on its individual merits and on its relationship to other justice initiatives as well as stated government priorities and commitments.

The criteria, and this might be helpful to the member or any other member who might consider similar programs: No 1: Does the initiative have the potential to enhance public safety by deterring or preventing crime? No. 2: Does the initiative have the potential to enhance public safety by improving the effectiveness and efficiency of the criminal justice system's treatment of offenders and of their victims? No. 3: Does this initiative address aboriginal justice issues? No. 4: Will the initiative build on existing community organizations or mechanisms, and will it be responsive to community input and direction? No. 5: Does the initiative respond

to the recommendations of a public inquiry into the justice system or an external review of the Department of Justice operations? No. 6: Does the initiative have the potential to improve the effectiveness or enhance the efficiency of the Department of Justice's non-criminal services area? No. 7: Will the initiative be cost-shared with other levels of government, community organizations and/or private-sector partners? No. 8: Can the initiative be maintained in the long run without significantly increasing government expenditures?

* (1800)

So is there a potential for our department to consider that kind of thing? Absolutely, and so all I would say is develop the proposal; we will consider that. It is a limited budget, and some of that is committed on a yearly basis already. I know we did not expend the entire amount last year, but that was only because we only received the funding part way through the year. But there may well be some room even at this time.

Mr. Kowalski: One other area, one problem—I do not know if it is universal, but I know our justice committee and I know someone from the St. John's Justice Committee has, and I believe other ones in the city of Winnipeg have, is about finding work placements for community service work.

It is getting more and more difficult. The person from the St. John's Justice Committee phoned me up and said should I write a letter to the minister and ask about using their community resource centres, and I hope I did not misdirect the person. I said, well, right now those people are using all the resources they can for people with court-appointed community service hours, and also some of the benefit of having youth justice committees, because we are unpaid volunteers. If all of a sudden all our community service hours have to go to the resource centres, I do not know if it would discount the value of the justice committees. But what can community youth corrections do to help our justice committees with finding placements for community service hours? Maybe it is the criteria.

I know for a while one justice committee was putting people to work in autobody shops and that, totally against the rules, because no one is supposed to profit

from them, but the ironic part is that it worked beautifully. Many of the young offenders ended up getting jobs afterwards. It was very positive. There is that, but is there anything that can be done by community youth corrections to help justice committees find placements for community service orders? Right now, our only place is the community clubs. When we had nursing homes, they are reluctant to take them now. We have had hospitals, they are reluctant. Any suggestions from community youth corrections what we could do?

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

INDUSTRY, TRADE AND TOURISM

Mr. Chairperson (Ben Sveinson): Order, please. Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Industry, Trade and Tourism.

When the committee last sat, it had been considering item 10.4. Economic Development (a) Economic Development Board Secretariat (1) Salaries and Employee Benefits, on page 93 of the Estimates book.

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Chairman, I want to take a few minutes at this particular time, if the opposition critic would maybe want to deal with it now or later. I have the appraisals of which I have committed to providing him in the Question Period of two days ago as it related to the Linnet Graphics. I want to just put a brief statement on the record with the tabling of the appraisals.

First of all, there were two appraisals carried out by William M. Mercer Limited. In their letter of March 15 to one of the partners, the chairman of Linnet Graphics on March 15 from William M. Mercer Limited, a respected firm of evaluators, estimated the value of Linnet on projected after-tax earnings in 1995. In their subsequent letter of August 26, 1996—the first letter was on March 15, 1996, and that was on the projected after-tax earnings in 1995, was their evaluation—their evaluation was based on actual audited numbers for 1995, not projected earnings. This resulted in an

appraisal value of \$1.5 million to \$1.8 million. The shareholders of Linnet agreed to sell their shares based on the \$1.8-million appraised value, which was also agreed to by the employees.

So the point I am making, Mr. Chairman, is there are two appraisals: one in March which will indicate because they were projecting their after-tax earnings of being a little bit higher, the first appraisal is between \$2 million and two-point-something-million dollars, and the after-tax actuals of which were audited numbers for 1995 that, in fact, caused an adjustment in their appraisal and came in at the \$1.5 to \$1.8. So, not only did the province agree to that appraisal, the other two partners agreed to it, to accept that evaluation because, in fact, they sold a percentage of their shares to the managing partners or the management so that there would be a third ownership by the three parties. So we accepted the evaluation as did the other two partners in the program.

So I am prepared to table those two evaluations for the member's information. One is as of August 26, 1996, which was dealing with the actuals, and the March 15, 1996, which were based on the projected. So I am tabling these two documents for the member. I thought it was important to do that so we could, in fact, if there were some questions flowing from that, we could either do them now or I could deal with them at another time. So I wanted to open the Estimates this afternoon with that information for the member.

Mr. Tim Sale (Crescentwood): Mr. Chairperson, I thank the minister for tabling that information which we had requested. Of course, I have not had a chance to look at it, so I cannot comment on it until I actually receive the document which I presume—[interjection] I thought you were tabling three copies as was the instruction of the House leader. [interjection] There you go. I just knew that would happen.

Mr. Chairperson: The honourable minister is tabling three copies of this document.

Mr. Sale: Mr. Chairperson, I had asked the minister, and he had undertaken to provide information on a number of other issues earlier in Estimates. I wonder if he is in a position to do that at this time.

Mr. Downey: Mr. Chairman, one of the areas that the member had asked some questions and we wanted to get clarifications, basically as it relates to particularly telecommunications, the whole telecommunications portion of what the call centre activities carry out, and that is that their charges, their operational costs as it relates to rates, falls under the federal jurisdiction, anything related under CRTC. Anything relating to the operational and labour responsibilities falls within provincial jurisdictions. So it is a provincial jurisdiction that looks after all the labour issues and all the actual plant operational regulatory activities. As far as the operational side of it, it falls under CRTC for the approvals of their rating. That is the understanding that I get from the department.

In another area that he had asked about—and we had spent a little bit of time on and he was critical, but it has taken some accountants a little longer to figure out the overall balance of payments, or who carries the costs of the shortfall in trade as it relates to the amount of money that has to be accounted for—that is still being prepared by the department. When that is available, I will bring that to his attention as to what the opinion of the accountants is in our department. He can agree or disagree with the explanation, but at least I will provide it for him. I am not sure what other areas, specifically at this particular time, but I will check with my department.

* (1440)

I am informed by my department that the deputy minister of Labour was also contacted as it relates to any improprieties or infractions or that kind of thing within the call centre industry, and is noted to us that there may be a few, but nothing untoward that would cause for any alarm. That information came directly from the deputy minister. I appreciate again the concern the member raised, and I again also put it on the record: nobody wants to have people working in unfriendly, unsafe conditions that are not conducive to good health and good workplace. So I will do what I can to ensure that that can, in fact, be fulfilled.

Mr. Sale: I thank the minister for the various responses, and I look forward to the document that he is talking about from his department in regard to the

issue of the long-term deficit in trade and how that affects Manitoba's economy.

I want to ask the minister if he has a current fair market value for the province's investment in the Vision Capital Fund.

Mr. Downey: I am informed by my department that we do not have a current to-date evaluation, but I can tell the member if there are some of the investments that have been made by Vision that are in the process of being liquidated. In fact, we can probably get a better read on that when the completion of some of these activities takes place, but I am told we do not have a current value at this particular time. Well, maybe I want to—[interjection] My answer stands.

Mr. Sale: Mr. Chairperson, this is an area of some frustration for us in the opposition. We have asked the minister for a list of companies. He refuses on the basis of confidentiality. We have asked the minister now for simply a fair market value, and any investment fund that I have ever seen, at least once a year, puts a fair market value on their partnership in terms of the shares that are held.

Vision Capital is a very major capital firm available to Manitoba businesses. Surely to goodness, the minister would be interested at least in knowing a global figure as to whether our investment as a province is at book, is below book. It is just incredible to me that the minister does not have an approximate fair market value of the province's investment in this company.

Mr. Downey: Mr. Chairman, I will answer it in this way, and we tabled our legal document as to why we are not able to disclose the companies. I have just indicated to the member that there are some companies of which there have been investments made that they are in the process of liquidating. I think at that particular time as that happens, I am quite prepared to do what I can to provide the information.

I am confident that the investments made by the province in the Vision Capital that we are in a very solid position. Now that does not give the member any satisfaction. He is looking for hard numbers and hard examples of which to deal with. I hope to be able to

provide that as well. I am quite prepared to stand up and be accountable for the money that has been invested in Vision. I know that there are some considerably excellent investments that have been made, and in the overall portfolio mix, I am satisfied that there is a good balance and that there is a very positive return that the province can, in fact, anticipate.

Again, I am not laying any hard evidence on the table, but I am comfortable that that is, in fact, the case. I will provide as much information as possible. I have no reason not to, other than the legal direction we got as it related to the confidentiality of these companies and what it means to the commercial interests.

Mr. Sale: Mr. Chairperson, I am not asking for the list of companies. I have already been refused that. I am saying that I presume that Vision Capital has a year-end. I do not know whether the year-end was December or whether it was March 31. At the year-end, I assume they provided an annual report to their partners. What was the fair market value quoted in their annual report? I cannot imagine that they did not provide it. What was it?

Mr. Downey: Mr. Chairman, I guess the bottom line is, again, that I am satisfied from what input that I have from the department and what knowledge I get from the department, and again I think the proof will certainly be is when some of the divestitures start to take place and the results of those divestitures. I am confident that we are in excellent position, particularly with some of them that are being presented now to the market. If I gave him a number today, tomorrow it may differ because of the certain conditions.

Again, I have a strong belief that the overall benefits for the province which have invested in the Vision Capital, that we are on a plus side in a very good way. But the actual position of which the province is in will not be determined until, in fact, all of the companies—if, in fact, that were to be the case—were to be either sold or valued at a particular time by an appraisal.

So I appreciate the frustration, but I cannot help him any more than I have been able to answer in this particular regard.

Mr. Sale: Mr. Chairperson, the minister can help, and he is simply unwilling to do so. I cannot imagine why,

if he is so confident. There is absolutely nothing confidential about the fair market value of the province's investment without revealing the names of the companies involved. It is absolute nonsense to say that you can only value an investment fund when it sells some of its investments. That is utter nonsense. An investment fund is valued annually for the purposes of income tax, for the purposes of reporting assets and liabilities.

No one, no one—and the minister has been a business person in his lifetime—would accept the suggestion that you could tell the value of an auction sale halfway through an auction by virtue of what a particular piece of furniture raised. What was the bottom line at the end of the last fiscal year of Vision Capital when it reported to the province in terms of the value of the province's investment? That surely is not a confidential figure, Mr. Chairperson.

Mr. Downey: Mr. Chairman, I have been informed by staff that they do not have it here. If there is such a number available, I will attempt to get it to the member. I do not have any problem with that if it is available. I think that number can, in fact, be made available to him. I do not have it immediately, but I will attempt to get it for him.

I know what he is saying, what is the value of the government's investment or the estimated value of the government's investment in these companies. So I think I understand the question. I am not trying to avoid answering. I will attempt to get the information for him.

Mr. Sale: I appreciate the minister's good will in that regard.

I want to turn to the question of Linnet which has occupied us for some time. I, first of all, want to ask, I notice that both of these valuations were during 1996, one of them more than two years ago now, the estimate, and the revised approximately 22 months ago in August of 1996. When was the actual agreement to sell the province's shares and to acquire shares from the two other partnerships, so that the management would wind up with 33 percent of the shares? When was that agreement entered into?

* (1450)

Mr. Downey: It is my understanding, Mr. Chairman, that discussions on the sale began in early 1996, and the actual agreements were signed on March 19, 1998.

Mr. Sale: Mr. Chairperson, there are many ways of valuing a company. Let me say that it is entirely determined by what the interests of the various parties are in valuing a company as to what methodology is used. I think the minister probably could find out from Mercer and company that there are indeed many ways of valuing a company.

This company has never reported publicly except when it was promoting itself, but based on 70 staff, reasonable assumptions about the cost of a staffperson, reasonable assumptions about their overhead, the company had to be doing between \$5-million and \$8-million-a-year worth of business, and it could well have been doing more than that. The reason that we might say more is that in a presentation in 1996 to members of the Legislative Assembly—this presentation was called Mapping the Future, and it was arranged for by the previous Minister of Natural Resources, Mr. Driedger. In it, Linnet stated that the Manitoba government business represents less than 20 percent of current Linnet work. In that year, the Manitoba government business was over \$2 million. So that would suggest that Linnet's sales were over \$10 million in that year.

It is not at all unusual for a company to be valued in terms of its sales. I just point the minister, for example, to the latest megamerger in the United States in which Monsanto and Home—I have forgotten what it is called—Home market or Home services have merged, and they have merged to form a company whose capitalization is three times its sales. In other words, the market is valuing this new company at three times its annual sales.

I am told in discussions with respected people in the brokerage market that a value of one times annual sales would be very conservative for a market capitalization of a company. If we even looked at half of one time annual sales, one would come up with a figure of 5 million, not 1.6 million or 1.8 million.

When a company is sold and the partners wish to minimize the capital gains for tax purposes or in any other ways make their personal bottom lines look better, it is quite possible to be very conservative in the valuation. So I wonder if the minister would accept that there are many methodologies of valuing a company and that the term "earnings before depreciation, interest, taxes and appreciation," which is a very common ratio used in the market, would indicate that this company was worth multiples of what it was sold for.

Mr. Downey: No, I would not agree with that, Mr. Chairman. First of all, I think that if he has not taken the opportunity, I would invite him to take the opportunity to read the methodology that was recommended by William M. Mercer. I am sure that the credibility of the Mercer corporation in this kind of work, if he wants to challenge them, that he is quite prepared to do so. I am quite prepared to accept the methodology and we were prepared to accept the valuation which was put in place. Not only were we prepared to accept it, but the two other partners that, in fact, had to sell a percentage of their shares to equalize the third ownership principle, a third, a third, and a third, had to accept it as well.

He, Mr. Chairman, can go through all kinds of alternatives. This one was the one that was, in fact, used. I do not think that William M. Mercer are certainly juniors in this particular business. In fact, I think they are extremely credible, and so I am passing on the information to him which was received on behalf of the Linnet Geomatics International to provide a value for the sale.

Again, I have given the reasons for the two proposals, and I have not much more to say. If he wants to get into, again, the methodology, I am sure that, as an auctioneer, I could talk about different ways of valuing companies as well, and one would be, of course, an item, if you stood up on the end of this table and were to sell one of these tables or chairs at this particular time on this particular day, you would get a price for it which, tomorrow, if you had a different crowd, you might get a different price as well.

That is quite a lot different kind of methodology. It is a long-term, established method of commerce which

I do not think would be acceptable to the member if I said that we had sold the Linnet Geomatics by auction. I think that we have used the best, one of the best companies to do the evaluation. We have proceeded to act on that evaluation, as did the other two partners, and I think, quite frankly, when one looks at the overall results that the province has accomplished from the involvement in Linnet, that we are the winners as a province for it, both in terms of having a company here with 60 employees—I am serious about that, I think that is extremely important. We have the activities being carried out in the province and we have made money doing it.

What more would the member, in fact, expect to happen when one went into a business deal like this? We did not lose money. We made money. We have a business here that is providing some 60 jobs, and it has to be here for five years.

Mr. Chairman, again, I can get into ongoing debate as to method of evaluation, but I am satisfied that the maximum value was obtained and it will continue to be operating in Manitoba.

Mr. Sale: Does the minister accept the study by the Nordicity group, which was obtained last year, I believe, by us which shows that Manitoba has approximately one-third of the Canadian average of employees in this field and that their assessment came to the conclusion that the reason for this was at least in part because of the limited ability of companies to enter the field, given the government's dominance and the exclusivity contract with Linnet?

So we have crippled, in fact, the geomatics industry in this province until the exclusivity deal was ended, and we probably have lost money in very substantial ways. Even though he may have a company with 60 employees, quite a number of them are doing what has been described as "grunt work," simply transferring data from one format to another. They are not doing high-end work at all. It is very profitable work by the way, "grunt work," because it is a high volume and a high profit margin, but it is not exactly the kind of work that Linnet advertises itself as doing.

So does he agree with the Nordicity study? Is he aware of that study and its conclusions?

Mr. Downey: I am sorry, I am not sure what study he referred to. Would he repeat that, please?

Mr. Sale: Mr. Chairperson, I will share with the minister copies of the study which were done for his department. He has this study. The study was done for Industry, Trade and Tourism by Les Routledge, senior associate of Nordicity Group, in July of 1995. Does he agree with the conclusions of the study, or was he not even aware of it?

If he is looking for the information I was quoting, it is on page 9.

Mr. Downey: Mr. Chairman, again, I will take this opportunity to advise the member that I will have the department review the report, so I am a little more brought up to date on it than I am at this current time. But I can again go back and say that as far as the actual matter that we were dealing with as it relates to the overall sale of Linnet that we have full confidence in the evaluation that was done.

As far as the details of this study are concerned, I can deal with them at a little later date, but it will take me a few minutes to go over it and see the pertinent points that were brought out again and to see what the overall objectives were as it related to the development of the work that he has put on the table.

* (1500)

Mr. Sale: Mr. Chairperson, I will summarize the study as saying that Manitoba is lagging behind the rest of the country, that until the Linnet contract was entered into we were on a par with the rest of the country, that we have lagged severely in employment. For example, if we had the number of employees that other provinces in Canada have on average, we would have approximately 300 more people working in this sector than we do. We would have a booming sector. In fact, we would have what Linnet promised but never delivered.

He will find, when the minister reviews it, that Mr. Routledge is a very careful consultant and wants to not anger his employers, but he very carefully says that the problem in Manitoba appears to be structural barriers, which is consultant speak for the monopoly contract

with Linnet that was preventing entry of any of the small firms into significant contracts because they could never successfully compete with the deep subsidy that Linnet had.

Mr. Chairperson, press reports during 1995-96 pointed out how Linnet, with the support of the support of the province, effectively took a contract away from Airquest in Brandon and caused that company's bankruptcy. In spite of the fact that Brandon staff did not want the services Linnet was providing, they were not allowed to do anything else. They were essentially told that, if you want access to our Mapping Branch, you get it through Linnet, and that is the only way you get it. So, after many months of negotiating a contract with a small Manitoba company called Airquest, Brandon was forced to walk away from that and Airquest went bankrupt.

As a result, the Nordicity study shows that we have about the same number of firms as other provinces per capita, but we have far fewer employees. What that tells us is that we have a large number of very small struggling firms who have been unable to make a breakthrough. As a consequence, we have lagged employment by at least 300 jobs, if we are at the Canadian average, so it seems strange to me that the minister keeps asserting he has a successful company and a world-leading industry when we are way below Canadians norms for employment. We have forced into bankruptcy at least one firm by virtue of unfair competition on the part of Linnet and its guise as the provincial arm for geomatics mapping.

I am wondering, in the light of all of that, why the minister was so cavalier in the House today about Hydro's entering into an untendered, long-term contract for services with a company that has a record of unfair competition by virtue of its government contacts and has a record, at least on one occasion, of bankrupting, by virtue of its competition, a long-established aerial survey company, Airquest, out of Brandon. How does the minister defend allowing the biggest Crown we have to enter into an untendered contract with a company that the government had just finished severing an exclusivity contract with?

It looks like they walked out the front door after five years and \$30-million worth of contracts and walked

right in the back door to the biggest user of geomatics services, who, as the minister knows, also co-operates with Centra Gas because of the common interests they have, thereby giving Linnet special opportunities to acquire and maintain business from that other large company. So it seems to me that the government is not at all concerned about the findings of the Nordicity study, which said you have restrained competition and you have allowed this industry to underperform. They do not appear to be concerned about bankrupting a little company a couple of years ago, a long-established, rural-based company, by the way, Airquest, and they do not appear to be concerned about the biggest Crown entering into a long-term monopoly contract with a company that has been shown to not be an effective way of developing a geomatics industry in this province.

I am quite astounded at the minister's cavalier attitude towards this on behalf of at least half a dozen Manitoba companies which I have worked with, discussed this issue with, and, in effect, advocated for, for a level, open playing field across this province over the last two years. These are businesses with significant investment, in many cases, over many more years than Linnet has ever had, and they have been effectively prevented from growing because of this government and this minister's policies.

Mr. Downey: Well, there are several things I do not agree with the member on, Mr. Chairman. First of all, I did not have a cavalier attitude as it related to the Crown corporation, and I can tell him that that is under the direction of a board of directors and management that is separate from government. I am not the Minister responsible for Hydro. I am not in the business of directing them whom they should do their services with.

I want to also correct something that continues to be floated around. That is that the Province of Manitoba for some way did \$30 million worth of business with Linnet. That is not true. It is my understanding that the work that was done directly by any government department was approximately a million dollars a year over the past five to six years, so the maximum that we would have done business with them for as a province directly was \$6 million. The other agencies, Crown corporations and entities may have carried out business

with Linnet, whether it was the City of Winnipeg, whether it was, in fact, Hydro, whether it was, in fact, other Crown corporations, that may be the case, but I can tell him that direct government contracts were in the neighbourhood of a million dollars a year for five to six years.

So he refers to this monopoly business. There has been a lot of other business floating around out there that did not come directly under the direct control of the province of Manitoba. That is true.

Mr. Sale: No, it is not true.

Mr. Downey: It is true. Again, what I am, through MDC, is the individual who will have to answer for the sale of Linnet. As far as the operations and the business that it performed with any government agency, he knows Natural Resources are carrying out some activities at this particular time, the Estimates at this particular time. They were one of the contractors, but it is my understanding that basically that is the amount of work that was done directly by the province.

I wonder if I could just take a two-minute recess, Mr. Chairman. The member may want to carry on. I will listen while you are doing it. I have got a constituent who is here, driven a long way and a lot of hard miles to see me for two minutes. I will be back in two minutes.

Mr. Sale: I do not have any objection to a couple of minutes of a recess. I do not want to carry on.

Mr. Downey: Not a recess, just two minutes. I do not want to be rude and leave you talking to yourself.

* (1510)

Mr. Sale: The minister's answer is, I think to put it kindly, nonsense. The province may have directly, through its own internal departments, allocated somewhere in the order of a million dollars on average, but the province had an exclusivity contract, and it directed Louisiana-Pacific to sign a \$5-million deal funded in large part by stumpage fees, absolutely a wired contract. We have shown that in the past. It was written for only one company to be able to fulfill, and Linnet was the company.

Mr. Jack Penner, Acting Chairperson, in the Chair

The City of Winnipeg was in a similar situation. It was directed to work with Linnet. The Manitoba land-related information system pulled in the crop insurance folk, pulled in Hydro for millions of dollars, and it is easy to document \$30-million worth of work which came as a result of the exclusivity contract; absolutely easy to document that.

That is not the issue. The issue at this point is that where Manitoba's companies—and I emphasize I am talking about private-sector, long-term, established Manitoba companies—have been hurt by this exclusivity contract, they believed that the government was ending this arrangement. They were told the government was ending this arrangement. They met with the previous minister responsible, Mr. Driedger, and they were told that the exclusivity arrangement would end. Then they find out that last summer, no tender, the biggest Crown that is supposedly bound by Manitoba government policies on tendering and on the way it does business. Of course, the minister should not tell it who to do business with, but the minister should tell it that it will do business in a manner consistent with government policy, and not tendering a major contract in an area in which Manitoba companies have clearly suffered is not good public policy.

Mr. Downey: Mr. Acting Chairman, again, the member is bringing all kinds of accusations to the table about what was and what did not happen. He does not have one shred of evidence to demonstrate that he is, in fact, right. The other thing I find strange is that, where he is now, on one hand, questioning the sale of Linnet, on the other hand, he is happy that we are doing it so that we are not out there stopping other companies from doing business in a way in which the exclusivity of which he is claiming that the province has provided for Linnet is, in fact, no longer going to be carried out.

So I am a little troubled by the debate he is bringing to the table. Is he happy that it sold, or is he not? Oh, yes, that is right—he will come back and say that it is not my job to ask him questions; he has to ask me questions. Well, I will put it in the terms then—Mr. Chairman, I will assume this—I will not ask him a question directly. I assume that he is now happy that Linnet is sold. I would hope that he acknowledges the

fact that the company that did the appraisal used a proper methodology to value the company and that we were able to achieve that value for the company and still maintain the company in the province of Manitoba.

He has not provided any evidence that there has been prohibitive activity taking place. Yes, he has tabled some work that was done, and I think it is a good job that the work was done so that it helps develop government policy and directives. In fact, one could say that the whole process is now completing as we move out of the ownership of Linnet, and it can operate in the capacity in which it was supposed to be doing with the management and the two other partners owning it and carrying out their business in Manitoba. As well, it has very much accomplished, on the international market, considerable successes. That business was not exclusive to it. That, in fact, was open to other companies as well.

Again, I am sensitive, quite sensitive, quite frankly, because I do not want to, in any way, deter the private-sector businesses from developing and carrying on. If he has more information about the company that went bankrupt because of this, I think he should be challenged, and I am challenging him to provide it. He has put it on the record. He will not accept my word on certain things; I am not about to accept his word without more evidence of the fact that this is the case. However, if his argument had any merit to it, then it should not happen in the future, and that should make him happy, if anything makes him happy. It should make him at least feel a little better that we have moved in a way in which he thinks we should have gone.

Mr. Sale: Mr. Chairperson, first of all, we have pushed for the last two years for this company to be sold, and we believe that it was an inherent conflict of interest for the province to have an equity ownership in a company that was supposedly competing on an even field, even playing field, with other Manitoba companies that did not enjoy either the exclusivity contract or the special interest that government had in Linnet's earnings. So, yes, we are pleased that the company has been sold. We assert that it was sold for far less than the claimed value of the company, and that the most conservative possible methodology in valuing the company was used, that the company was sold for considerably less than it should have been sold for.

In terms of the Airquest issue, Mr. Chairperson, probably the clearest discussion of this was on CBC Radio in 1995, October 19, and it is a long series of five programs done by John Boivin quoting the former owner of Airquest, Mr. Snure, and then—I am sorry, Mr. Snure is with the City of Brandon—the dialogue is as follows, this is a direct transcript: Brandon had been looking at computerizing its maps and utility information for years. It had two proposals, a small company, Airquest Resource, put together a hundred thousand offer. Snure said Airquest's proposal was just what Brandon was looking for. Then Linnet Geomatics got involved. It is the largest computer-mapping company in Manitoba with the monopoly to do all provincial government mapping work. Snure says Linnet's system cost a million dollars, far too expensive, and not suited to Brandon's needs.

Snure said the city was leaning towards Airquest. Then the subtle pressure started. Warnings of what could happen if this city chose Airquest, and a quote from Mr. Snure: In terms, if we went with the proposal that was not province-wide, we would kind of be out here on our own. We would not be able to get surveys and mapping, land titles, the Assessment branch information that there would be if we were going towards the Linnet system.

The pressure increased and the project was delayed. Airquest finally went broke. It had financial problems that could not wait any longer. Snure is upset with the way Airquest was squeezed out by the province and Linnet.

Snure quoting again: "In this particular case, it is almost like we were waiting out the small guy to drop out. That is not all that strange, even though no contract had been signed and the province went ahead and mapped the city, and Linnet is developing the computer system. Brandon is now negotiating with the province about what part of the province it will have to pay for. Brandon is going to be buying Linnet's product whether it wants it or not. Now there is no other option."

I think that a respected civil servant with the City of Brandon's word is good enough for me in terms of what happened in this regard.

I also want to quote from a draft of the legal agreement with Linnet: The province shall provide Linnet with such information as the province may have regarding the needs of the agencies with respect to the land-related information system, et cetera; shall cause each of the agencies under its purview to assign an appropriate number of agency senior staff to work with Linnet doing user-needs analysis, business cases, et cetera; shall use its reasonable efforts to assist Linnet in negotiating implementation contracts with the agencies, negotiating agreements; shall develop implementation agreements satisfactory to Linnet with the city and with the agencies; shall develop formal agreements satisfactory to Linnet with the Surveys and Mapping Branch.

The list goes on and on and on. If that is not an exclusivity agreement, Mr. Chairperson, I do not know what is.

* (1520)

I wanted to go back to the minister's comments about Hydro. The minister is asserting that it is okay for Manitoba's biggest Crown to enter into an exclusivity arrangement with a private company without tendering. I want to know whether the minister will undertake today to contact the Minister responsible for Manitoba Hydro and perhaps even to directly contact Mr. Brennan, the CEO of Manitoba Hydro, and inquire whether he will abide by provincial standards for open tendering, so that Manitoba companies will have a fair opportunity to bid on business for which they are competent and qualified to undertake.

Mr. Downey: Mr. Chairman, I will contact my colleague, the Minister responsible for Manitoba Hydro, to find out the exact and all of the information as related to the tender that the member is referring to so that I have all the information. He has made accusations from his side as opposition. I will, in fact, get the information from my colleague, the Minister responsible for Manitoba Hydro, to make sure that I have that side of it as to why Hydro proceeded, if they did, in the manner which he has indicated. Then I can further decide as to whether or not I should have concerns about it.

At this particular point, it is my understanding that all procedures that would have been carried out by Hydro

are normal procedures. However, if there are some anomalies or some reason why that is not the case, I will certainly find out from my colleague.

Mr. Sale: Mr. Chairperson, I can assure the minister that I met with Mr. Brennan before Christmas and that he indicated that indeed they had entered into an exclusivity contract, an open-ended, untendered contract; that I have raised this matter repeatedly and I will continue to raise it on behalf of Manitoba companies whose ability to do the work is unquestioned because they do it in other provinces.

We have a young company here with 20 staff up from four last year that does not do any work in Manitoba because it could not get any work because Linnet had a lock on it all. They are doing similar work to Linnet in British Columbia, in the Northwest Territories, in the Yukon, in Saskatchewan, and now in some American areas. The company is growing like crazy, which is very commendable, but they could not do any work in Manitoba. They are locked out of Manitoba Hydro. They have a product which is exactly what Manitoba Hydro is paying Linnet an arm and a leg to develop for them, Mr. Chairman.

There was no tender. The minister says he will examine the tender. There was not a tender. That is the point. There was no tender, bundled or unbundled, for the services Linnet is going to provide. We are told—and this is something the minister will have to confirm, because we are not in a position to know whether it is correct or not, but we are told that Linnet's staff working with Hydro sit on all of the contract discussions with other companies.

In effect, they become privy to inside information that ought to be proprietary information to those private companies, and so geomatics companies in Manitoba will not bid on even subprojects, because they have no confidence that Linnet will not become privy to their bid and to their information because of its very close working relationship with Manitoba Hydro.

That is inappropriate, Mr. Chairperson. It is inappropriate that a private-sector company should have proprietary information disclosed to another competitor by virtue of that other competitor's close working relationship with that company. That is simply

inappropriate, and this government should not countenance that kind of relationship.

I want to ask the minister whether he will undertake to fully investigate this question and to ascertain whether or not fair and open tendering is the policy of Manitoba Hydro and whether they will sever their relationship with Linnet and tender for geomatic services properly in the future, Mr. Chairperson.

Mr. Downey: Mr. Chairman, first of all, I did not say I would look at the tender. I said I would find out for my colleague the process that had been gone through as it related to the hiring of services from Linnet, No. 1. That is what I said I would do.

Point of Order

Mr. Sale: Mr. Chairperson, I simply asked the minister to review the record. I think he did use the word "tender."

The Acting Chairperson (Mr. Penner): It is simply a matter of procedure that is being discussed here, and there is no point of order.

* * *

Mr. Downey: Mr. Chairman, point No. 2 as to whether or not there are people who sit on the Linnet board that have proprietary information as it relates to work that is to be done in other areas or other companies, I will find out if that is, in fact, the case. I do not know specifically what he is referring to, but I would think that that would not be a normal situation, but I will, in fact, find out for him if that is, in fact, the case.

Mr. Sale: Mr. Chairperson, let me help the minister a bit with his inquiries. The allegation is that Linnet staff who are working closely with Hydro consult with Hydro staff on contracts that Hydro is letting in other areas of geomatics applications, or might be willing to let; in other words, maintaining the same relationship that Linnet used to have where it was the general and it parceled out small amounts of work, very small amounts of work, over the past five years to some local companies.

In 1996, they told us that the total amount parceled out was \$600,000 over the period of time that they had been in the exclusivity arrangement with the province. The allegation is not that Linnet's directors are in this relationship but that Linnet staff are privy to these discussions inside Hydro.

Mr. Chairperson in the Chair

Mr. Downey: Mr. Chairman, again, I said I would check it out. I will. I have his comments on the record. I will further follow up from those comments.

Mr. Sale: Mr. Chairperson, in other provinces, the geomatics base map—if I could use that term—is seen as a public utility absolutely critical to the development of industry and business in those provinces. For example, in American states that are up to speed in this area, the cost of accessing this data is very, very low, because they believe that they will recover all of the costs of acquiring that sort of data on the part of companies and more through the development that comes with those companies.

The situation we have entered into in Manitoba is very different because we gave Linnet a monopoly to develop the base map, and for some technical reasons which I do not understand but people in the industry tell me, the base map is not particularly useful for many purposes—it is useful for crops; it is not much use for gas lines or hydro lines—and because during the time since 1989 when the proposal was being moved forward, and, in fact, for probably a decade before that as well, our survey monumentation system has deteriorated sharply in Manitoba to the point where something in the order of 30 percent of the monuments are either missing or cannot be located—they may not be missing, but they are buried, and they cannot be located. So the cost of land sales is going up as a virtue of increased cost of surveying, because they are often having to sight lines from a long distance away because of missing monumentation.

The survey industry has repeatedly asked the government to make a priority of bringing that system up to date. The survey industry has also raised serious questions about the value of the digital ortho-photographs which have been the foundation of Linnet's mapping activities. The cadastral mapping of

the province is in bad shape, at least by industry allegation. The implication of this is that our development is being hindered, and we cannot estimate by how much, but the assertion is that it is being hindered by our failure to have an up-to-date provincial base map.

Now, we asked members of that industry to do for us a background paper on this. It is probably not the usual thing that one might do, but I am going to provide the minister with a copy of the NDP's background paper that we had for our caucus to study. It is only four pages long, not a long read, but it indicates for us the problems that we have gotten ourselves into in this field. They are significant.

I want to ask the minister now, as a condition of the sale, what is the current status of the base map that Linnet was engaged in producing for the Manitoba Land Related Information System? Who owns that data? How is it now to be accessed by people who wish to access geomatic information? Does the province own it or does Linnet still own it?

Mr. Downey: Mr. Chairman, again I would recommend that the member ask the Minister of Natural Resources (Mr. Cummings) who in the department that did the contractual arrangement with Linnet Graphics. I was the holder of the shares of the company in the Manitoba Development Corporation, and that would be—to get the answer more immediately—a good place to go.

I can get the information directly for the member. It would consume time if I were to just talk and work to answering it, but I think that would be a better direction. If he is unable to get that information, I will talk to my colleague to attempt to get that for him, as part of the sale agreement. But I cannot answer directly at this particular time. I can assure him that I would be most expedient in trying to get that information for him.

* (1530)

Mr. Sale: Mr. Chairperson, I appreciate the minister's willingness to do that.

I want to suggest to the minister that it is in his interests as Minister of Industry, Trade and Tourism

that he and his staff become fully aware of the implications here for industrial and other developments in our province of not having an adequate base map, at least in the view of other partners in the geomatics industry that I have spoken with, the six or seven companies that I have referenced.

So this is not just a sort of question of, sort of, academic interest. In other jurisdictions in North America, a geomatics user-friendly inexpensive base map that can be accessed by, for example, Maple Leaf—let us use that example. In a situation where there is a good geomatics base map, Maple Leaf could sit in its offices, wherever they are, whether they are in Toronto or Burlington or Kitchener—

An Honourable Member: Brandon.

Mr. Sale: Well, not in Brandon yet—and they could have pulled up all of the target areas in Manitoba on their computers and done overlays of utilities services, current ownership patterns, ground conditions, ground water. They could have pulled up a huge amount of information and been able to assess potential sites very quickly and very efficiently, with linkages out to the various key departments that they would have to deal with.

Companies across North America that are looking for locations will look at areas that have that kind of base map ability because it makes it a whole lot cheaper for them to assess potential sites, and they expect that information to be timely and complete and all that sort of thing. This is a key, and the minister will remember that I asked questions about strategic information, a key area of strategic information for industrial development.

The minister, I hope, would agree with that. I certainly think his staff would, but we have not seen an understanding of this issue on the part of the government, apart from their acceptance finally of the idea of selling the company so that they were not in a direct conflict of interest every time a tender was let. This does not seem to have penetrated that the availability of cheap locational information is critical for companies who are looking at Manitoba, who do not want to necessarily spend a great deal of money coming here and spending time on the ground before they know whether there are half a dozen potential sites for them.

Successful jurisdictions, particularly American jurisdictions but there are some Canadian ones that are moving in this direction, have that kind of information cheaply available in the public domain. It is not something that companies have to pay an arm and a leg to get access to. I just say to the minister that this is a very important issue for our competitiveness as a province, and I would hope that he and his staff would look seriously at how the Linnet sale affects the availability and distribution of the base map. This has particular bearing on rural Manitoba because the city of Winnipeg's base map is of a fairly high quality. It is readily available to industrial development users, but the provincial map, I do not believe, is.

Mr. Downey: As I indicated, I am not disagreeing with the member as to the capabilities that the information made available from activities that Linnet carried out would, in fact, be useful for companies making decisions. I am not absolutely sure how Maple Leaf made their decision. I know they had a company out of Florida that were doing the selection business for them. What they used for technology I am not aware of, but the member makes a good case that that kind of information is, in fact, important to companies that want to develop. I will again confirm for the member, from my colleague, or if he does it directly, as to what the current status is, but he makes a good point as it relates to business development.

Mr. Sale: Mr. Chairperson, would the minister also in that process undertake to make publicly available clear information about how to access that base map on the part of potentially interested users, so this becomes part of the data base that we market our province on and also becomes available to organizations within Manitoba who may well want to be considering developments within our province.

Mr. Downey: Mr. Chairman, I will put every attempt forward to do that for the member.

Mr. Sale: I am prepared to pass this section, Mr. Chairperson.

Mr. Chairperson: Item 10.4. Economic Development (a) Economic Development Board Secretariat (1) Salaries and Employee Benefits \$566,500—pass; (2) Other Expenditures \$379,000—pass.

Item 10.4.(b) Grant Assistance - Economic Innovation and Technology Council \$1,023,900—pass.

Item 10.4.(c) Economic Innovation and Technology Fund \$1,000,000 (2)—pass.

Resolution 10.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,969,400, for Industry, Trade and Tourism, Economic Development, for the fiscal year ending the 31st day of March, 1999.

The last item to be considered for the Department of Industry, Trade and Tourism is item 1.(a) Minister's Salary \$26,300. At this point, we request the minister's staff to leave the table for the consideration of this item.

Mr. Sale: I would just like to extend my thanks to Mr. Dalglish and Mr. Cormack for their work on behalf of the province and on behalf of the minister as well. It was a good discussion in Estimates for the most part. I thank them for their part in that.

Mr. Downey: I think it would be appropriate to say on behalf of my staff that they were pleased to participate in it, and thank the member for his comments.

Mr. Sale: Mr. Chairperson, the minister has undertaken a number of commitments on behalf of the issue of Linnet. In closing my questions to him, is he prepared to put a time frame around this? The reason I ask this question is that I have told him frankly, and I have shared information with him, that we have an industry in Manitoba which until now has been lagging very badly, Canadian norms. His own study show that, and industry people who took some risk frankly in meeting with Mr. Driedger, because they were complaining about government policy. Sometimes that is not always seem by companies to be in their own interests to complain that way.

There are six companies that I have worked with on this over a couple of years. They have waited a long time to have a fair opportunity to compete and to show what they can do on a fair playing field. We can debate the wisdom of the Linnet strategy till the cows come home, essentially, except for Manitoba Hydro's, I think, unfair decision last summer. That strategy is now at an end. We need to tidy up some of the details. The details that are critical are the ownership of the data and

the accessibility to the data that has been acquired at great cost, and the commitment on the part of the province that all geomatics work will be publicly and openly tendered in the future.

The minister has undertaken, and I appreciate that, to investigate the concerns that I have about the agreement with Hydro. He has undertaken to find out the ownership of the data and how it is to be accessed, and how it can be accessed in the future by companies or by other groups or individuals.

Will the minister undertake to put a time frame around the conclusion of this matter, so that the Manitoba companies that are concerned about this will have a clear time by which they can expect that the playing field will, in fact, be flat and fair, and that data that had been acquired at public expense will be available for them to grow and prosper and to compete efficiently and effectively, as I am confident they can do?

Mr. Downey: Mr. Chairman, I understand the member's question. First of all, I will attempt to get that information, because it is in everybody's interest to have as much information for the companies that want to grow and develop in the province of Manitoba. It is not for us to want to deter that from happening, so I can give him the assurance—I am not going to extend it a year. It certainly would be within limited time available. I am going to be away for a short period of time, as he knows, on an extremely important business event. But I will ask the staff when I am gone to try to make sure we get the answers

Within a month's time, hopefully I could have some responses for him, so that we could, in fact, clear up the concerns that he has. He may not be satisfied with the answers, but at least I can certainly try to do that within a month's time.

* (1540)

Mr. Sale: Mr. Chairperson, would the minister then agree that at least by the end of June his staff will contact us and let us know what progress has been and what some of the factual information we have requested is so that can be made public? I would urge him to take the opportunity to meet with the companies in this field,

ask his staff to put together such a meeting, so he could hear first-hand if they are interested in meeting at this point—I would think they might be, although I do not know that for sure—so that he could hear first-hand the opportunities that they think are here for our province in this field and can understand why they have been so concerned over the years.

Mr. Downey: I will attempt to live up to that commitment.

Mr. Chairperson: Item 10.1. (a) Minister's Salary \$26,300—pass.

Resolution 10.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,670,200 for Industry, Trade and Tourism, Administration and Finance, for the fiscal year ending the 31st day of March, 1999.

This completes the Estimates of the Department of Industry, Trade and Tourism. The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates of the Department of Sport. We will briefly recess to allow the minister an opportunity to prepare. [agreed]

SPORT

Mr. Chairperson (Ben Sveinson): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Sport. Does the honourable Minister responsible for Sport have an opening statement?

Hon. Eric Stefanson (Minister responsible for Sport): Mr. Chairman, I have a brief opening statement. It is my pleasure to place before the House the 1998-99 budget Estimates for amateur sport. I am proud that our government is able to maintain the level of assistance to support sport delivery in Manitoba. In fact, in responding to need, we were able to provide additional funding of some \$140,000 this year to support those organizations charged with the responsibility of hosting Pan American Games test events.

The Pan American Games represent a significant undertaking for our province. The test events will help

the sport community better prepare to stage the games. The additional financial and technical support we were able to provide through Sport Manitoba will help them in this regard.

While funding to amateur sport has remained constant, changes are occurring in the way the sport is being funded and delivered. A mandated, implemented provincial sport policy and empowered to make the decisions that are in the best interests of the entire sport community, the organization Sport Manitoba is taking sport in this province in a new direction. Categorization of provincial sport-governing bodies implemented on April 1 of this year represents a new way of funding provincial sport organizations. This process places sports in one of five categories based upon the extent to which specific criteria is met and provides a corresponding base level of support. Criteria is athlete focused and reflective of sport policy. It recognizes province-wide opportunities and participation at all levels of development, accessibility of coaching in competitions, inclusion in multisport games and sport culture and tradition.

This process has not taken away from the funding provincial sport-governing bodies receive, rather it has aligned sports with appropriate levels of support based on their activities which are consistent with sport values in our province.

Sport Manitoba continues to review sport delivery and roles and responsibilities within the system. Sport recognition, funding levels to partner groups, the delivery of coaching programs and services among others will be forthcoming. These and future decisions will continue to change the face of sport delivery in our province. Based on a sport policy objective to ensure there is no duplication of services and support to athletes, coaches and officials, a review of coaching delivery has been completed. Considering the need to build and enhance a co-ordinated delivery system, a new coaching delivery model will be implemented. Beginning in September, all coaching responsibilities and activities will be co-ordinated by Sport Manitoba, with all existing programs continuing to be offered.

Sport Manitoba's intent is to eventually move toward a future delivery model based on a partnership of organizations having an interest in coaching. Leader-

ship will continue to be provided by volunteers through a coaches' advisory committee representative of the major stakeholders.

At present, funding to Sport partners is primarily being allocated from a historical perspective. Sport Manitoba's ongoing review of the sport-delivery system will include a review of funding levels to all partner groups. This review will determine if present allocations are effectively meeting the needs of the individual partner groups, and if not, determine the appropriate levels of support that is. This review will also include the development of a sport recognition policy. At present, 76 provincial sport-governing bodies and 20 other sport organizations continue to be recognized, another 18 organizations have made recognition inquiries. The policy will allow Sport Manitoba the flexibility to assess existing sports and a mechanism to deal with emerging sports. The sport recognition policy and new funding strategies are all next steps in a plan that will support the future needs and direction of sport in Manitoba.

We once again can take pride in our achievements. Our most talented athletes remind us of the tremendous potential that exists in our sport community. Jennifer Botterill and Susan Auch were two Manitobans who competed at the 1998 Winter Olympics. Both were Silver Medal winners.

Hosting the 1999 Pan American Games will provide us with a legacy of opportunities for sport in Manitoba into the new millennium.

All Manitobans will benefit from the hosting of the 1998 Grey Cup, the 1999 World Junior Hockey Championships and, of course, the 1999 Pan American Games.

Based on their site evaluations last month, we are hopeful our bid will result in the hosting of the North American Indigenous Games in the year 2002. We have made a commitment to host the 2003 Western Canada Summer Games and have initiated the site selection process.

As much as there is to look forward to, there are also many challenges ahead. Given the mandate, its leadership and the confidence of this government, these

challenges are being addressed by Sport Manitoba with a plan that will ensure the future growth and success of amateur sport in our province.

Thank you very much for the opportunity to make those few remarks. I look forward to discussion and questions.

Mr. Chairperson: We thank the Minister of Sport for those comments. Does the official opposition critic, the honourable member for Radisson, have an opening statement?

Ms. Marianne Cerilli (Radisson): No, I do not really have a prepared opening statement. I think that we do not have much time. I did want to just say that I will probably be focusing quite a bit again this year on the Pan Am Games, but I do want to say that I want to have time to ask questions on a number of other areas, particularly following up some of the letters I have sent to the minister on issues related to Sport Manitoba and some of the other games.

So I just want to put that on the record, that I think it is important that we do not sort of neglect—there is so much focus in Sport right now on the Pan Am Games, but there are always other things that are going on. So I just want to recognize that.

Mr. Chairperson: Very good. If we could ask the minister's staff to join us at the table, we would ask the minister to introduce his staff, if he would.

Mr. Stefanson: Right beside me is Mr. Jim Berry, the director of Community Support Programs and other activities; and also Mr. Jeff Hnatiuk, who is the president and CEO of Sport Manitoba.

Mr. Chairperson: Line 28.1.(a) Support Services (1) Salaries and Employee Benefits \$15,000.

Ms. Cerilli: As I was just saying, I was going to start off with asking some questions about the Pan Am Games. I just want to clarify: Mr. Berry is with the Pan Am Games organization and with the Community Services committee?

Mr. Stefanson: No, I wanted to clarify Jim's role on the Pan Am. He works for government. He is the

Director of Community Support Programs within the government of Manitoba. He also is an ex officio member on behalf of government on the Pan Am Games Society.

Ms. Cerilli: Which department is Community Support Programs with?

Mr. Stefanson: It is a stand-alone department that reports to me. We dealt with the Estimates of the Community Support Programs a few weeks back, and Jim Berry is the director within that area.

* (1600)

Ms. Cerilli: What is the relationship between Community Support Programs and Sport? Do they fund any of the different Sport organizations? Is that the title he just happens to hold in government and he is really here in his capacity with the Pan Am Games?

Mr. Stefanson: Mr. Chairman, in the summary of expenditures, it is on page 24, item 33, Community Support Programs, and it really dates back when many organizations including Sport were funded directly by Lotteries funds, and the conduit to do that was the area of Community Support Programs. So since then there has been the link to Sport, and, as well, when you look at many of the funding areas receiving funding under Community Support Programs, you will see it is a combination of Sport, Culture, and other nonprofit organizations.

Some of the organizations that receive support under the Community Support Programs are the Winnipeg Football Club, but it is also the Manitoba Community Services Council, the United Way, the Folk Arts Council and so on. So that is the historical link as a result—particularly now with the establishment of Sport Manitoba which, as the member knows, is an independent organization. The liaison from government to that organization is provided through the support provided at the Community Support level, and that is why Jim Berry works for government but liaises with Sport Manitoba, with the Pan Am Games and other sport initiatives.

Ms. Cerilli: Thanks for clarifying that.

I think I am going to start off with asking some questions about the issue related to the Pan Am Games that I think is on the minds of a lot of Winnipeggers and Manitobans, and that has to do with some of the issues around the budgeting, but specifically, I think a lot of people were surprised to see Donovan Bailey at that press conference. I think it is great. I think that it is really exciting that he has made a commitment to the games, to competing here. It is also interesting that he is also on staff, so to speak, that there is a contract with him to assist with marketing and promotion. I think a lot of people are wanting to know how that works, as an athlete who is competing in the games, to also have that kind of a contract.

So, first of all, I want to ask sort of how was the decision to do that arrived at? Who is responsible for making that decision? It is an interesting strategy, and I think it was probably pretty exciting at that press conference. First of all, I want to find out who made that decision and how you arrived at that.

Mr. Stefanson: Mr. Chairman, in terms of the very specific question, the member is right. It was an exciting day, the day they made the announcement. But in terms of the decision, it was a recommendation from the staff of the Pan Am Games, the senior staff, to the board of directors, and I am told it was ratified by the board of directors. So it was on the recommendation of their senior staff.

Ms. Cerilli: There are all sorts of different divisions in the staff, and I am wondering, was it the Marketing branch, was it communications? Who came up with it? Additionally, what is in the contract? Besides that appearance at the press conference, what else is Donovan Bailey going to do? I have seen the advertisements with his picture on it for the ticket sales, other things like that that he is going to do, and additionally, what is the dollar amount that he is being compensated for that contract?

Mr. Stefanson: Mr. Chairman, as to who came up with it, with the idea, I will have to follow up with the Pan Am Society. I am told it is not uncommon to have these kinds of arrangements with major games and major events.

The recommendation to the board would have come through the president, Mr. Don MacKenzie, but as to

whether or not the idea and the concept and the review of it came elsewhere in the organization, I will certainly follow up and get back to the member. I am told as the most recent information that we have, that a contract has not been concluded with Donovan Bailey at this point in time. I will also undertake to find out the status of that and provide as much information as I can to the member.

I know she mentioned at the outset some time constraints. We will certainly take good notes. I will undertake to provide her, as I have done on other issues, with some details and some written communication on any issues that we can not address at this particular time.

Ms. Cerilli: So the minister is saying that he made that one appearance. He has agreed obviously to be part of the ad campaign with his picture on the advertisement for the tickets, but you do not know the other parts of the contract of what else he is going to do.

Mr. Stefanson: Mr. Chairman, again I am told the major undertakings which were announced that day were the two key elements that Donovan Bailey will be participating in the 1999 Pan American Games. The major focus will be, or certainly that day was, related to the launching and the moving forward with ticket sales. As to how else they intend to utilize Mr. Bailey, if there are other areas, we will certainly undertake to get that information.

In terms of the contract or the compensation, the most recent information we have is that had not been concluded. Some of the elements related to compensation that I am told have been discussed with Mr. Bailey relate to compensation for his travel arrangements, compensation for his accommodation arrangements, for family members to be a part of the activities during the Pan Am Games and some of those types of things. But beyond that, I will have to get further details from the Pan Am Games organization.

Ms. Cerilli: So would he also receive a salary or fee for appearing in the ad?

Mr. Stefanson: Mr. Chairman, I am told that is conceivable, and I will undertake to get any details related to that.

Ms. Cerilli: Do you know what Mr. Bailey would be compensated for for ads for other events or products, endorsements, that kind of thing?

Mr. Stefanson: I just want to clarify. The question was are we aware or do we know whether he gets compensated for similar types of things?

* (1610)

Ms. Cerilli: If he has done this kind of appearance for other events or products, and what his rate has been for that kind of appearance.

Mr. Stefanson: Again, we believe that he has, but in terms of further details about for what events or organizations and any information that we could obtain around compensation, we will have to follow up.

Ms. Cerilli: Well, was Mr. Berry at the meeting where this was approved, at the board meeting?

Mr. Stefanson: I think I have to clarify one issue. I am told that the issue of retaining Donovan Bailey went to the executive of the board of directors. It has not gone to the entire board of directors and will go there, I am told, when there is an arrangement to approve, whether it is a contract or whatever formal arrangement is to be reviewed and approved. But it apparently had gone to and obviously been proceeded with on the basis of the executive of the board of directors of the Pan Am Games, on the recommendation from the senior management of the Pan Am Games.

Ms. Cerilli: So what you are telling me is there is no contract yet. You do not really know what the range for Donovan Bailey's stipend is going to be, and he has already started working for the games.

So my next question is: what is the budget? Potentially, what has been budgeted for Mr. Bailey and is this coming out of the marketing budget?

Mr. Stefanson: As I have indicated to the member, the best information we have, sitting here today, is that a contract has been not concluded. But as I have indicated, I will undertake to get the most recent status from the Pam Am Games Society directly. The Pan Am Games, as the member knows, has a fairly

significant budget. Within that budget they do have a marketing component. It is our speculation that that would be the budget line that it would be coming out of, their marketing. But again, from what source within their budget they will be funding any contractual arrangements or agreements with Donovan Bailey, I will provide those details upon receipt from the Pan Am Games.

Ms. Cerilli: The press conference was on May 14, was it not? The press clippings I have are from May 15, so I am assuming that the press conference was on the 14th. So this has been an arrangement or an agreement, a partnership, that has been in the works for some time. Do you have a deadline for when you want to have a contract and an agreement completed and presented before the entire board of the Pan Am Games Society?

Mr. Stefanson: It is my understanding and expectation that the final arrangements should be concluded shortly. As I have indicated, upon receipt of that information I will provide as much as I can to the member for Radisson.

Ms. Cerilli: I have been in this situation before with the minister, where I come to these Estimates with some sense of the questions I am going to ask, and I do not get very many answers. I simply get a response: I will get you as much of that information as I can when I can. Sometimes, then, I get letters back from the minister which gives me some information, but it is really not as good as the opportunity to sit here and get the information first-hand.

So the Pan Am Games Society has been engaged with Mr. Bailey or his agent in negotiations since, I am sure, the beginning of May at least. I am surprised that the minister does not have a little bit more information about this, knowing how much athletes of the calibre of Mr. Bailey get for endorsements, public appearances, and that sort of thing. I am concerned that there is not more of an agreement in place when he is already working for the society. Maybe the minister can tell me at least when the next meeting is of the Pan Am Games Society and if on that agenda this item was going to come up and there is going to be some agreement at that point.

* (1620)

Mr. Stefanson: Well, Mr. Chairman, I do attempt to get back to the member usually quite expeditiously with her questions and have a few letters to her on different issues that she has raised, and I certainly will get back to her on any issues that we cannot provide her with answers here today. I am told the overall board of directors of the Pan Am Games meets quarterly, so their next scheduled meeting is not until September. The executive committee meets much more often, and, as I have already indicated, this issue has been to the executive committee of the board of directors of the Pan Am Games.

So I will certainly undertake to get more specific details, and, as I indicated, our most recent discussions are probably a week or 10 days old with the Pan Am official, not realizing that we were going at the last minute to be here this afternoon. But, with our most recent discussion about a week or 10 days ago, there might even be more definitive information on the arrangement with Donovan Bailey right now. The overall marketing budget for the Pan Am Games is \$1,325,000. So, as I indicated earlier, it is a significant allocation for marketing and does provide them with the resources to do various initiatives in that area. I will undertake to find out as quickly as possible if there is any more information I can provide the member on this issue.

Mr. Denis Rocan, Acting Chairperson, in the Chair

Ms. Cerilli: Mr. Chairperson, the minister has quoted for me the amount in the marketing budget that is in the revised budget that he has provided for me with his letter of May 9, I think it is May 7.

I am wondering how much of that marketing budget is spoken for, or, if you will, that is spent already, and, if you will, when you provide me with information, give me a more detailed breakdown of the marketing budget line; also, the budget line for image, media and communications, because I guess it is conceivable that some of Mr. Bailey's fee could come from that line, as well, which is almost \$5 million.

Mr. Stefanson: I will undertake to get her a more detailed breakdown of any budget elements of both of those categories and also to provide information on what has been spent to date.

Ms. Cerilli: Further, in terms of Mr. Bailey and his support and appearance at the games and work on promotion of the tickets, I am wondering if the minister has been asked by others in the community and the media particularly for the fee or the amount that Mr. Bailey is going to be compensated.

Mr. Stefanson: No, I have no request for that information directed at me. I checked with both Mr. Bailey and Mr. Hnatiuk as to whether or not they have had any request to them, and they indicate that they have not received any requests either.

Ms. Cerilli: Does the minister think that this is an issue that, you know, it is your business to know a little bit more about the details, especially someone of the calibre of Mr. Bailey? It is a big event I think to have him endorsing the games in this way and being part of the advertising campaign. I am surprised that none of the media have made inquiries about this. So I am wondering if you now think that you should be apprised of the partnership that you and the government or the Pan Am Society are engaged in.

Mr. Stefanson: A couple of things. Obviously for various strategic reasons, the Pan Am Games Society kept this announcement basically under wraps until the day of the announcement. I was made aware of it the day before the announcement. Again, we have a situation where we have the Pan Am Games Society with a budget now of \$140 million and a lot of people serving on both the executive committee and on other committees and on the board who we have an awful lot of confidence in as a community I think, as well as a government.

I do get regular status reports on how the games are proceeding, various issues, various financial issues, and we did ask, as the member can tell, specifically about this issue, but the best information we have is that no contract has been entered into. I have already outlined sort of some of the general areas that we were told were going to be supported related to travel, related to accommodation and so on, so we certainly will want to see the details of the final arrangement with Mr. Bailey. I do not want to leave the impression with the member that we do not want to see those details, but the way the issue unfolded and the fact that we do have a structure in place that is mandated to run the games even though

they do have a responsibility to be keeping governments and other supporters informed.

* (1630)

Ms. Cerilli: Well, the minister has clarified, then, one of the other issues I wanted to ask about, and that is definitely this partnership with Donovan Bailey was added to the games as a strategy fairly recently, that this was something that was not part of the initial marketing. Well, we have gone through a number of budget revisions since the bid, so this is obviously something that has been added on.

I guess the concern that a lot of people would have is the cost for the games is now over \$145 million, and I know the minister has said before that there is not going to be any deficits with the games. But, you know, entering this kind of a partnership and not having it all sorted out, I am surprised that this has occurred. I am wondering if there is the possibility that this kind of an approach is going to further escalate the costs of the games beyond the \$145 million.

Mr. Chairperson in the Chair

Mr. Stefanson: The summary that I forwarded the member on the revised budget shows, after some other budget revisions, a net revised budget of just over \$140 million. As we both have pointed out, they do have marketing budgets of \$1.3 million, in excess of \$1.3 million, and almost \$5 million for image, media and communications.

I am told with absolute certainty that any arrangements with Mr. Bailey will be from within existing budget amounts, that this will not be incremental, that there is no need for any incremental resources and that the Pan Am Games Society and the management team and everybody is committed and believes that the games can now be delivered within these revised budgets which have been put in place as a result of some additional support from government and some other adjustments based on negotiations with the Pan Am Sports Organization.

Ms. Cerilli: One of the other areas that is of great concern as we are approaching the end of—well, I guess we are not approaching the end, but we are getting well

into the warm weather for this summer, and that is all the preliminary events that have to be staged. This is an area that is of great concern, and I have raised questions and concerns about this before with the minister.

I was looking at the previous budget when it was \$122 million for the games. The amount budgeted then for the preliminary events was \$500,000, and now that we are at a budget of about \$140 million, it is still \$500,000 for those preliminary events. As we know, this is putting a lot of pressure on the sport-governing bodies and the sport groups in the province, and I am wondering why that budget line was not revised.

It seems like it is not enough. It seems like there is a lot of expenditures and costs associated with hosting these events which in some cases are almost as big as the Pan Am events themselves for those sports to host. So how does the minister respond to those problems?

Mr. Stefanson: Mr. Chairman, in terms of the budget of the Pan Am Games, as it relates to the test events, the projected number of test events has been pretty constant through the original budget and with the revised budget. So you have a situation where the Pan Am Games Society is providing both direct financial support and some technical support. We also have a situation where Sport Manitoba is providing some technical support. As well, as I mentioned in my opening comments, Sport Manitoba has provided an additional \$140,000 to assist the provincial sport-governing bodies. So that has been some incremental support to the sport-governing bodies.

We have a situation where some of these governing bodies would be hosting these events basically irrespective of the Pan Am Games. We have many of them who are hosting their events without a great deal of difficulty in terms of their financial arrangements, but we do have some organizations that are struggling to meet the financial requirements to host the events. It really is quite varied in terms of looking at all of the different test events and their budgets and the amount of support that they are receiving from the Pan Am Games and from the province. On an overall basis, I think this has been very good for sport, it has been very good for our economy, but there are at least a few of the sport-governing bodies that are struggling with their

financial arrangements to put on their host events or test events.

Ms. Cerilli: Well, my question is, though, the whole idea that the budget would remain constant. I mean, there have been more athletes coming for the games, more sports have been added. So I find it difficult that the preliminary events would remain constant. The budget, I think, would need to reflect that, and what the sport organizations are saying is that it should and that some of them are really suffering.

Does the minister have a list, then, of the ones that are really having difficulty, and, you know, what kind of concerns have been expressed by the sports? I mean, are some of these sports going to incur a debt? Are they going to be the ones saddled with the debt or deficit that is going to burden them for a longer period of time after the games or even after these events?

* (1640)

Mr. Stefanson: Well, the number of test events has been fairly constant for the last couple of years. We have been consistently talking about in the range of 40 test events. What Sport Manitoba, and I believe the Pan Am Games Society and others have been doing, is working with these groups to try and maximize the resources that are dedicated, to try and pool resources wherever possible so we are not getting overlap and duplication amongst the various test events. Just recently, Sport Manitoba has done an analysis of them, and I am told approximately five or six are struggling with their finances.

So what I will undertake to provide the member is a status report of the test events and to highlight for her, as she requested, the ones that are experiencing some difficulty.

Ms. Cerilli: Well, if the minister has that in front of him, maybe he can just list those five or six sports right now and give me a sense of the kind of difficulties that they are having.

Mr. Stefanson: Mr. Chairman, well, Sport Manitoba, as I indicated, has done an analysis of the ones that—they almost have them in three categories: those that are experiencing a fair degree of difficulty; those

that maybe have some challenges are sort of in between; and then those that are well underway. They have highlighted for me a few of the ones that would fall in the category of struggling right now. One is rowing, and it is not necessarily a financial issue in each case. Like in the case of rowing, their total budget is just over \$12,000, but they need some decisions regarding course, docks, aligners' huts, starters, tower, and so on.

So there can be a financial impact, but there can also be some other issues that need to be addressed for the sport-governing body to be able to proceed with the hosting of the test events. So it is not always necessarily financial, although in some cases it is financial. We are also going back through Sport Manitoba and working with these organizations on their budget to be sure that they are reasonable budgets and, obviously, to determine whether or not there are any areas that can be reduced or, as I already said, any areas that can be shared with other sport-governing bodies.

Another one that I know the member has some interest in is water skiing. Its budget is just over \$91,000, so, in part, theirs, I believe, is financial at this point in time. So that is another organization that we are working with. Another one is canoeing and kayaking. It has some of the similar concerns as rowing does, because again their budget is just over \$12,000. So I am not sure it is as much of a financial issue there as it is some other obstacles. Another one is equestrian dressage, and theirs would be potentially partly financial. Their budget again is larger. It is \$36,500.

So those are four areas that currently have some significant issues that have to be addressed. As I say, we are working continually with all of the sport-governing bodies in terms of providing various forms of assistance to help them host these test events.

Ms. Cerilli: As I understand it, part of the problem, though, is that these events do not get their money up front, that they have to sort of prove themselves, and then they are reimbursed after the fact. Can the minister explain if that is the case?

Mr. Stefanson: Mr. Chairman, the member is correct. That has been identified as a problem by some of the sport-governing bodies. We have certainly taken

immediate steps where we can deal with it. I am told as of just last Friday that we have forwarded some of our provincial government support directly to the sport-governing bodies in advance. We will also pursue that issue with the Pan Am Games Society in terms of the timing of their support, so that has been a concern for some organizations. We are certainly doing what we can to help them address that.

Ms. Cerilli: Have any of these organizations had to do their own financing, take out lines of credit or that kind of thing, or is that all being done through the provincial government?

Mr. Stefanson: Again, Mr. Chairman, I am told that it, of course, varies from sport to sport and event to event, but I am told that, yes, some have made financial arrangements in terms of obtaining whether it is lines of credit or other financing to help host their event, in part recognizing a few things. I am told, as well, the majority of these events will be charging ticket sales for admission, so there is a bit of a timing difference there in terms of what they expect to generate at the gate.

Obviously, there is the whole issue of what private fundraising they can do, as well, and so on, but if she has specific concerns about any of these or if she wants me to provide her some general information on all of them, I can certainly undertake to provide that. But, yes, some are doing what she asked. Some are getting interim financing put in place to ensure they can put on the test event.

* (1650)

Ms. Cerilli: That really does confirm then that some of them are going to be in a real financial crunch, if they are having to do that kind of borrowing. Knowing that these are all small non-profits, volunteer boards, it could be a real burden, and that is what we are hearing, that it is a real problem. Given that the minister has said it is not for all the sports, but for those that are, they are out there on their own as a volunteer organization trying to run an international-calibre event. It should not be taken lightly.

I would appreciate it if I could get a copy of the report that the Sport Manitoba has done, as well as the information that the minister has said on all the sports

in their contingency plans, or their ways that they are trying to deal with this. I am concerned that it seems to be a flaw in the original budgeting. I look back. I have an executive summary here from an initial economic impact statement, where the initial Pan Am bid was 77.4 million. We are way beyond that now, and that was back for 1992.

I am wondering back then what the budget was for some of these kind of expenditures, if they have been given the consideration that they require. I am wondering if any of the events are even at the risk where they are not going to qualify this summer, whether venues are not going to be able to get their act together, so to speak, to offer the test events as required by the various international organizations and qualify. Are some of them at risk of not having their venues qualify?

Mr. Stefanson: Mr. Chairman, I do not want to leave the impression at all that any of this is being taken lightly. That is why Sport Manitoba dedicated a number of their people to work with all of these organizations on their budgets, requirements, venues, and so on. I am told virtually the majority of these are not in any jeopardy. There might be one or two that are experiencing some problems right now that are being reviewed, and it is not necessarily always a money issue. It can be an issue related to other issues, like venues and so on.

So Sport Manitoba is working with them, along with the Pan Am Games Society. Certainly it is not anybody's intention to leave any of these sport-governing bodies in a major financial dilemma as a result of hosting a test event. So I am confident at the end of the day that all of these can be worked out. But there are currently some challenges with a few of the test events, no doubt about it.

Ms. Cerilli: The minister can tell me which ones are most at risk. He has listed here four of them for me. Three of them are water sports, and I know last year we were really concerned about the Gimli harbour. I am not sure if that has been taken care of, and if that is going to be ready for their test events, but I would ask that the minister just tell me specifically which ones have deadlines. I am hoping that all these are scheduled; all these test events must be scheduled at

least, and that what we are trying to do is meet that event as a deadline. Can he tell me which ones of those are fast approaching?

The other thing I am interested in is—you mentioned earlier that Sport Manitoba is providing technical support to sport-governing bodies related to these preliminary events. I would like you to describe to me what that technical support is and if it is just, in fact, doing the study that you have talked about and now assisting them, if it is anything in addition to that.

Mr. Stefanson: Mr. Chairman, I am told the four that I outlined for the member are the four with the greatest challenges at this point in time, but I am also told that everybody expects that they can be overcome, so that the test events will proceed. The member referred to the Gimli venue for sailing, and again I am told that any issues there are being addressed, that again that sailing at Gimli certainly can be carried on in that community.

What Sport Manitoba is doing is much more than this study. There is actually a separate unit now established, a test event unit headed by Janet McMahon who I think the member probably knows, who has been involved in sport for many years, does an excellent job for sport in our province. She has two full-time assistants with her, so there are really three full-time people as of now working with all of the sport-governing bodies on all aspects of hosting the test events, from their budgets, their financing requirements to their venues to their equipment requirements to coordinating between the various organizations and venues and so on.

Certainly, Sport Manitoba is lending significant support to ensuring that these test events come off well, and, as we have already discussed, do not leave any ongoing problems for sport-governing bodies in our province.

Ms. Cerilli: I remember when, it was a couple of years back, we first started discussing the Pan Am Games. One of the concerns that I had heard and I brought to the minister was that the Pan Am Games were going to really be a burden on sport-governing bodies. There was a concern that they would take up all the energy and attention and that the usual ongoing developmental programs and competitions were going to suffer. It

seems like that would certainly be happening in these organizations you have described to me so far, that they are probably pretty preoccupied with the test events, and the usual activities that they run throughout the summers are going to be either not run or disregarded. They are not going to have the attention that they require.

The other concern that I have that would also support that, that this is happening, that sport bodies and sports are having their other activities suffer because the Pan Am Games are drawing up a lot of attention and resources and time, is that there has been a number of secondments through sport bodies and from Sport Manitoba to the Pan Am Games.

* (1700)

So I am wondering if the minister can tell me the number of secondments and staff that are now being transferred to work on the Pan Am Games. You have just described for me the special unit to prepare for the test events, which has three full-time people. I am assuming those previously were working on other things through Sport Manitoba in support of all these different sport-governing bodies.

Explain to me how the sports are dealing with this. Is this not also a concern, that these Pan Am Games are drawing away from the developmental programs and activities usually conducted by all the different sport organizations in the province?

Mr. Stefanson: First of all, in terms of test event unit, the two assistants to Janet McMahon are incremental positions, so that is not putting a strain on existing resources.

In terms of secondments to the Pan Am Games, on a net basis it is four positions are seconded over to the Pan Am Games. The president and CEO of Sport Manitoba indicates he has been able to reallocate some functions and responsibilities and still meet the needs, the ongoing needs, of the sporting community through Sport Manitoba.

The member is right that by hosting these events it does put a degree of pressure and even strain on resources in some cases, on volunteers in some cases,

but I think the tradeoff for that is many of them recognize that there is also a tremendous opportunity here for their sport in terms of hosting a national event, in terms of what opportunities the athletes will have, the coaches, the volunteers, the experiences from participating in that, what they will learn from that, and so on.

As well, some of the events are existing events that would be taking place somewhere in Canada, and certainly Manitoba would be going after some of the events anyway. Yes, it does put a strain on resources, but I think the sporting community would still say that it is worth it in terms of all of the other benefits that come from hosting either testing events, and, of course, ultimately hosting the Pan American Games. But it does put some strain on some of the resources and the volunteers.

Ms. Cerilli: The strain that the minister is talking about would also occur, you know, over a number of years for these sports as they prepare. It is not just for the games here themselves. The benefits that the minister is talking about may only be felt afterwards when, hopefully, there will be more volunteers that are brought in to help with the different sports, and we are going to have some more facilities than that.

In the meantime, I have heard that the sports are concerned, and I am wondering if the minister is aware if there are sports that have had to not offer some events which are developmental in nature because they are dealing with the Pan Am Games, and secondly, if there are some sports that have staff who may not be seconded, but have just out and out left and are hired by the Pan Am Games and now there are some sports that are without staff or having to find new staff.

Mr. Stefanson: From Sport Manitoba's perspective, I am told that they have not had any sports that have come to them indicating they had to cut out developmental events or other undertakings as a result of participating in the test events or the lead up to the Pan American Games. So I am certainly not aware of any specific instances where that has happened.

In terms of the issue of staff, the member is correct. Some sport-governing bodies have had some staff leave to go to the Pan Am Games. They, of course, have still

had the resources to turn around and hire people to replace them, but that does lead to a transition period, some adjustments and so on. But, again, for our sporting community, on an overall basis, that can be healthy that you are getting more people getting the opportunity to participate in sport, to participate in the events and many other issues related to sport.

But, again, it is just one more issue that, while it is an opportunity on the one hand, it can put some added pressure on some of the sport-governing bodies to adjust to a new staffperson. Of course, that can happen under scenarios other than hosting major games. People do move on to other opportunities, but some are no doubt leaving to experience being a staffperson with the Pan American Games.

Ms. Cerilli: The minister had said earlier that Sport Manitoba has an additional \$140,000 for sport groups related to the hosting of test events. Was that out of their existing budget for this year, or is that additional money?

Mr. Stefanson: Mr. Chairman, the \$140,000 is incremental in this year's budget, over and above the 1997-98 budget, so it is additional resources provided to Sport. The breakdown being \$100,000 of it will flow directly to the sport-governing bodies in the form of a grant to support the hosting of the test events. The remaining \$40,000 is effectively utilized by Sport Manitoba to provide the additional resources to support these testing events and other activities.

* (1710)

Ms. Cerilli: So let me see if I am understanding you. You are telling me that the \$140,000 is just an increase over last year's budget estimate, and it is being used by Sport Manitoba. That increase is being used by Sport Manitoba mostly for the test events.

Mr. Stefanson: The member is basically correct. If she looks at page 125, line item 28.1.(b) Sport Manitoba, it is up by the \$140,000; \$100,000 of that will go directly to the sport-governing bodies in the form of grants. The other \$40,000 is used by Sport Manitoba, and it is effectively the way of providing for the unit head of the test event unit.

Ms. Cerilli: So what you are telling me then is Sport Manitoba, for their existing programs, their budget is the same as last year. No, wait a second. I do not have the main budget Estimates book with me. I am using the Sport Estimates. I am on page 11.

Mr. Stefanson: On page 11, the same item I was referring to is item 28.1.(b) where you see Sport Manitoba is at \$10,205,000, up from \$10,065,000. So that is the \$140,000 increase in their budget.

Ms. Cerilli: So it sort of confirms what we were just saying, that all the new resources are going to the test events.

Mr. Stefanson: That is basically correct. Any incremental resources over and above last year's budget are going to the test events.

Ms. Cerilli: And those are all lotteries funds. Oh, it does not work that way anymore.

Mr. Stefanson: The member just answered her own question. It does not work that way anymore. As she recalls, we bring lottery revenues into general revenue.

Ms. Cerilli: Oh, you are right. Okay, the other area I wanted to ask the minister about is the changes in the allotment in the budget for tickets, or revenue. I am wondering how the minister and the Pan Am Games Society anticipate that they are going to go from raising \$8.4 million in revenue to \$12 million in revenue?

Mr. Stefanson: Mr. Chairman, I just want to clarify, is the member working off of a document that I sent her on May 7 or off of some other document?

Ms. Cerilli: If you want to direct me, Mr. Minister, to something in the letter, I have it here. I am not sure now, I think one of the sources of the notes that I have was a Free Press article. But also we have looked at the bid versus the new budget and the ticket prices in the new budget for \$140 million, our estimated ticket revenue at \$12 million, and previously the \$122 million budget had \$8.463 million as the revenue. So I am looking at a combination of stuff that was in the Free Press, as well as our own research comparing the two budgets.

Mr. Stefanson: Not that I question the accuracy of the Free Press, but I do not have the detailed breakdown here with me this afternoon. I will undertake to get that breakdown for the member, and, if those numbers are accurate, or whatever the numbers show, I will provide a rationale and an explanation of any of the changes from the original business plan through to the new business plan.

Ms. Cerilli: Mr. Minister, this is one of the concerns I have with the budget that you have sent to me, and I said this before, about the fact that it does not have any revenue showing from the business and sponsorship from the private sector and sponsorships. It also does not have any revenue showing specifically from tickets. It has a total revenue now of \$140.5 million, and both those two things I just mentioned are missing.

So I think that you need to bring some of this information when you come to Estimates, or it kind of makes this whole exercise a little bit meaningless.

Mr. Stefanson: Mr. Chairman, well, the \$140 million is broken down in part between the government and a few other sources of revenue. The member will see the net marketing revenue is a little over between \$33 million and \$34 million. I will undertake to provide the member, if she is looking for more details relative to that, with more details in that category.

Ms. Cerilli: That is not what my document—my figures are a little bit different on the one that I have—oh, minus cost of sales.

Anyway, I do not want to deal specifically with the details of the figures. My concern right now is that it does not include anything on tickets, and you are saying you do not know what the revenue projection is now on this new budget for the tickets.

My original question was how are you going to go from a 30 percent increase in revenue from ticket sales? That is quite a big increase. It is approximately 30 percent. I wanted some explanation for that.

You have a few more sports. Are you going to sell more tickets? Are the tickets going to be more costly? I think people will be very concerned about that. I remember originally hearing that some tickets were

going to be as low as \$5. Now I am hearing the tickets are going to be between \$8 up to \$135 if you want to go to the front seats at the opening ceremonies. So already the low-end tickets have a \$3 increase in price. Again, those are just from reports that may not be the official reports. I am asking for you to provide me with the official numbers.

* (1720)

Mr. Stefanson: Mr. Chairman, first of all, in terms of the marketing revenue number I read, it should be the same. It is a copy of the same document that was attached to the letter that I sent to the member, which shows gross marketing revenue less cost of sales and comes down to a net of about \$33.7 million. I am just estimating it.

So that is the area that I have indicated I will get a more detailed breakdown for the member and compare that to the original plan, but you will notice on the original plan, there is not that much of a variation on an overall basis. They were talking about roughly \$32.7 million to \$33.7 million. So a swing of about a million dollars in that total envelope of marketing, whether it be ticket sales and other marketing initiatives, obviously private-sector support and so on.

So, on an overall basis, the amount is up a million dollars, and I have indicated I will undertake to provide the member with the various breakdowns within that category.

In terms of ticket prices, that information is certainly available. It was headed up by Mr. Paul Robson the day they announced the ticket prices for the Pan Am Games. I recall that day he had some comparisons of other major events, and my recollection is that the ticket prices for the Pan Am Games in Manitoba stack up very well relative to other major events. Certainly, it is their intention to do as much as possible to make sure that they are affordable and that we create an opportunity for as many Manitobans as possible to attend different events. We fully expect to have great crowds at most of these venues.

So I think the comparisons show that the prices are not out of line, but if the member wants me to get the

package of information and the information that was released that day, I am certainly more than willing to do that.

Ms. Cerilli: First, I would like to get all that information. I wish I had gotten it before the Estimates. This discussion would probably be a lot more useful. I mean, the concern that most people are going to have would be that when the budget is increased by now almost \$20 million, that has come from ticket revenue as well as from the public coffers. It seems like there is less money that is going to be coming from the business community. I know that the minister has confirmed that already. Previously I have asked that question. So I am wanting a little bit more detail about how much more is going to be coming from tickets. It is unfortunate that the minister cannot provide that information now on the record in Estimates.

The other thing that I wanted to find out about in terms of tickets is—well, first of all, I would be really interested in seeing the agreement with PASO, if that is something that the minister could also send to me, that there is, I guess, a formula that is always used in these events with the Pan Am Games international body. That also has an agreement on the ticket revenue, am I correct? I am wondering if the minister can explain to me what that ticket revenue agreement is and what the percentage is that they get, and if they get their percentage first, or if they are sort of guaranteed certain amounts first, or how that works.

Mr. Stefanson: Again, working off of that same summary budget that we were looking at a minute ago—and I am sure the member noted that—if you look at footnote No. 2, it does indicate that reduction of the PASO ticket revenue distribution from \$1.5 million to \$516,000, which is currently under negotiation with PASO, which would generate that additional increase of almost a million dollars that I spoke to earlier. That is what causes the increase of a million dollars in total marketing revenue.

I am told those negotiations have been going well with PASO and that they are expected to be concluded on this basis. In terms of the agreement with PASO, I am not aware of any reason why that agreement could not be made available, and I will certainly undertake to pursue that.

Ms. Cerilli: So does the minister know now what percentage they get, or we are going to get and they will now get, if this change is made?

Mr. Stefanson: Mr. Chairman, I will have to get the details. I am told that originally it was a percentage but obviously, as part of the whole revised budget, that is one of the issues that the Pan Am Games Society has gone back to PASO on, as noted in that footnote. I will undertake to determine the basis of the \$516,000 and confirm for the member the status of negotiations on that adjustment.

Ms. Cerilli: I have already expressed my concern about the lack of detail in the revenue side of the budget that you have given to me, and I am not sure if this is the same budget page that is from the documents that are used by the Pan Am Games Society, but I find it a problem that it lacks so much detail. It lacks any detail, really, on the revenue side, especially when you can see on the expenditure side that there are a lot more specific areas that are described.

So I am wondering if there is another budget that you have, if the revised budget is going to have a complete book developed like this one that was done, the business plan that was done. Is there a revised business plan? Could we get a copy of that? You said that you would do your best to get it to me.

* (1730)

Mr. Stefanson: Mr. Chairman, I do not want to leave the impression that on the revenue side there is a great deal more detail. If you look at the components of revenue, the member, I believe, is really focusing mostly on the marketing revenue out of a \$140-million budget. Obviously, some of the components of the marketing revenue would be the ticket sales, would be the private-sector support, would be any television support. Those would be the major components.

The other category is Other Income, which is \$2.5 million out of a \$140-million budget. That would be a number of small sundry items, but I could undertake to get some more detail in that area. It is some of the breakdown of the marketing revenue components that I gather she is interested in seeing, and I will certainly undertake to provide that to her.

As we have already discussed, that element of the budget has basically remained the same under both business plans in terms of the slight adjustment for PASO from business plan 1A which was when it was at \$145 million. In the adjustment, that is now a result of negotiations with PASO. I will undertake to provide her with a more detailed breakdown and description of those areas.

Ms. Cerilli: Okay. My question was is there going to be another business plan, or is there another business plan?

Mr. Stefanson: Mr. Chairman, all of the elements of the business plan are in place, because to get to the final budget amount, each of these expenditure areas obviously went through the analysis, the justification for the adjustment. So those elements are in place. Whether they pulled it together in one book, I would have to get back to the member, but certainly the elements of those areas have all of the components of what would ultimately make up a business plan.

Ms. Cerilli: Just to clarify, as well, the revenue does not delineate the specific levels of government amounts either. You know, it is just lumped in there all as government. I am also wondering if the line Government: Other Programs, if that amount of just over a million dollars corresponds with the departmental in-kind services.

In a letter you sent me, you detailed supports coming from Education, Environment, Government Services and Justice. Is that what is defined in there? Does that include the other initiatives through the Winnipeg Development Agreement?

Mr. Stefanson: Mr. Chairman, yes, the member I believe is correct with some of the elements that she is describing as making up Government: Other Programs. I can certainly undertake to provide some more detail, but it would be the kinds of initiatives supported through the province, through the federal government, through the city, through some in-kind services and other services. The \$101.5 million, I think the member knows that the breakdown of that is \$49 million from the federal government, \$42.5 million from the provincial and \$10 million from the City of Winnipeg. That makes up the \$101.5 million.

Ms. Cerilli: The other thing that the Pan Am Games Society sent us was a list of the corporate family as of January 13, 1998, the number of the corporate sponsors, but it does not include the amounts or the value of in-kind support. I am wondering if that is something else the minister knows.

Mr. Stefanson: Mr. Chairman, I will certainly undertake to provide the member what I can in that area, recognizing that, I think, from the Pan Am Games Society perspective, to date, I believe, with most of their major sponsors they have given a range of support. They have not provided necessarily a great deal of detail around whether it is cash or in kind.

I am told that in part the rationale behind that is the whole issue of conflicts and/or competition in terms of some of the other sponsors they are going after. So certainly the details of that will be information that, in terms of the final amounts, will be made public, should be made public in terms of the levels of support I believe. In terms of the timing of that, that is an issue for the society in terms of some of the other organizations they are going after for support.

I will certainly pursue that issue and provide the member with as much information as I can at this time, recognizing that one sensitivity that the Games Society has in terms of their ability to attract corporate support, and also, I guess, recognizing that I do believe they sign agreements with each of these organizations, and there might be provisions within the agreements which preclude the release of certain information at certain times.

I will certainly pursue it and undertake to provide as much information as I can to the member at this stage on the issue of sponsorship.

Ms. Cerilli: So, if I go back to the budget, the second revision, which is \$140.5 million, what would be the budget revenue line that would be private sponsorship, just in total?

Mr. Stefanson: I was just trying to clarify. Maybe what the member is asking for is the item referred to in the letter I sent her on May 7, point four. I am wondering if there is something beyond that that

provides the budgeted portion related to sponsorship, licensing, television and local fundraising.

Obviously, within the marketing area that I am going to provide her a detailed breakdown of, there are the other issues like the ticket sales and so on that ultimately get us up to the gross level of \$49 million, less the cost of sales for our net budget.

* (1740)

Ms. Cerilli: That is right. I appreciate that. So the actual listed there, \$19 million, is the actual to date.

Mr. Stefanson: That is correct.

Ms. Cerilli: And by the end of the games that will have gone up to \$25 million.

Mr. Stefanson: That is correct, hopefully at a minimum.

Ms. Cerilli: The other issue that I wanted to deal with is in terms of the staffing at the games. One of the concerns that has been expressed to me is that there has not been very much hiring of local Spanish-speaking staff from the Hispanic community, from the Latino communities. Can you tell me the number of staff that have been hired? Of the 170-some people, how many of those are local people who are Spanish speaking from those communities?

Mr. Stefanson: That specific question I will follow up, and I will get the information in terms of the number of Spanish-speaking individuals who are employed by the Pan American Games. I think the member raises as part of that, the important question about creating opportunities for Manitobans through the Pan American Games. That certainly has been the message from our government to the society and to the organizers, that every effort should be utilized to allow opportunities for Manitobans to be employed, Manitoba businesses to get the work, and that at the end of the day, we would expect that the vast majority of those kinds of activities will have been fulfilled by Manitobans or Manitoba businesses.

I am told, out of the 170 staff at the Pan Am Games, 14 of those 170 are currently non-Manitobans.

Ms. Cerilli: What is the average salary over there? Maybe break that down between sort of management and other different employment categories.

Mr. Stefanson: Mr. Chairman, I will undertake to get that information for the member.

Ms. Cerilli: Maybe I will approach this in a different way then, because the business plan that was prepared based on the \$122-million budget has a very detailed description of the personnel that are going to be hired. It lists them in each category: senior management, management, salaried staff, wage staff, seconded personnel. It lists the numbers for each month leading up to the games in '99, beginning in, which year is it, '96. So it is '98 now, and the minister said that they are still following the same business plan. So that suggests to me that there has then been no changes in the budget allotment for staffing.

I am wondering if that is correct or if part of the increase in the budget has been due to increase in staff costs.

Mr. Stefanson: Mr. Chairman, the total salary budget—I think as the member knows, but I will just outline it to be certain—from day one of the beginning of the Pan Am Games process in this budget through to completion is \$16.8 million. So that obviously straddles several years. The salaries paid to date, to the end of May of 1998, were \$6.44 million. I guess it only partly addresses her first question, but for the year ending December 31, 1997, under The Public Sector Compensation Act, the Pan Am Games Society indicated that for that year they had 11 individuals who earned over \$50,000 out of their total employees during 1997.

Obviously, that continues to change and evolve. [interjection] This was the year ending December 31, 1997, the last calendar year. The Pan Am Games Society had 11 individuals who earned over the \$50,000 threshold with one of them being at \$50,500 and the highest being at \$120,000.

Ms. Cerilli: So my other question was are any of the increases in the budget due to increased salary costs?

Mr. Stefanson: Mr. Chairman, I believe the answer is yes, and I will undertake to provide the member with further details.

* (1750)

Ms. Cerilli: Would some of these increases in the costs for staff be due to hiring consultants that are making a business of staging major games? I mean, some of the reports have said that people are getting a thousand dollars a day as a fee. Is that something that was unexpected with the initial bid and budgeting, and now you are finding that this is the new era of these large events?

Mr. Stefanson: Mr. Chair, I think what I should do with this very specific question is get the member the precise details of the salary budget based on the old budget, if that is what she would like to see, the salary budget on the new budget, because obviously there are salary elements within all of the individual categories. As part of that review, I will also address the issue that she raises, whether it is on a contract basis or a salary basis, are any of these arrangements over and above what was in the original budget as well? I refer to the fact there are 14 non-Manitobans involved, so I will be sure that that is included as part of the analysis as well.

Ms. Cerilli: I guess the real interesting question would be: these 14 non-Manitobans, if they are some of the people brought in on these big high-ticket consulting fees, how much of the budget are they getting, you know, of the total salaries or contract budget for employees and work done? How much is being done, or how much is being given to those 14 non-Manitobans? That would be another interesting kind of thing.

Mr. Stefanson: I will undertake to provide that, as well, in terms of the total cost in as much detail in the breakdown, in terms of the various roles that those 14 people are playing and why they had to be drawn from outside of Manitoba.

Ms. Cerilli: Just to comment on that, I know if we go back to the Pan Am Games held in Winnipeg the last time, it is almost like folklore. People talk about, you know, the guy down the street that painted hundreds of posts for signs. I mean, this is the kind of thing that

you hear, and I am wondering if that is not happening anymore.

The minister has said that there is an effort being made to, you know, sort of purchase and shop locally, but I am wondering if this is something that the government is really trying to address, that as much of the benefit of having these games is going to be local, not only just in terms of the business side of it, but also that sense of community and we are putting on these games here at home in Manitoba.

Mr. Stefanson: Certainly, my objective is exactly what the member just outlined, and we are going to have some 15,000 volunteers involved. She is right. It is more than just business; it is the volunteers and the various ways that people get involved and support the games. That was definitely one of the most significant outcomes of the 1967 games. I think it is important that we as a provincial government and all of the partners in this have that as the same objective for the 1999 games. So I agree with her, and that certainly is my objective in terms of the '99 games.

Ms. Cerilli: Mentioning the volunteers, one of the other things that I have heard is that there were some lost applications, up to 2,000 lost volunteer applications. I know that there has been a problem with getting people registered to volunteer as quickly as they are needed. With the test events coming up this summer, there is going to be a lot of volunteers needed.

I wonder if the minister is aware that that has occurred, that there were problems, I understand—or I have been told that there was a problem with computers that resulted in a number of applications being lost, and on the same vein, if the minister could tell me how close they are getting to this 15,000 volunteer number.

Mr. Stefanson: The issue of the lost applications, I will pursue and get back to the member. In terms of volunteers, as we mentioned, the estimated number is 15,000; signed up as of May, we are 11,716; so, certainly, at this stage, an excellent response in terms of the sign up of volunteers.

Ms. Cerilli: I guess it is understandable with an event as big as this that there are going to be some mistakes made, but there have been a few other mistakes that

have been kind of embarrassing and probably kind of costly. Those are the French language errors on the signs, and now we have just heard about the bad stairs at the U of M facility. I guess just some explanation of those problems, how they have been rectified, particularly in the case of the French language signs. I mean, I do not know how much one of those signs costs, and I am not sure if it was repaired as quickly as the promise was made that it would be—but some explanation of what happened in both of those cases.

An Honourable Member: Let us take that question as notice.

Mr. Stefanson: Well, that was probably a good suggestion, Mr. Chairman. In terms of how they occurred, I will have to find out from the Pan Am Games. I am told that steps are being taken to address both of those issues.

Mr. Chairperson: The time being six o'clock, committee rise.

NATURAL RESOURCES

Mr. Chairperson (Marcel Laurendeau): Would the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Natural Resources. Would the minister's staff please enter the Chamber at this time. We are still on Resolution 12.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits.

Mr. Gregory Dewar (Selkirk): Mr. Chair, I would like to ask the minister a question on behalf of a constituent of mine, Mr. Robert Tesch. He lives a 692 River Road which is just north of Lockport on the west side of the Red River. Mr. Tesch, he lives directly across from the floodway spillway, directly across from where the water that is collected in the floodway is diverted back into the Red River. As the minister is, I am certain, very much aware, in the spring of 1997 there was a tremendous volume of water that was diverted into the floodway and a tremendous volume of water that entered the river at that spot.

Now, Mr. Tesch, for many years, had a series of platforms and stairs leading down from the River Road

to the river. At one time, he was a commercial fisherman in that area.

Now last spring the lower set of his stairs was carried away by the extraordinary flow of water from the floodway, but just the lower set. Now I sent a letter to the minister in September of last year, September 5, asking him and his department to pay for a reconstruction of the lower set of those stairs. So then from there the letter was sent to Deputy Minister Tomasson, who then sent the letter to Mr. Topping, Steve Topping, director of Water Resources, who then sent the letter to the Emergency Management Organization. Now I contacted them and talked to them. They said they did not get it, but, besides that, they would not cover such a situation.

Now once again I am just asking the minister if his department would contact Mr. Tesch to see if his department would reconstruct the stairs or hire a contractor to do so. As I said, this happened once before a number of years ago, and the government did pay at that time to have his stairs replaced.

* (1440)

Hon. Glen Cummings (Minister of Natural Resources): Well, Mr. Chairman, it seems to me that this would fall under the Disaster Financial Assistance aspect of government support under these circumstances. I would be quite glad to make sure that the information got into the hands of the appropriate people in that department. If the member is saying that Natural Resources had paid previously to replace the stairs, I have no reason to question him, but I have no reason to believe that this would normally be something that Natural Resources would be managing. But we have had a program going on all of last year that would have received any application. The member says that Government Services indicated they had not got the request. We will make sure that a copy is sent to them if for some reason it did not get there. It should have.

Mr. Dewar: I want to thank the minister. But officials I talked to in the Emergency Management, Disaster Assistance branch, said they would not cover this anyway, even if they did have this request from Mr. Tesch. Mr. Tesch argues that he simply lives across from where the floodway spillway is located, and all of

us in this province recognize the tremendous asset that the floodway is to our province. He has lived there longer than there was a floodway. He is arguing that the tremendous volume of water flowed into the river at that time, and anybody who had a chance to drive by there or to notice the amount would certainly be aware of the flow and the potential damage that it could cause to the opposite side, the opposite shore.

So I guess, if the minister wants to, he could perhaps discuss this further with Mr. Tesch. Now it was a number of years ago he mentioned that his steps were washed away. It does not happen every year. It is a very rare occurrence, only twice in the number of years that the floodway has been in operation. I guess if he is prepared to talk to Emergency Management about it, but, as I have said, they have already said that they would not cover such a thing, and I am asking the minister if his department would contact Mr. Tesch to see if there is something that they could do to help him replace the stairs that lead down to the Red River.

Mr. Cummings: I am not looking to be argumentative with the member, but I do not want to raise false expectations either. Sure, we will contact the gentleman in question and see if Government Services or the Emergency Measures has indeed given him the correct answer, or if there is something that I do not understand about the situation that he finds himself in.

Mr. Dewar: So I assume then that the minister still has the copy of my initial letter I sent September 5, and it includes Mr. Tesch's address and his phone number, so someone from his department can contact Mr. Tesch.

Mr. Cummings: Yes, I am pretty sure I will have a copy of it. What the member is saying is that the letter did not get to the other department. I do not want it left on the record that we did not appropriately deal with it. I am sorry that it may have fallen off the wagon somewhere between one department and the other, but there certainly was no intention not to give the person a direct answer. If, however, Emergency Measures was talking to him directly, I assume that the answer that I will find in my files is that this has now been dealt with because Emergency Measures did deal with the gentleman however that information got to him, whether it was through the member for Selkirk, or

whether it was through normal procedures, but the member seems to be leaving it on the record that somehow we did not deal with the man.

I do have a pending file, and I cannot believe that I would have had a pending letter for six or seven months on the file that we did not pursue, so I am assuming that the file was closed based on the fact that Emergency Measures had talked to the gentleman. But we will undertake to do it again.

Mr. Dewar: Yes, I do have a copy of the letter that was sent to Mr. Tesch from Mr. Topping, but this is just what I have discovered because Mr. Tesch called me. He wanted me to follow up, and I talked to someone from Emergency Management, and they said they did not have a copy of this letter. Anyway, regardless of that they said they would not cover this, but I will leave it with the minister then, and thank him for his assistance.

Mr. Stan Struthers (Dauphin): I would like to go back to where we left off when we previously met two days ago discussing the Estimates for Natural Resources. I want to go back to some words that were left on the record concerning the Manitoba Trappers Association. Since Monday, I have had some information given to me that indicates that we were not accurate with some of the figures we were using on Monday in terms of the amount of money coming from the Department of Natural Resources to the Manitoba Trappers Association. I think that this is just a confusing issue, and I would like to be able to understand what exactly has been going on with the grant that is available to the Trappers Association.

The minister had said that there was \$60,900 that went to the MTA. The statement of income for the Manitoba Trappers Association, I find out that was correct in 1996. But according to their statement, it was \$80,900 in 1997. I wonder if there is an explanation for the discrepancy in there.

I meant to do this, I can table the financial statements the Manitoba Trappers Association have sent out. I should have made sure the minister had this maybe before I asked the question but there they are. I need that back, I realize it.

Mr. Cummings: Mr. Chairman, there is certainly no intent to mislead anybody about the amount of money that they received. The grant from the Province of Manitoba has not changed. According to our records it is \$60,900, but there may well have been other sources of money that they were able to access which would not be listed as a direct support of the Trappers Association. They undertook certain projects that would have qualified in another area. That would not have been included in the initial amount of money that was allocated through the Department of Natural Resources for the Trappers Association. So I will share this with staff. If the member wants to go on with another question, I will respond to this in a moment.

Mr. Struthers: I appreciate that there would not be any intent on the part of the minister to mislead. That is not the reason why I am bringing this question forward today. I just noticed the discrepancy and wondered where the extra \$20,000 in 1997 was coming from. The minister will notice that the statement of income of the Manitoba Trappers Association Inc. for the year ending March 31, '97, does just list it as a grant, the Department of Natural Resources, and lumps it all in as \$80,900. I am hoping with some consultation with staff, the minister will be able to indicate why the difference.

* (1450)

Mr. Cummings: To begin with, the number I quoted the member was for fiscal year '97-98. So we are looking at two different years, unless I misunderstood his question in the first place. We will have to look at '97 to see if there was something different listed in Estimates of that year or whether there was, in fact, a special. I believe there was not. So unless they could have accessed for a special project and, as I indicated on Monday, we used the Trappers Association to lead on a number of issues regarding the leghold trap issue, the hunting opportunity that was being denied because of the fur ban potentially in Europe. They may well have received some special conservation and/or sustainable development innovations money to support them in that respect. It would have been administered through the Department of Natural Resources. Remember that both of those funds, particularly the Special Conservation is administered by Resources. The SDIF is administered by the appropriate

department, and it would be the most closely linked to any applicant, so that is probably the answer.

Mr. Struthers: The reason why I brought this whole issue up on Monday was that I wanted to make sure that taxpayers' dollars were being accounted for when they were being given out to different groups. One of the things that the minister mentioned was that there were work plans that the Trappers Association submit to the Department of Natural Resources. My understanding is that 1997 would have been the first year that the work plan was submitted by the Manitoba Trappers Association and that that work plan was submitted to Natural Resources in December of '97.

Now, am I correct in assuming that the money granted to the Manitoba Trappers Association for that year would have been given out in the spring before the work plan was ever submitted to Natural Resources, or have I got the sequence wrong there?

Mr. Cummings: It would not necessarily have gone outright away. The other thing is that there are certain regularized activities that organizations such as this carry out under a normal process of the year. I also remind the member that I believe the Trappers Association brought in a new administrative officer towards the end of the year as well, which has explained why some of the paperwork had not been brought up to speed. But the member should not assume that cheques were being blindly forwarded without any concept of what the organization intended to do.

I would be the first to defend the activities of the Trappers Association in what were extremely sensitive years in terms of just dealing with the public issue around trapping and fur trading. It has been pointed out to me that what we receive is based on their financial statements and how they have expended it. What we might consider giving to them is based on the financial statements and number of issues that they may have put forward as part of their budget.

The papers that the member for Dauphin shared with me are on the letterhead of Cassidy and Company, who would have prepared that statement for government, so I think that in part also answers whether

or not we were able to keep track of the expenditure of dollars.

If somebody sets out to deliberately misuse grant dollars, they might get away with it for a short period of time, but eventually they are going to be called to task for whether or not the dollars are actually being spent in the area that they are intended to be. For this type of a statement to be anything other than what it is purported to be would require a pretty deliberate act of camouflage.

So unless the member has a strong reason, other than some concerns that have been raised by particular individuals who, I acknowledge, have a bone to pick with the Trappers Association, I have no reason to believe that they are anything other than what they purport to be, but I put that in the context of the fact that we asked them to do some things on behalf of their own people that would go beyond what we would normally expect a regularized operation of this association to do for the reasons that I explained.

Mr. Struthers: Mr. Chairperson, first of all, I am not making any assumptions that the Department of Natural Resources would just write cheques and throw them towards any group, whether it is the Trappers Association or anyone else, without knowing where that money is going. That is not my goal, my allegation or anything right here. What I am simply trying to do is work through the paperwork to show that there is a line of accountability to the Trappers Association.

The minister is partly right in his comments about some people who have made some allegations against the Manitoba Trappers Association. I am not interested in their motivation. I do not know why they are motivated to do what they are doing. If their allegations are proven correct, then I am worried that the government would be putting money into something that is not accountable to the taxpayers. But that remains to be seen, because I understand the Provincial Auditor is also interested in this association and is also investigating the cash flow, the accountability of the Manitoba Trappers Association.

What I would hope is that, once the Provincial Auditor makes a report on what is going on with the Trappers Association, then maybe that report would be

available to all of us. I wonder if the minister can confirm that I as a critic would receive a report from the Provincial Auditor when he finishes his investigation of the Manitoba Trappers Association and their statements.

Mr. Cummings: Well, I would certainly be interested in what the member is saying. I think there has been one Mr. Maki who has written to the Provincial Auditor, I believe. I do not know if that one individual has precipitated the Auditor doing an audit of this organization, but, if that is what is happening it is, in fact, news to me.

Mr. Struthers: One of the other interesting issues that I have been presented with is a cheque. It comes from the minutes of the Trappers Association annual general meeting which is held March 21 and 22 of 1997, in which a grant of \$10,000 was presented to Doug Pollock and, I believe, Bruce Williams, and this was to aid the Fur Institute in their efforts.

My understanding was that there was no vote taken on this at the meeting. My understanding, as well, is that the Minister of Northern Affairs (Mr. Newman) was present at the meeting and witnessed what was going on. I am wondering if that is the sort of thing that the Minister of Natural Resources would inquire about and see if this, in fact, did occur, see if that is a suitable way for the Trappers Association to be handling money that comes from the Manitoba taxpayer.

* (1500)

Mr. Cummings: If I understand the member correctly, he is saying the Trappers Association provided \$10,000 worth of support to the Fur Institute. I have no reason to have any misgivings about the Fur Institute; but, if there is an implication that that was improper for the Trappers Association to redirect that money, I will certainly review what may have happened under those circumstances. But, again, remember we were fighting an international war on whether or not trapping was—in many ways, the very existence of trapping was going to go on in this province because if the European trade in furs were to collapse, though Manitoba trappers are pretty a small cog in the wheel, the loss of that market would have been devastating to the value of fur prices in this province. They were low enough as it was. In

fact, the low price was being partly driven by the very uncertainty that was being inserted in the market.

I cannot say, in responding to this question, that I am intimately familiar with the activities of the Canadian Fur Institute, but I have met with the representatives of that body in Europe or a parallel body. I can tell you that, if you do not have organizations like that within the industry, it will not be too long you will not have an industry. They were, along with political efforts that were made on behalf of—by the Government of Canada at our behest and others—at the same time I have been reminded by looking at my briefing notes here that the Province of Manitoba in fact provides a grant to the Fur Institute as well, so I hope that means that my comment about the credibility of the organization is correct.

Mr. Struthers: Mr. Chairperson, I have seen first hand the negative impact that actions across the ocean have had on an industry in northern Manitoba that for years has sustained a way of life. I understand the minister's frustration, and I understand the minister's desire to try to promote the fur industry in Manitoba. Indeed, I had a grandfather who was actively involved in the fur industry as a trapper for years and years, and some of my best memories are trailing along behind him out on the trapline.

All I want is to make sure the minister understands that I am asking these questions as simply questions of accounting. The reason I asked about the \$10,000 cheque that was presented was that while it appeared in the minutes of the Manitoba Trappers Association annual general meeting, nothing in the order of the \$10,000 cheque appeared in the financial statements anywhere. Maybe I am looking in the wrong place, but it would seem to me that somewhere in there the Trappers Association should be accountable for the money it is handing out. I think the minister understands the distinction that I am making between, on the one hand supporting the initiatives that the minister has taken in the area of promoting the fur industry, but at the same time we have to make sure that this group and others are accountable when it comes to the spending of taxpayers' dollars.

Mr. Cummings: The member is quite correct. We cannot have monies of that magnitude flowing around without people being accountable for the expenditures

that they have made. As a matter of fact—I think I put this on the record on Monday but I did I will do it again—we do have a number of groups that we relate to regularly. We do a rotating audit, and 1998 is probably the year that we will be doing a rotating review of the Trappers Association books and their audit. So if there is something along the lines that the member has raised, we will find out, and I will be glad to share any information with him.

Mr. Struthers: I am just moving along quickly, still keeping with the theme of wildlife for just a little while longer. I have been contacted several times by several different people and several different organizations wanting to know the status of the polar bear capture. The government has been looking at guidelines governing the capture of polar bear and the criteria by which the polar bear would be sent to zoos outside of the polar bear's natural habitat. I would like the minister to update the House on just where those guidelines are and where the criteria are for polar bear capture.

Mr. Cummings: Yes, this will take me a minute or two because there was a fairly extensive review that was done. During the process, the Manitoba Humane Society was involved. They withdrew from the process in the end saying that they did not believe they had gone far enough. If not on the record, they certainly said in media and other places they were opposed to any kind of a zoo program that did not go beyond the standards that were being proposed. But we have been working with people of international reputation and people who are respected in terms of the management of zoos, particularly bears and polar bears, as to what is an appropriate standard we would set for any zoo that might wish to retain a polar bear.

But the more important question which I think the member prefaced his question on is: is there even a polar bear being contemplated to be given to a zoo at this time? Although those were not his words, those are my words. The fact is there have not been any requests recently, so we have not had to deal with this issue directly. But the issue is very much alive in that the Humane Society just returned from a trip to Churchill. They have indicated, on my request, that they will meet with me before too long. They want to talk about what they saw and some of their impressions.

When I met with them in the spring, I did challenge them: had they ever been to Churchill and seen what the people there have to deal with when the bears come in? Well, as it turned out, they could not get there when the bears come in. They had not been to Churchill, but they did take up my challenge and went there recently to have a look around. I imagine they will have some observations on the polar bear hotel and the management up there.

I can say for the record that I am absolutely impressed and pleased with the individuals that we have had working there the last few years. I have only been associated with this department for two years now, a year and a half. But I did see the facility, I did meet the people, and I have followed the issue fairly closely knowing the hot potato that it can be.

I believe last year we removed a record number of bears from the town. The number eludes me. It was in excess of 100 bears, I believe, that were taken off the streets and out of the garbage dump in Churchill. That is only a portion of them. Those were the ones that were about to get themselves in trouble. They were then relocated. The only time we have an issue around whether or not a bear should be relocated into a zoo would generally be if there is an orphaned cub that could be made available to a zoo.

We have been accused of this: we do not deliberately destroy the female bears so that we can have the cubs for zoo placement. That does not mean that the odd bear is not eliminated. In fact, I cannot tell you whether there were any this immediate past year. But, certainly, when you have a bear coming through your front door and all that stands between you and that bear is a 12-gauge shotgun, you are going to do what you have to do to save your life or you are going to call a resource officer who may have to do the same thing. I think there have been a number of bears over the years that have been dealt with with the final coup de grace, as it were, and they had to be eliminated. Then they would never have been subject for zoos anyway. I say that only to make the point that consideration for any donations to zoos was generally only based on whether or not there were available orphaned cubs.

Our people in the field are reviewing whether or not orphaned cubs can be put in a position where they will be adopted by a sow that already has a single cub and whether or not that is successful. One thing, being a farmer myself and recognizing the issues around dealing with live animals, the polar bear has a rather unique and nasty streak in him. That is, that the male polar bear will kill the cubs if he finds an unattended cub, or even if there is an attended one with a sow. The male bears, if nobody drives them off, will kill them in the first year or so of their life. So it is not entirely heartless and unthinking on the part of Resources to consider that maybe those cubs could be better off placed in a zoo. The Humane Society has taken the position, and I respect their position, I do not necessarily agree with it but they have taken the position, you are better off to euthanize them, which is just a nice word for killing them rather than put them into conditions which we might not be able to control.

That of course is the issue. How far can we go in controlling the conditions under which any bear would go to? We can control the first transfer. We can probably control the sale of that particular bear, because we would only sell to very particular and well-managed zoos. The problem that we have is there are some bears out there who we believe did not even come from Canada, or Manitoba for sure, but they are being identified as polar bears. Manitoba's symbol of the north is a polar bear, so we are getting all of the heat saying, you sold these bears into captivity or you gave them into captivity ergo you are responsible; therefore, you should quit doing this.

It is probably an argument that can never be totally and accurately settled, but I am not convinced that the bears that are being shown on the postcards and in other manners even were born from Manitoba bears who were in captivity, that they probably came from other sources but no one has a real way of telling it at this point. The same thing is true of the one particular bear that shows up on a postcard that arrives in my office regularly complaining about the very act of having a bear in captivity.

The fact is that bear developed a skin condition, but he did have three of the best veterinarians in the world that were available to him, and no one could decide what the problem was. Veterinarians tell me that does

not necessarily mean that that problem was unique to that bear being in a zoo. We would just never have seen that bear if he developed an allergy or something of that nature in some other location, but he would have showed up as a carcass in the tundra somewhere. More than likely the conditions as well were not what we would even consider licensing for bears, the conditions of the study, and the report and policy that we have in front of us, do speak to some very generous space and very humane enclosures for polar bears.

The fact is that the London curator of the London Zoo, which is one of the most respected zoos in the world I believe, I cannot think of his name, but he apparently has looked at our policy as well and may well have had some input, and believes that this is one of the more progressive ways to deal with this problem, whether it is new bears or whether it is existing bears.

Mr. Struthers: This is all a very interesting topic as so many we come across in Natural Resources of trying to find that balance. On the one hand, you know, if Mother Nature had intended for polar bears to be living in Taipei, I do not think they would have got all that blubber underneath all that fur. I think if she intended the polar bear to eventually end up in those climates that she would have done it in an evolutionary kind of way, so that the polar bear could adjust to those new conditions instead of just one day being in northern Manitoba, and the next day being in Mexico or somewhere else where they were never intended to be.

Having said that though, Mr. Chairperson, the other part of that balancing act are the very real dangers that exist in the town of Churchill. How many times have we seen newscasts around Halloween time when little kids are out going door to door and parents and Natural Resources people are on the lookout for bears wandering into town doing a little trick or treating of their own? I want to ask the minister, several years ago, when I had a chance to go to Churchill, the fellow that was touring us around town and out to the dump to see these bears kept pointing at different marked bears and talking about there is a good one, and she is a good one and that one is not a good one, that is a bad one, that one has been moved out of town twice that we know of. How many strikes does a bear get before it is moved out a fair distance away from the town, before the bear is destroyed?

Mr. Cummings: Well, without making too light of it, it is a bit like a baseball game. They probably get about three strikes and they are out. But they do attempt to identify them as best they can. Remember that one of the problems, as it was explained to me, and I have reason to believe that this is a correct assumption, one of the biggest problems is, if you get a female bear that is habituated to come back to Churchill who comes back with her cubs, all of a sudden, if she has twins, you have three bears that now think of the dump at Churchill or the town of Churchill as a good place to jump off the ice and visit.

So eventually it comes down to this question for these cubs. If their mother has been back three or four times, do you take her and her cubs back to the tundra? If she has cubs, that would normally be what would happen. But eventually, do you kill them, or do you see if there is an alternative that can be established for the cubs because, as with so many wildlife, if they have gone there as cubs and they find it to their liking, particularly if they come back a second time as yearlings, all of a sudden you have a problem, and, very likely, the makings of a problem bear?

You know, I do not want to overdramatize this, but I talked to a fellow who said he stayed in the hotel in Churchill, and I guess he was there the last time a human was killed. He said it sounded like one heck of a fight in the back alley. It was, all right. It was a guy fighting for his life. He thought it was just a fight that had spilled out of the bar, but the bear went by the window dragging the guy by the neck.

So you have to deal with reality. The difference we have is the standard of the zoo protection that the bear might have and/or whether you euthanize, particularly the cubs, when they are there with the sow. My own view is, generally speaking, most animals, as with humans, given a choice, would like to live.

* (1520)

Mr. Struthers: Mr. Chair, most animals would like to live in a place where they are safe and where they are fed and where they are not being neglected, where they do not suffer from the elements of nature. Most animals like to live where they are intended to live. Now, that just happens to be in northern Manitoba

where people like to live too, and that is where the balancing act comes in, and I understand that.

What I want to get from the minister is an indication that all measures are being taken when we do, even if it is rarely that we get requests for polar bears to go to zoos or to shows or whatever the event is in southern climates, equatorial climates, that all measures are being taken to see that these animals are still living in as close to conditions as they were taken from. I understand the problem that we have when we get nature and people too close together in the same living conditions, but what I think most people are worried about is taking that polar bear out of its natural habitat and putting it in somewhere where it obviously was never meant to be.

What conditions are we setting for those animals to enter into when we send them to a zoo outside of its natural habitat? My understanding was that the group that the minister put together in the first place, that was the prime question that they were going to be dealing with, setting up some criteria by which they could go by when these requests come in. So maybe the minister can provide me with those kinds of criteria.

Mr. Edward Helwer, Acting Chairperson, in the Chair

Mr. Cummings: Mr. Chairman, yes, the committee grappled with the problem of standards and made recommendations on that. I do not have the policy with me. I have not released the policy because I have not accepted it yet, but I am curious whether the member for Dauphin (Mr. Struthers) supports any kind of maintenance in a zoo under the best conditions we can devise or whether he supports euthanasia because it does come down to that basic question. I have no other way of grappling with it. When I said three strikes and out, very often that means that the fourth time the bear comes back is when they might have to deal with it. Particularly if it is an adult bear sow with cubs, they will try not to euthanize her. Obviously, that would be creating orphans, and that is what we attempt not to do. However, if she were to attack someone, then that is a different matter.

I will say, when it is true to say that a northern animal might not be happy in a warmer climate, remember that our standards today call for a significant amount of

water to be available, and shade to be available, in an enclosure, and the repugnant scenes that you see of bears in very small, noncooling situations are not acceptable to me or anyone else. I think of myself as a humane handler of livestock, and it is no more true than when you are handling wildlife you have to try to replicate—if you do not have a comfortable animal, you do not have an animal that you would want to display anyway, so most zoos would operate on that basis. An unhappy and unhealthy animal, they cannot even share him with the public; therefore, it is not of any benefit to them to even have them. There is always an argument that some particular species might be bred in captivity and the cubs might have some value. Again, we recognize that, probably when you get into an extended version of where a descendant of a descendant could end up, we would not be able to control that.

I think I feel that there are a number of very reputable zoos around the world that we can trust to take care of our animals if we in fact adopt this policy and move on it. I have not yet adopted it, and I will be talking to Ms. Burns and her cohorts further before I make that decision. But there is one thing that I do want to put on the record, and that is that we have a request from a zoo, would you believe, in Chile, whose polar bear is 30 years old and is about to die of old age. Now you cannot tell me that that has not been a happy and healthy bear for most of his life if he has lived that long. That is probably far beyond or well beyond what they might normally live in the wild, given the rugged conditions they have to contend with, given perhaps his teeth might have been gone for the last five years and he would not have been able to hunt as well in the wild as he might have anyway.

I think a policy that deals with square feet of access, provides some play area, if you will, water for sure, air conditioning where it is appropriate, and that we are able to have an agreement on resale and the breeding of the animals—I think any zoo that would meet those conditions would also probably have access to high-quality veterinary services. So you can tell I am leaning towards the acceptance of some high standards that we can live with, but I am not looking to deal in a way that would—I have a high regard for the Humane Society and the work that they do, but I also believe over the last few years that they will have euthanized thousands of cats and dogs. So we have a complex problem with one

line drawn between whether you euthanize or you try and find some other compromise for these animals from time to time.

Mr. Struthers: Was the option ever open to the committee to just say no to the capture and transport of these bears to zoos in equatorial regions? Was that ever a possibility, or were they just commissioned to accept that as a fact and then find out the best way to mitigate?

Mr. Cummings: The committee could have recommended that option. The member makes the point that to ship them to any warm climate might be the wrong thing to do. I look around our own zoos in this country. These are normally the birds and animals that are the greater attraction, and I am a believer in zoos in the sense of education. The same as with falconry; it makes people more familiar. It in many ways provides—the more they learn about the animals and the more they understand them, the greater respect and admiration in many cases they have for particular species like the polar bear. So, you know, that criticism would apply to our own zoos as well. We have equatorial animals that probably do not like our winters too well.

Mr. Struthers: We have humans who do not particularly like our winter too well.

Just a final question: what kind of time frame are we looking at now? Are we on the verge of hearing from the minister finally on this after he meets with the Humane Society? When can we look forward to the release of these criteria?

Mr. Cummings: I am not in any particular hurry, but it is a while since I have looked at this policy. I had put it aside and did a little research of my own. I will make up my mind, but I do not have a waiting list. But we will make a decision.

Mr. Struthers: Connected with wildlife is the enforcement of the laws that we have to protect wildlife. This leads us to maybe an explanation on the part of the minister of why he took the decision to issue side arms to conservation officers. I am well aware that the Natural Resources officers were a very effective lobby group. I had met with them and talked with them. Maybe lobby group was not the right term to

use, but they are very efficient lobbyists at the very least. They presented some facts and some figures and some arguments and some logic to why they should be issued side arms. The minister, since our last go at Estimates, has okayed the use of side arms by NROs.

* (1530)

Maybe we could start by having the minister explain the rationale for the decision that he took.

Mr. Cummings: It is a safety issue, plain and simple, but I think the NROs association has demonstrated that they are a lot more than a lobby group. They have become an increasingly respected professional body, and that is what I consider them.

This was not a decision that was taken with any haste over last summer. They have been pushing this issue for about 10 years, more directly probably for the last five or six years, but I and, I would say, our government have become increasingly convinced that because we are part of the cause, we collectively, as society, not just government, society demands greater punishment of those who abuse the law. That is also driven by the fact that there is value being attached to some of the species or some of the parts of some species, which means that there is sometimes some big dollars attached to this. As an example, if you are hunting out of season and you are driving a \$30,000 four-wheel-drive and have the misfortune to get caught nightlighting, let us say, that is a pretty significant loss. Your only recourse is to go to the auction and buy it back if you are found guilty.

I think the member for Dauphin may have met the officer, but can you imagine being the officer who was confronted by, stopped a group to inspect them and the guy got out of the truck with a rifle and said: I am going to shoot you, you SOB. And the guy had no arms. He crawled under the truck, he crawled in the ditch, and the guy followed him around pointing a rifle at him. Now, tell me that you want to put an officer of any description in that position without a side arm.

In the end, he was not shot, but I can tell you that there is an officer that appreciates the value of having a side arm, because nothing that he could do short of the fact that the fellow finally did not pull the trigger,

for no apparent reason, frankly. But he is confronting people who are armed, generally, if they are hunters, and if you get one that is in a mood like that, you have no way of protecting yourself.

Mr. Struthers: Mr. Chairperson, it seems by the example that the minister just gave that what is essential now is a protocol as to when a Natural Resources officer can and cannot use the side arm that he has been issued. Has there been some thought put to—obviously, I am going to make an assumption here that there has been some thought put to when and how an officer can use a side arm. What is the process which the minister has gone through to consult on the best way of coming up with a protocol to govern his Natural Resources officers in times like he talked about? Because I think that the minister is pointing to something that has become more and more obvious in rural Manitoba. That is that fines are much stiffer for people who are out poaching and breaking the rules of Natural Resources and rules of the law, the laws of the province. There is a lot more at stake. There are a lot more illegal animal parts, animal rings that we know of. It is international in scope. There are all these kinds of pressures now that Natural Resources officers have to contend with out on the front lines.

So what I think will protect Natural Resources officers now is a good, solid protocol that can give them a feeling of safety as they are being issued these side arms. Maybe the minister can indicate what has gone on in terms of a protocol for the use of these side arms.

Mr. Cummings: To begin with, when I recounted what I did just a moment ago, I also should add to the fact that that member could have approached that truck with a shotgun in his hand. Officers have had a right to use shotguns for apprehension or self-protection or for elimination of problem animals. They have had that available to them, but stopping a vehicle and walking up to it with a shotgun in your arms is not a particularly sociable way to meet people, if you do not know who is in the truck. That smacks of the Wild West in a way that I do not think we want our society to go.

So, yes, there is a very strict need for a policy which has been developed for protocol for any time that an officer might feel bound to use his side arm. It is only

a self-protection matter. Also, no one will be issued a side arm without first appropriate training and psychological testing. It will all be provided, the same as the police forces have done on their own behalf within Winnipeg and the RCMP.

It is interesting that the average age of the Natural Resources officers in Manitoba right now is 33. The average age of the incoming officer is probably 27 years of age right now. I had the pleasure of giving the badges to, I think it was, 18 members last year; 19 in total, but 18 at one time which is almost the largest intake. Interestingly enough, almost all of those officers had been in Natural Resources and acting in an assistant capacity or a number of different capacities that have been with Natural Resources an average of six to nine years before they made it to full-fledged officer.

So, the maturity of the NROs workforce right now made this a very good time, if ever there was a good time, to issue side arms because the maturity of the individual will probably mean we will have a good success rate on the psychological and protocol training that we will put in place for the officers.

Mr. Struthers: I am checking with people that I know who work with the Winnipeg City Police, people I know in the RCMP. When they pull a firearm, they need to fill out a form to say what they have done. Is that the kind of protocol as well that the NRs will be faced with as well?

Mr. Cummings: Yes, and if there are any results—first of all, yes, any time a side arm is drawn and used for any purpose, there will have to be a report. Certainly we will be using policies similar to police forces for internal review, if there is ever an incident that would require a review of the actions of the officer, either to support it or to provide corrective direction.

Mr. Struthers: As part of the corrective action, if a Natural Resources officer is shown to abuse the side arm that he or she has or, if they are unwilling to use properly the side arm, is there a provision to permanently take a side arm from a Natural Resources officer?

* (1540)

Mr. Cummings: Well, that flows directly from the question of the appropriateness and the psychological mindset of the officer. Yes, the answer is obvious: that if someone is not following, or refuses—worse yet, if they were to refuse to follow direction of the policy, then yes, they would probably not even be able to stay as an officer. We do have a situation where implementing a side arm as a tool in mid-career of some officers, if there should happen to be a senior officer, or any officer who has been with us for any period of time who, for whatever reason, personal, I do not care, chooses not to carry a side arm, that was not part of the deal when he joined the force, obviously, he or she, then we are making it very clear that this will not be a detriment to their career if they choose not to carry one.

Mr. Struthers: I have also had conversations with people on the city police and RCMP that indicate to me that one of the most risky times to have a law enforcement officer with a side arm is the period of time that is leading up to Christmas. For whatever reason, that tends to be a time when law enforcement agencies need to be very much on their toes in recognizing those who may be dangerous with a side arm. I do not know if there are any other periods of time during the course of the year that that happens.

It is my understanding that they have a system in which they can temporarily remove the side arm from the officer and then reissue that side arm shortly after the period of time, whatever period of time the commanding officer sees as being fit. I am wondering if that is something that would be considered in this protocol as well.

Mr. Cummings: We are hiring some professional people to lead and work with the officers in the area of psychological evaluation, and certainly we will accept their recommendations within reason. I am not inclined to be particularly lenient about the situation that the member might have described. I am not sure if I understand clearly what he is getting at, but as I understand it, if he is talking about someone who becomes unstable for a period of time, I suppose it is obvious that that person should be relieved of their duties, let alone relieved of their side arm.

There is another issue I thought the member was heading towards and that is the safety of the holster. I am not a gun owner myself—well, I am a gun owner but I am not as familiar as I might be with various side arms, so I cannot quote the number and size of the side arms that we have chosen or that the officers are recommending. One of the key issues, as well, is to make sure that they have a holster that is similar to that used by, I think, all the police forces now, which does not allow someone who would attempt to remove their gun from them easy access to it. In fact, it makes it difficult for anybody to take their gun out of their holster other than the officer who knows how to do it.

Mr. Struthers: Could the minister walk me through what he would see the process being if a Natural Resources officer has occasion to draw the side arm in the course of duty, how that Natural Resources officer then would have to report that? I would assume there would be a standard type of a form that would need to be filled out. Who would the Natural Resources officer report to, and then who would that commanding officer report to within the Department of Natural Resources?

Mr. Cummings: Mr. Chairman, the question was would I walk him through the process. I do not have the policy in hand, so I do not think I am going to put on record in Hansard what I think might be part of it. I know the principles as I just stated them. Certainly, if there is any issue around an officer and whether or not they have appropriately used their side arm, that will go through the regular channel of command. It is a very small group, so it would very quickly be at the most senior level to be dealt with. That process, I have had discussions personally and received some general advice from officers in the police forces of our province, and I have in turn, our department has been seeking advice on what is the best way to handle these matters.

So the only answer the member is going to be able to expect from me on that particular issue is not step by step what I think might occur, but to tell him that that policy is being developed based on the advice that we are getting, that our people in the department are seeking, and that the one standard that I gave to our department is that we must be equal to or better than the standards of any police force.

That raises a second reason, frankly, that it was important that our officers become able to carry a side arm. There are many locations in the province where the only backup to the RCMP is a Natural Resources officer. Very often they are called out as backup and sometimes under some very short notice and difficult situations. I do not need to go into detail about what they might be. You can put your own imagination to them, everything from domestic disputes to auto accidents, for that matter. As a recognized authority in the community, they are very often asked as backup, and very often, I am told, where there are small police detachments and small NR detachments, under certain conditions, very often they are teamed up together because of the common interest in certain things that they are doing.

I do not have the immediate policy in my hand, but I hope that answers the question.

Mr. Struthers: Could the minister indicate whom he consulted with before he made the decision to go with side arms for Natural Resources officers, what groups he may have met with to seek advice for the decision that was made?

Mr. Cummings: Well, I am not surprised by the question, because I received a letter from the Leader of the Opposition (Mr. Doer) on the very issue of how much public consultation occurred prior to this decision. As I stated, the NR officers have been working with this issue for about 10 years, more intensively in the last five years. This certainly has caused a fair bit of public debate, but did I go out and have a public forum? I did not. The very issue of whether side arms should or should not be issued went around a number of different concerns, some of which I have already discussed.

If it gives the member for Dauphin any comfort, many other jurisdictions have had to move similarly. I do not think I am breaching any confidence to make it clear that I am not unaware, nor was Saskatchewan unaware, of what we were doing. They are dealing with similar problems, similar issues, similar public issues.

* (1550)

I am also very painfully aware that some northern communities took umbrage in the short term about whether or not NROs should have been issued side arms. I hope that their fears were allayed. There was one particular community that appeared to be quite upset, but, in the end, the elders seemed to have a different view of it than the original spokesman did on behalf of the community. So I am satisfied that the Natural Resources officers are, in fact, welcome in that jurisdiction, and I hope that will be the case everywhere.

Is it subject for public debate? I am held accountable here, and I am quite prepared to be held accountable for it. It was a discussion that I had with numerous people, but did I put it in the public forum? Natural Resources officers put it in the public forum, because they made no secret about their desire and their concern for their own safety around this issue. After some significant discussion within our own administration, the recommendation was made and accepted by our government.

Mr. Struthers: I did not think that the minister would be surprised with that question. I am finding it very hard to surprise this minister on issues, which is intended as a compliment, Mr. Chairperson.

I think the other reason that the minister would not be surprised that I would ask that question is that he received the same letters from AMC, Assembly of Manitoba Chiefs, and from MKO that I have received, and the Leader of the Opposition (Mr. Doer) received as well. They did express in writing some grave concerns with the decision to issue side arms to Natural Resources officers for a variety of reasons. I am wondering if the minister has met with the AMC or with MKO, maybe with any of the tribal councils who have also, at least unofficially, expressed concern with this decision. Has he met with any of the bands that have expressed concern with this decision? What steps has he taken to allay those fears?

In his comments just a minute ago he said that fears in the communities were being allayed. I wonder what the minister is doing to try to gain the confidence of these groups on an issue that is so important to aboriginal people since aboriginal people, not just in

Manitoba but in Canada, have certain treaty rights that they see as being inalienable, but also in which they feel a lot of their rights are being ignored by not just Natural Resources in Manitoba but across Canada, as we see in so many different instances.

It seems to me to be a good case for the minister to be taking steps to meet with the groups that have these concerns, AMC and MKO, to try to gain their confidence in this whole issue. So maybe the minister could indicate if he has met with them and what the results of the meetings were, if he has had them.

Mr. Cummings: I have had meetings with individuals and with some of the groups that the member has indicated.

Mr. Chairperson in the Chair

Side arms for Natural Resources officers was not on the agenda. I have received initially a handful of concerns that were expressed, as I alluded to earlier, but almost nothing since then.

When I said that the fears of the communities appear to be allayed somewhat, I also indicate that the elders of some of the communities, when they sat and thought and discussed the issue quietly among themselves, I think came to the conclusion that this was not necessarily a bad thing and was certainly not intended to be a hostile act.

I am quite prepared to discuss this with any of the groups if they wish to put it on an agenda and ask for a meeting in that respect, but no one yet has been issued a side arm. No one is in the field carrying a side arm. I suppose, out of sight, out of mind, in some situations, but I honestly do not believe that there is a significant apprehension out there about Natural Resources officers beginning to carry side arms.

There will undoubtedly, any time you have a group of 100 and some individuals, there will be some who might not make the screening, but we are very conscious of what we are doing and want to be very careful about how we implement this. The first group is about to take their training with their side arms, but no one will be in the field, I do not think, before fall.

For the record, I am quite prepared to meet and discuss the issue with any community that feels somehow that there is a motive or an action here that might be threatening.

Mr. Clif Evans (Interlake): Mr. Chairman, I just may raise a few issues, constituency related, and I would like to start off with the drainage issue. I am sure the minister is well aware of many drainage issues that are out there throughout the different areas of the province, and in my constituency particularly, an issue that has been around and has been a burden, I guess, as far as council, the local council, the R.M. of Armstrong, and a few of the constituents around the Dennis Lake situation now. I know that the minister met with the R.M. of Armstrong last week to discuss a few drainage situations, and the council did raise the issue of Dennis Lake.

I suppose where I am going with this—and this is at the request of the R.M. to raise it with the minister. The R.M. is willing to undertake the situation and the issue itself, and I am gathering that they are looking for some support and some direction that the minister's department can help in alleviating the problem that is at Dennis Lake right now. It is quite a problem.

I was out there about two Saturdays ago looking over the situation with some of the constituents, and I have been there many, many times before in the past four or five years since the issue came to my attention. Of course, the problem is there that there is an awful lot of water going into that area and with no real outlet. I know that the council would like to address this. I know that the constituents around the area would like to address this. Council has, I know, mentioned it to the minister last week at their meeting, and I know that there is going to be a Dennis Lake meeting either next week or the week after. A lot of my constituents who live around and farm around Dennis Lake have been raising this with me and with the council for quite a few years now, and it seems to have gotten to a point that it is at its worst.

What I am asking the minister, first of all, is—I know that he has promised or indicated to the R.M. that they would be looking at it, that the department would be looking at it. Is there anything positive that the minister's department might be able to provide in the

near future, even before the meeting, about Dennis Lake that can be helpful in dealing with this matter?

Mr. Chairperson: Before the minister responds, might I ask leave of the committee to allow members to ask questions from the front row? Leave? Leave has been granted. This is just to make it a little easier for the sound man, by the way.

* (1600)

Mr. Cummings: Yes, I met with the R.M. of Armstrong recently, just about five minutes before the member across met with him, I think. They were in on another issue, and then they brought this one up after the meeting was over. So I did not have much of an opportunity to respond with any very intelligent conversation with them.

It sounds like there is some reason to—anytime you have a lake with no outflow—lake, swamp, whatever—if you are putting additional water in it, eventually you are going to get into trouble. I am not all that fired up about putting in a Dennis Lake drain. I believe this would lead to further complications down the road and leads to the very question about cost. You are talking a several million dollar project, I think, in the end if you were to put a main drain in. But they did have a useful suggestion that there might be a way of diverting some water with a culvert in a highway into another existing drain.

I am not sure whether that is a real alternative or not. Further to that, let me simply expand on the problem we have in government. The member for Interlake (Mr. C. Evans) may not be all that sympathetic, but the fact is we have had an enormous amount of high water damage this last couple years that we are wrestling with, and it is consuming the budget of Natural Resources for drainage in a way that no one could have predicted.

I am confident that there is reason to discuss this problem with the people in the area. I am interested in where the water is being brought from and put into that area. They indicated there was some implication for highways. I have not looked at the levels. I have not looked at the alternatives. Like I say, this was brought up as an afterthought, if you will, after another meeting

that I had with some folks from that area. I did not have a chance to really contemplate how I might answer them, and I indicated we would be taking a look at it.

I think I have now shared with the member all I know about the problem at this point, other than to repeat some of the concerns that people in the area have. They have now got pastures that have been under water for so long that the ice has now pried the fence out of the ground. I mean that is not very good.

On the other hand, what is the normal level in this area? You know we all have examples along the lakes. Some of our flat lakes where people are farming or pasturing half a mile out into the lake, as soon as the water gets high, they say, oh, I have lost my pasture land. Well, in some cases they have. In other cases the neighbours will say, yeah, but you never had that in the first place, except the lake was low for a few years, and they were able to go in and pasture it. That is the essence of high water, low water, and very shallow water levels in bodies of water. I do not know whether there is an element to that in this issue or not.

Mr. C. Evans: If I might share with the minister. I know the time element that was there to discuss this with him in the R.M. of Armstrong, but again over the last five or six years I have been out there different times and have seen the different levels. In the last four years, the lake, Dennis Lake—they call it a lake—has created an awful lot of problems. Yes, there is water. A concern is where the water is coming from.

Now, I know that the R.M. of Armstrong has made a proposal for a drainage system that would divert a fair amount of water into Dennis Lake from the north and west. They have their proposal. They have provided all the information for the department. The question of a licence was raised. I am under the understanding that a licence will be issued for that project and that might help.

The minister talks about the level. Over the years there has always been a bit of a discussion as to what the level of Dennis Lake should be. Now we see that the lake—my information that I was provided—is around 818, and they are talking and hoping of bringing it down and maintaining it at a maximum level of 814.

Now with respect to a highways issue with Dennis Lake, yes, the Roney Road is almost like a dike for one of the producers and Dennis Lake itself, with one culvert going through it. Now the constituent who has been affected—and there is others that are affected. I mean, this past year I have had more than just one call. Prior to that it was one or two about it, because of those mostly affected with that Dennis Lake problem. Now there is more.

A gentleman by the name of Mr. Mike Senga has been coming to the department for years through myself, through himself, through the Department of Highways, with his concerns. The council themselves have provided resolutions on behalf of Mr. Senga to have something done, anything, whether it be from the Department of Highways, if it is their responsibility, or department of Water Resources. Engineers have been out to see the area. I have taken them out there myself. I have been with them myself and with Mr. Senga. What I am getting to is that there are suggestions.

In my discussions with Water Resources people, who have been very, very co-operative with this in trying to come up with some sort of solution, my suggestion to council, and I would like to suggest it to the minister is that—the minister indicated earlier that he did not know if he wanted to see an outlet out of Dennis Lake—whether it be an outlet or whether it be a point of saying what might we also be doing about all the water that is coming into the Dennis Lake area. So there are two issues.

Now, in discussions with the R.M. and local people who have their own ideas, and Mr. Senga's idea is one, just seem to create a bit of a problem for others, like costs, what would it take, you know, et cetera, et cetera.

Now I believe, and I would like to ask the minister's support for this, the department could undertake to provide the R.M. and that area with a complete review of levels, flows, and provide not just one solution. I know that the department has at its availability all types of diagrams, drawings, stats, for that area. Now I know that there are perhaps two or three different ways that there might be an outlet made available for Dennis Lake. Council and the people around there are sort of at a bit of a bind because, well, they want to know too, if there is, what are the ways, how can we, and what would the costs be.

So I would ask the minister's support to have the department work with the R.M. in providing all that information so that that information could be looked at, could be discussed amongst the community and a decision made through them whether they want to go the route of doing an outlet for Dennis Lake, and if they do, what are the options, so they can choose the option that will benefit everybody and be cost effective.

* (1610)

Now I know that the R.M., in some of their infrastructure, might want to be a part of the cost. I do not know, I am not speaking for them; I cannot. The minister understands that. But in my discussions with them, it is a problem. For an example, the Saturday that I went out, I went out to Mr. Senga's property again, and every year for the last four years there is water sitting over his hay land. There are geese and ducks nesting not 50 feet, 60 feet from his home. It is all backing up. It is backing up in other areas too, and it is causing problems for other farmers in that area for their hay and that. So that is my suggestion, and I am asking the minister's support on behalf of the community to have such a review be undertaken by the department and see what we can provide for them.

Mr. Cummings: I believe we did indicate to the council that we were prepared to take a look in the area as to what some more apparent solutions might be. A general review or study of the area would probably be useful. If it is going to be a good one, it cannot happen overnight, because a lot of levels might have to be shot and some alternative solutions as to which direction the water might be able to be moved would undoubtedly have to be reviewed. What I think I remember from my meeting with Armstrong was they were looking at an existing drain that might be able to take some more water, and that water then would not go into that lake or swamp and that would mitigate against it rising so much. That would be the first place to start, I suppose, if there is enough volume or capacity in that other drain to take additional water instead of letting it go into the lake.

One thing, I do not want to make light of the problems that the people are having in the area. That has to be made clear. When I said I am not real keen on the idea of a drain, I believe this drain will end up in Netley Creek.

An Honourable Member: Not necessarily.

Mr. Cummings: Well, the member says not necessarily, and that is something that can be reviewed. But that is the preferred drain which would be a main drain and which a lot of people down at the Netley end of the drain would not be too happy with, as I understand. So that is the kind of dilemma that we have. Every time you drain, you better make sure that you are not putting it in like a funnel that there is too much room at the top and not enough at the bottom. We have enough of those problems already without building more into the system. So that is why I am interested in the possibilities of an alternative route for some of the water that is presently running into that lake, but I am prepared to commit on the record that we will be looking at the area.

Another thing that happens is municipalities do move water around. Armstrong would acknowledge that with their roads, they have done some land development as a result of drainage that has been included and as a result of putting their ditches in, so maybe they are part of the solution, too. They did not say they would not be willing to work with us on some alternatives. I did not really put the question to them, because as I said I did not have the background in front of me when I met with them. We should explore some of those possibilities.

Mr. C. Evans: Yes, I agree with the minister on the issue of the Netley Creek and, of course, the minister may or may not be aware of the fact that under a previous minister, the Netley Creek issue was big. There were many discussions about it and the proposal of some major work being done in Netley Creek system, but what the minister has not mentioned and up to this point I have not either, I realize that one outlet may create a problem, but the R.M. councillors, and there are three councillors that are involved, all support an outlet, but a controlled outlet. So whether it goes here, there or wherever, wherever they can decide on, once a review may be done, hopefully it would be done to point them in the right direction.

The only discussions that we have ever had has always been on a controlled exit, because the minister is right, you do not want to start funnelling out water to another area without any control. You do not what will happen at the other end, and the community realizes

that. So they are hoping that the department can be able to provide something so that it is a controlled system and cost effective. A lot of people say that at certain times of the year, it is good to have the level at a certain point on these lakes or marshes or whatever they might be called, and then when the time comes and there is an opportunity to be able to let it out, maintain it at a certain level. Hopefully, it would be productive in doing so. So those are my comments on Dennis Lake. I am certainly hoping that—and I would like to, and I think I will—I know I will—mention that, if I am available for the meeting on the Dennis Lake system, we have brought this issue to you, and that you are willing to at least certainly look at it and have the department look at it and support that area.

This is not just a one- or two-person request. It is a request of council and many of the people that live around Dennis Lake, and whatever solution we can work out and work together on it and help them out would be greatly appreciated. I know by them, and I certainly appreciate the fact that is that it is not going to, as he says, take overnight and there is a cost factor, but I believe that the community has some solutions themselves. Those that have been living around the area for many years, it is a matter of working with them to see whether their ideas and Water Resources ideas can be put together so that it can be done economically and cost effectively.

Mr. Cummings: I do not need to prolong the discussion on this, but I do want to know when we look at what the possible solutions are, how come this is a problem now and it was not 20 years ago? I suspect there is a lot of local drainage that has contributed to this problem, and that is why I suggested that Armstrong might want to help us out a bit as well, and I am sure they will want to work with us. I am not poking them, but I am saying that, when you have local drainage and when the council has set out to improve the land in their municipality—and that is to their credit—we have a fairly modest drainage program in the department. If this is equivalent to one year's entire budget, it is going to be difficult to deal with it, so I am interested in whether or not there are some incremental things that can be done to at least stop the problem from getting worse and then start to reverse it.

Mr. C. Evans: I thank the minister for those comments. I would like to just make a few comments

on the commercial fishing season. The minister knows that season opening has at times been a controversial one for dates and times of the year that we are opening the season up. I am aware of the program that has been put in place to determine opening up of different areas for the fishing season and support that. I have told the department that and the fishermen in my area that checking for spawn in different areas and making sure that a percentage of spawn is there for opening up of a season in an area is—and I have yet to hear any fishermen say that that is not a good way of going about it now, but the minister is aware there was an issue last week where Area 6 fishermen were not allowed to fish pickerel, start the season in their area, and the reason being that the sauger in totally another area, in a channel area, that were not fully spawned to the prescribed percentage.

* (1620)

The question to me was raised: why are we being punished for early opening or opening not much longer after the season starts elsewhere when the sauger issue has nothing to do with us in our specific area? I think it is very valid. I can understand if there was sauger fishing in that area, but they do not depend on the sauger there. They depend on the pickerel. The pickerel were spawned already for two weeks and they were still being told that they could not go out because sauger numbers were not right in the other areas. I would like the minister to make a comment on that, and hopefully that would be looked at.

Mr. Cummings: I have acknowledged the issues around this. I would also like to compliment my predecessor on a lot of work that was done in bringing the issues around the fishery to focus to the point where we were able to make some decisions last spring. One of those decisions was that we will not open the season until we have an appropriate amount of spawn. There is always an argument about when the season opens. I was quite surprised, frankly, that opening the season according to the spawn was not a long-standing practice. I assumed that that was the practice. Of course, it was the intent when dates were set. Now we are putting some judgment into the hands of the fish biologists again, but I am not upset by that because it does allow us to incrementally open the season across the lake as the spawn progresses. But I am told that the

sauger, of course, are slower to spawn, and this is going to create a problem all the time.

If the member believes that is a problem, I wonder, and I know this is his opportunity to ask me questions, not the other way around, but that raises the question as well about whether there are areas out in the big part of the lake to the north where the sauger are lurking and around some of the islands, and the only ones who can get to them are the whitefish fleet. Do the people in the regions around the edge believe that those sauger should be protected, or should the whitefish fleet have access to them, because there is a view that maybe they do not get in the area where the skiff fishermen can get to them.

A little bit of the same problem here in reverse that the member has indicated to me, that with sauger being protected, where the fishermen who want to get out on the water and work probably are not even getting to them. This is not as big a stretch as the member would at first reaction maybe like to think. He just made the case that we should open up an area because even though the sauger had not spawned, they were not going to go out there and fish them anyway because those fishermen who needed to get out there were not going in the area where the sauger were. Well, I have other pockets of the same problem on the lake. Some of it simply because they are out further away from the shores of the lake and away from the—it raises an issue that creates an interesting debate.

So I am informed that what we did was we were able to attain 80 percent spawn in the south basin and 80 percent of pickerel in the channel area and that we went with opening the season when the sauger spawn was at 50 percent. It is a judgment call because even as the spawn starts to progress, biologists have to make an educated guess as to when they will reach the 80 and the 50 percent because the fishermen need a few days notice as to when they can put their nets out there. So the north basin, we are still holding it at 80 percent for pickerel.

I did not mean to diverge too far on the member, but there is a parallel to the problem. The shore fishermen believe that the whitefish fleet has been appropriately dealt with in the capping of their access to sauger. I see the member nodding in acquiescence on that point, but

the question is, is there perhaps some sauger out there that the skiff fishermen will never get to, and that perhaps we have been unfair in the allocation of the cap on the whitefish fleet by protecting sauger that maybe do not need protection because they are away from the shore anyway and that the number is quite significant.

Mr. C. Evans: Mr. Chairman, I just wanted to make sure the minister understands and realizes that the comments that I made come not directly from me. They come from fishermen from that area who have been fishing in that area for many, many, many years. They know the system, they know the lake, they know the waterways, they know where they fish, and they know what happens. So this is information provided to me by fishermen asking those questions. Now if the minister's answer wants to throw it back at me, I would suggest to the minister that his department take his answers directly out to the fishermen and deal with it with them. Let them know directly what the minister is thinking and how the minister wants the operations done.

So I say to you that we certainly support the fishing industry. It is an important industry in our area and in Manitoba, and whatever way that we can enhance the fishing industry, so much the better. I know that there are fishermen that have basically given up in some areas. There is nothing. I have talked to some just a few days ago, and where some in one area are doing real well, there is an area that is not. That is another problem.

When it comes to this specific issue about when to open the season up, this is the request of the fishermen in that area who are ready to go, know that the spawn is done, know that there are fish out there, and before they get out into the lake when they normally have their opportunity to fish, they did not have that opportunity to start early enough. They are just looking at seeing that a solution can be brought to that issue and addressed and work with the department, work with the biologists so that the commercial fishing will be enhanced and not put in any type of jeopardy.

* (1630)

Mr. Cummings: Mr. Chairman, to begin with, we will be holding meetings probably in July to review the

process, but—[interjection] No, this is like the hot stove league in the elevator. Sometimes the stories are bigger than the bins. I think I have been around long enough to know that it would not matter which fishing community we went to, there would be diversions of opinion and very often always the big guy would be the Department of Fisheries or Natural Resources. But there may be areas where we could be more imaginative, more flexible in how this is handled. I do not pretend to be much smarter than the next guy, but this strikes me as a pretty obvious way to deal with a fishery that has been under some stress and the ability to get out there—the fish are easier to catch, of course, when they are schooled up and spawning. So, when we reduce the spawn sometimes they—or when we hold them off waiting on the spawn, sometimes there is a very short period of time, I am told, before the fish might be gone.

I saw this as a better alternative than cutting back on quotas. I am not in a position to offer buy-outs, although I contacted the Freshwater Fish Corporation, contacted the relevant federal ministers on this issue about buy-out of quotas. There was no agreement or acquiescence or interest in doing that, although apparently that is not necessarily the last answer on that, but when asked about what is the answer on the lake, unless we have destroyed the habitat of the lake so that it cannot produce, perhaps having a little more respect in the opening season for the condition of the spawn will go a long way towards restoring the viability of the lake. If I am wrong, I am wrong. But I am told that this year looks like the dawning of a pretty darn good year. You know, nobody will know until it is over, but there seems to be fish out there in numbers that they were not known to be there recently.

The lake ice fishing season, of course, probably they did not have a good season there because of the fragility of the ice and everything else, so I am optimistic that we are going to see some improvement. Of course, it always comes down to the question: what is the average quota out there? About 9,000 pounds? If you catch your full quota at a buck and a half a pound or two bucks a pound, that is not a very substantial income for anybody, but it is better than nothing. There is always interest, and some fishermen are able to fill their quotas and two or three others besides. Others who, of course, do not have as good as

a luck and end up with maybe five thousand bucks for their effort by the time they are done. My view is that until I can be shown other alternatives is we do our best to improve the quality of the fishery through some of these practices without putting people out of business, there will be an evolution, in my mind.

Some people just are not going to stay in the industry, but the total catch on the lake is about a third I believe of what it was 20 years ago. I met with 14 different groups last spring in discussing how we would unfold this different regime for the lake. There was the whole gamut of problems there, to the point where all the way from the fact that the habitat may be getting destroyed on some of the rivers and streams where fish would normally spawn through to accusations that there were literally hundreds of thousands of pounds of fish that were going on the black market. I do not think either is entirely true, but I think there is an element of that both ways.

Now, the member seems somewhat incredulous on what I just said. I do not think it is the condition of the streams that are feeding the lake that he is smiling about. Maybe he concurs that there are hundreds of thousands of pounds going into the black market. I would be interested if he feels that way, because that is a reflection on the ability to enforce, for starters. It is also a reflection on the fishing community as to whether or not they are giving us the straight goods on how they are marketing the fish out of the lake, and that is why I say that not starting until the spawn has reached an appropriate level might not be a bad way of making everybody be honest.

Mr. Tim Sale (Crescentwood): I would like to ask questions about the recently completed Linnet sale to management. I have indicated to the minister that I have asked questions in Industry, Trade and Tourism and the minister has undertaken to find certain information and try and provide it within a reasonable time frame. I want to start by asking whether the sale of the company also involved this minister's department or whether the sale was handled entirely by I, T and T.

Mr. Cummings: The sale was handled by I, T and T and MDC, but there was personnel from this department involved. Is that what the member is asking? I can confirm that, yes.

Mr. Sale: Who was Manitoba's representative on the board during the process of the sale?

Mr. Cummings: Deputy Minister Thomas.

Mr. Sale: The methodology that was used to determine the value of the company, was that methodology approved by the board of Linnet? Was it discussed with the board of Linnet prior to Mercer and company providing their estimates in 1996 of the sale value of the company?

I should tell the minister, just to be up front with him, the Minister of Industry, Trade and Tourism (Mr. Downey) has tabled Mercer's two letters, the letter from March and the letter from August, with the committee, so we have those letters. I am not playing games about them. I am simply wanting to know whether the methodology was debated at the board of Linnet or not.

Mr. Cummings: Well, as the member might expect, I would like to context my answer to begin with. Number one, if he has seen the evaluations, he knows that the format it takes was by way of advice. Obviously the board would have been apprised of that, but that, putting it in context, does not mean that they in turn would be in a position to compromise Mercer in terms of their advice because their professionalism would be, I think, their strong suit in terms of they would not want to be seen to be doing anything other than providing a credible opinion. As with any of these situations when professionals are being asked to express an opinion, I put a fair bit of confidence in that because of the fact that professionals, if they do not maintain their credibility, after awhile their opinion does not count for as much.

Mr. Sale: Mr. Chairperson, the accepted methods for valuing a company usually have something to do with the assets of the company as well as the earnings of a company. I can just recall an example for the minister's own sort of memory recall. Iris Systems, a company that the government had heavily invested in through Vision Capital, was sold for numbers of millions of dollars. Even though the company was bankrupt and from a cash-flow point of view had a negative cash flow and had accumulated losses of millions of dollars, nevertheless the company was sold for millions of dollars. So if the methodology used by William Mercer

had been applied to Iris Systems, then Iris would have had a negative value, not a positive value at all.

The minister, I think, knows that when you sell a company, you have to take into account a number of factors that are on the balance sheet. Can the minister tell us whether, on the balance sheet of Linnet, there is any proprietary software?

Mr. Cummings: I do not think I can answer that question directly, but I will say for the record that the member and I might well have a disagreement, as would professionals in the area that we are talking about, over what is an appropriate way to establish the value of a company. There are other situations I can quote scripture and verse of, both in the private sector and in the government, where cash flow becomes the only important part, because the assets, unless they are used for what they are intended, all of a sudden become useless.

* (1640)

I can point to the nursery that was at The Pas where it was offered by government for sale, and because there was not a lot of business attached to it, it was worth nothing and, ultimately, the assets became salvage. So the member may well want to make a case about whether or not assets should be added in some way differently than what this sale was handled in terms of the valuation by Mercer, but I know when I go to the bank, and I am a farmer with a fair amount of dirt that I can point to as an asset, but when I want an operating loan, the banker does not give a hot you-know-what whether or not I have a lot of dirt. He wants to know whether or not I can create a cash flow out of that so I can pay him back at the end of the year without selling my assets. So, yes, if I were to sell the farm, I would sell the dirt, but when I go to promote my industry or my business, the banker really just looks at my cash flow. There are a number of ways of skinning the cat. I am sure the member knows that, and I am sure that is where he is headed with his questions.

Mr. Sale: Mr. Chairperson, indeed I do know that. I also know the minister could answer the question, if he chose to, as to whether there was proprietary software on the books of Linnet Graphics because his deputy minister is a member of the board of directors and has access to that information. It does not seem to me that

is particularly privileged information. I am not asking for what the asset is valued at. But Linnet has made a great case over the years that it has proprietary software that is very valuable, that it has spent a great deal of time developing on behalf of its various partners, and that is, in fact, its stock in trade.

The minister knows darn well that he does not have any particular proprietary knowledge. When he goes to the bank as a farmer, he is a farmer. The question of whether he can produce a cash flow or not is not dependent on whether he has got some proprietary knowledge locked up in a cupboard somewhere. He has his skill and his knowledge base as a farmer, but it is not proprietary.

The whole point that makes software companies and high-tech companies valuable is precisely their proprietary knowledge. If they do not have that, they do not have much value. The other thing that makes a company like that valuable is its accumulated assets. Linnet owned and presumably still owns very substantial hardware and software in various locations. It has ongoing contracts. I do not believe it has completed its contract with Louisiana-Pacific yet, but it may have. I am going to be asking that as well.

I am suggesting to the minister that a net profit after taxes basis is the most conservative possible way this company could have been valued. Yes, it is defensible as a methodology, but it is the most conservative, possible way to value a high-tech company. High-tech companies generally trade for very high multiples of their cash flow or their earnings based not on the numbers of earnings or cash flow, but based on the fact that they have some kind of curve that is linked to their proprietary knowledge, their particular skill.

So did this company have on its asset sheet proprietary knowledge? Did it have good will? Did it have assets depreciated appropriately, and what were those worth?

Mr. Cummings: Mr. Chairman, I did not say I would not answer the question. I just said I cannot answer it right now.

The debate about whether, or not, there are different ways of evaluating and whether or not this was an

appropriate evaluation, one should also consider what William Mercer said in their comments, which the member has in his possession. They contexted their comments, as I recall. I do not have them in front of me. They contexted that in terms of the liquidity, or otherwise, of what might be available to attract capital dollars. So the short answer is: whether or not that asset is worth something that was not acknowledged, obviously, is what the member is asking. I can point out that the observation on the liquidity of the assets probably addresses that question.

Now, further to the member's concern about putting this company in context of what it is worth, he, with great glee, a couple of times referenced whether or not there were 350 jobs as opposed to 60 jobs. As I recall, my colleague my predecessor contexting Linnet and what it was possible for it to do, I think acknowledged very clearly in order to achieve a 360-employee number, it would have to do something in the neighbourhood of four times or five times the value of the contracts that it was doing at the time of its sale, and that was said prior to anything even being contemplated in that area. That was a direct reflection on what it would generate in jobs, as opposed to the amount of work that it would undertake.

That, I think, very clearly indicates the fact that this was the care and caution that has been taken by government in incubating an opportunity for some jobs that were needed in this province, an asset that was needed. We now have, within the Department of Natural Resources, one of the best inventory records in the country for work that was done in part by the expertise that these people were able to provide. That does not mean that that is a hard—that does not answer his question, pardon me, of the hard saleable software, but it does, I believe, put in context why encouraging this type of an operation to be resonant in the province is a heck of a lot better. I am still bearing the scars of my colleague for Dauphin (Mr. Struthers) asking me why in the world would we not have made sure that a Manitoba company did the campground reservations through this department.

Well, I mean, it is very small peanuts compared to the two operations, but the same principle holds. Just how far can government or should government go in incubating opportunity within the community, or

throwing it open and having—as the member for Dauphin took considerable satisfaction in pointing out that it was a Mississauga-based company that had to reroute some calls to the States. Well, that does not warrant an attaboy to me, because what that indicates is that we would have turned around and jeopardized some opportunities.

Mr. Sale: I have a couple of very specific questions that I want to have answers to, I hope. But I want to say the minister is playing the government line very well here, but it is in complete ignorance of what has actually happened.

What did they buy? They bought 60 employees with \$30-million worth of contracts between the City of Winnipeg, Louisiana-Pacific, Hydro, Telephone, Centra Gas, all contracts that were forced into Linnet by virtue of the leverage of the province, the City of Brandon, the Town of Selkirk, neither of which wanted to deal with Linnet but they were compelled to do so, and what did we get? We got exactly one-third of the Canadian average of jobs that exist in this industry in other provinces as set out in the Nordicity study of 1995, which was contracted for by the Department of Industry, Trade and Tourism, precisely because they knew that the geomatics industry was dying in this province. It was dying because the government had a monopoly. There are six other small companies that contacted us and worked with us to point out the degree to which they were prohibited and prevented from thriving. So, yes, the minister has got one company with 60 employees, and he has got one-third of the Canadian average number of employees in this industry per capita, the worst in the country.

* (1650)

So what have we achieved? We have achieved the stagnation of the industry, the strangling of small companies, and the production of a very expensive map which may or may not have much value at all. So he has his take on it, the industry has its take on it, and I am reflecting the industry's take outside of Linnet. I want to ask the minister, as a consequence of this sale: who owns and who controls access to all of the data that Linnet has produced on behalf of the province and for public funds? Does Linnet retain the rights to control access to this data? Do they charge for access

to this data? Or are all of these various base maps and mapping systems reverted to the public sector so that public sector has the control of access on the part of companies or nonprofit or other public sector groups? Who owns the data, who controls access, what are the conditions of access?

Mr. Cummings: We own the data.

Mr. Sale: Does Linnet have any residual control, interest or revenue flowing from access to data that they have produced over the years on behalf of the province and for the province?

Mr. Chairperson: Prior to recognizing the minister, I would ask the members to wait until their microphones have been energized, wait till the light is on, otherwise Hansard will not pick you up. [interjection] See the little red light? Wait till it goes on, otherwise it does not pick you up. It has to energize. It takes a second.

The honourable minister.

Mr. Cummings: Actually, the province received some royalty.

Mr. Sale: Mr. Chairperson, I did not hear the answer.

Mr. Cummings: What I said, Mr. Chairman, was that, in fact, the province receives some royalty.

Mr. Sale: Mr. Chairperson, the province receives royalties from whom, from Linnet?

Mr. Cummings: Yes.

Mr. Sale: Mr. Chairperson, in that case, is Linnet then providing the information to others and paying a royalty to the province when it does so?

Mr. Cummings: They can sell data, but we receive a royalty from any out sales other than what would be within our own purview.

Mr. Sale: The minister, I believe, is telling the committee, Mr. Chairperson, that Linnet retains the control of the data that they produced for, for example, the digital orthophotographic map that they produced for the province in—I do not know what percentage of

the province is covered now, but they continue to control access to this data. They charge for it, and they pay the province a royalty when a client gains access.

Mr. Cummings: Mr. Chairman, that ignores the fact that we own the data.

Mr. Sale: Mr. Chairperson, I understand that. I have acknowledged that the contract that the province entered into indicates that it owns the data. I am understanding also that the minister is saying that Linnet is housing the data, maintaining the data on behalf of the province, and continuing to charge for access to the data and then providing a royalty payment back to the province when a client accesses the data through Linnet. Is that correct?

Mr. Cummings: If I understand the question correctly, I believe that would be the case, yes.

Mr. Sale: So, Mr. Chairperson, this whole charade is now exposed. Linnet is still in a monopoly position, controlling and maintaining access to data, earning money for data that they supply, that was provided at public cost, developed at public cost. They are now going to continue to profit from it.

So much for the notion that this is now back in the public sector. It is still being provided through a service agreement with Linnet. They maintain the data. They charge for access. They give the province a royalty every time they give access to the data.

Mr. Cummings: Mr. Chairman, if the sinister view that the member has of this is as he would like to portray it, then why is it that there is an accusation that when people come and we provide through the province information to them, that the province is, in fact, becoming the agent and not Linnet? I mean, we provide an enormous amount of information to the public when they come to us, information that we have acquired through this process.

Mr. Sale: Mr. Chairperson, I am not making any sinister allegations about anything. I am trying to understand what has happened here, so that people in the industry who would like to understand it, too, would have a transparent sense of what has been accomplished.

What I am hearing the minister saying is that Linnet is maintaining a role as a service provider, charging for access to data that have been developed with public funds and remitting to the province some royalty level every time they do so. So Linnet maintains this particular role on behalf of the province as its service provider. No other agency is able to provide this service. The province is not taking it back.

So the province has not severed its connections with Linnet at all. The province is continuing to feed this company through a special arrangement or a long-term arrangement to maintain and provide data to municipalities, communities, companies, whoever wants access to the data. Linnet is still there.

Mr. Edward Helwer, Acting Chairperson, in the Chair

Mr. Cummings: Well, I suspect it will be there for a good long time, but the member is ignoring the fact that this is why the province had 24 percent of the company to sell.

Mr. C. Evans: I would just like to go back on a few issues that I wanted to raise with the minister. Can the minister tell me why the department will not support the agricultural producers who are in the line of flight and landing with the depredation program when it comes to the bangers that the department for so long had provided the service to the producers? I understand that the program is still available for the Oak Hammock area, and the question arises from the producers in the area as to why that portion of the Interlake region does not have that service, even though, yes, the bangers are available at the Natural Resources office and producers now have to take time off from their duties on the farm and come in. The question has been raised with me: why will the department and the government not support this initiative as it did before?

Mr. Cummings: Across the province, we said to the agricultural community we would be glad to continue supplying the bangers. We have a pretty heavy workload in almost all of our NR offices, and, to be quite honest with the member, Teulon and Arborg, I guess, were the only areas of the province where we had any negative feedback on that policy. Now I recognize that it is an inconvenience sometimes for the farmers to go and pick up the bangers. I also recognize,

however, that some of the most knowledgeable people on where to locate them are the very farmers whose land the bangers need to be located. Sometimes the NRO has to find the farmer and find the field and set the banger, and very often the farmer ends up going with him anyway to do the job. So it is not as if it has not been a co-operative effort over the years, and this simply improves our opportunity to be out there doing enforcement in a number of areas rather than doing this particular, rather routine job.

* (1700)

As with a lot of other things, there is some obligation on the part of the landowner to become involved in the removal or protection to at least some extent of his own property from wildlife predation, although we have one of the most generous wildlife predation programs in Canada. We are the only ones who have reached 100 percent of crop insurance values on lost land, so we are not without some incentive ourselves to make sure that the job is done properly in order to keep the predation losses down. It is unfortunate that the farmers in that area took some considerable umbrage at being asked to come and pick up the equipment themselves, but I believe it is working reasonably well. I hope the member will encourage them to work with our officers on this. There is certainly not a shortage of equipment most times, unless there is a real inundation of waterbirds particularly coming through the area.

Mr. C. Evans: I think with good reason, as the minister indicated, that the Teulon-Arborg-Riverton area was opposed to these changes. I mean, it is probably one of the heaviest lines of flight north and south that there is. Oak Hammock Marsh falls right into the same line. You are providing that service in the Oak Hammock Marsh area, but you are not providing it in another area where it is the same amount of flight, same numbers.

Of course, the other thing that comes into factor here is that some of these producers might need three, four or five bangers alone. They come in, they have to pick these up, put them on their vehicles. Now I want to ask the minister: it is my impression that the Natural Resources officers went through some training to be able to handle these bangers, transport these bangers. That was part of the process, so when you had more

than one or two bangers on your vehicle, and if the Natural Resources officers had to go from one producer to another, maybe with 15 or 20, they were trained enough to be able to handle, haul and disperse these bangers. Now if one farmer, one producer, needs four or five of these bangers, is he qualified, has he had the training to be able to handle these on his vehicle to take them out to his fields? Now I understand, and I have seen it is not a hard system as far as getting it, but that question comes into mind: what is the minister's reaction to that? Was there not a training program?

Mr. Cummings: These are reasonably simple pieces of equipment, and the dangerous part of course is that there is a propane tank associated with them, a barbecue tank, the same type that is on a barbecue, but again I am sorry that the farmers in that area feel abused. I must say that it is the only area in which there has been much negative feedback. My own experience is that the farmers in my area are quite happy to go and get the bangers. They move them around themselves, rather than wait a day or two for somebody to come and get the job done, and they get the job done quickly. They put them where they feel they do the most good, and if they do not do the most good, then they move them themselves. I am not aware of a safety issue around them.

Mr. C. Evans: The minister has just said he is not aware of a safety issue. Part of my question was: were these Natural Resources officers not trained to handle these propane tanks and these bangers? Was there not a course that they had to take? Now the minister says: well, the farmers know best where to put them out. But it is a hazardous commodity, the propane, the tanks, and sure it is like a barbecue tank and we all have to be careful when we light our own barbecues, I can appreciate that, but that question is there to the minister. If these officers were trained to do this, now you are telling the farmers to come and pick up five, six or seven propane tanks, and all of a sudden it does not become a safety issue anymore. It was a safety issue for the Natural Resources officers to carry, but it is not a safety issue for the producer to carry them.

Mr. Cummings: I did not say that the officers did not provide some training to the farmers. I mean, obviously when you are giving somebody that equipment, they should be given some instructions on how to

handle it. That is what the officers would be expected to do.

Mr. C. Evans: And also in transporting it.

Mr. Cummings: The member says that there is an issue around transportation. I suppose there is an issue around transportation of propane at any time.

Mr. C. Evans: So the minister basically is saying that he is not concerned for the producers on the safety end of it and the transportation end of it when we are concerned with the Natural Resources officers, and we well should be, that they have the proper training and got the training, they went and they were trained for whatever particulars, but he is not concerned that now the producers have to go and pick a numerous amount of bangers and propane tanks up and transport them five or ten or whatever amount of miles it may be necessary to get out into their fields. That safety issue now is no longer an issue. I mean, and I am not sure, do the Natural Resources officers' vehicles have, when they are carrying these tanks and that, do they not have to have the hazardous sign on their trucks when they transport these? Do the producers have to have these on? I ask the minister.

Mr. Cummings: Well, the alternative is that we would stop supplying them and that the farmers could buy their own and provide transportation. I do not think that would be a very co-operative way to work. If there is an issue around the transportation of the product, it is the same issue that would be around transporting the product home from the barbecue, because they are the same equipment. Secondly, as farmers, we transport chemicals on our half-tons, and there have been people who have tried to indicate that the agricultural community should be, even though they are much smaller quantities than a semitrailer or transport would be dealing with, that the farmers should be included in the same regulations as transporting for personal use.

If the member is suggesting that, then he is suggesting a system that may become a little bit too complicated and cumbersome for government to easily deliver. This was intended as a co-operative and a joint effort to deal with predation, and we were looking to co-operate with the community. I am not for one minute saying that we should ignore a safety issue for the farmers, as

opposed to the NROs. I am simply trying to context for the member what is the safety issue. If the safety issue is the transportation of 20-pound tanks of propane, then he should put that on the record. If that is what the safety issue is, then that is the safety issue. How far does he wish us to go in dealing with that? If somehow we are in flagrant violation of Workplace Safety and Health by giving farmers half a dozen of these bangers to take out, along with the appropriate number of tanks, and if those farmers are transporting them in an unsafe fashion, then we have an obligation to not let them transport them.

* (1710)

But I tell you that this is the only area from which I have received any negative feedback, so I have to ask: are we doing something different in this area? I will investigate that with the department, because there certainly seems to be something different about the way the member is raising this. He is a credible member, so I do not want to discount his concern. But I have to say that maybe we are just careless out west, that this has not been a problem in my own area, and I do not think we are any more reckless or careless than they are in the Interlake. I think it is probably a situation where the community is quite used to Natural Resources providing this service and takes some considerable umbrage at our not providing. I indicate that Natural Resources from the point of view of best use of qualified NROs in the field, this is not necessarily the most productive use of their time, when it may well be during the hunting season and they have probably hundreds of hunters in that area who also are in the field. They may also have a number of fishing issues. Although, they may well be done at that time of year.

So I will investigate the concerns that the member is raising. I am not discounting any of the safety issue, except that I am puzzled that this has gone very smoothly in other parts of the province and has not been well accepted in this area. Perhaps we are doing something different here, and that will be corrected if that is true.

Mr. C. Evans: Mr. Chairperson, I would just like to touch on a matter. I would like to ask a few questions with respect to the Hecla village. If I can ask the minister, the Gull Harbour Resort had a—

Mr. Cummings: My deputy minister, in fact, has a conflict of interest around Hecla. I will ask him to leave during these questions.

Mr. C. Evans: Mr. Chairman, the resort has always had a residency for the manager at Gull Harbour in Hecla village. Does the department still provide that home for the manager, whoever he or she may be, in the village?

Mr. Cummings: The present residence for the manager is probably not necessarily the proper location. We have been looking at another location, so the manager was not, along with the casual, in the same compound, if you will, or location; a lot of temporary housing that was involved.

The whole ambience of the island is probably going to change with the rehabilitation of the village. There were a couple of houses in the village that were used for staff houses. I am not sure if one of them, perhaps, was the manager's residence. Those areas are now being sold. So we have been looking for an alternative solution. One solution was to build a residence. We are looking for perhaps a less costly, more modest price in order to be able to do that.

One way or another there should be some opportunity for residency for the manager, so that he either does not take up a hotel room—although that might be one option—or put him in some location on the island other than. Because the whole area is probably going to change, in terms of providing residency for staff as a total, to tell you the truth.

Mr. C. Evans: Mr. Chairman, I have been in the manager's house on numerous occasions. Is the minister saying that that house is no longer available? That particular house that has been there for the manager is no longer available to the manager and when was it not made available? When did this house go to other—has it been moved? Has it been sold? It has been the manager's accommodation at Hecla, my understanding, for many years, before I even came out to the area. What has happened with the house?

Mr. Chairperson in the Chair

Mr. Cummings: It may be reassigned to other staff because, as I said, some of the houses that we used to

keep staff in are no longer going to be available as those lots are taken up by ex-island residents. As they come back, some of the staff houses we are going to lose. So there is a shrinking of the availability of casual residency for staff and/or the manager on the island because we are losing two houses for sure that people are taking up the lots on. So the people who were accommodated in there are going to have to be accommodated somewhere else, so whether you accommodate them in another temporary facility, trailers of some sort, as I said might well be the option.

But I know the basis upon which the member is asking the question. Certainly, rumours have been rampant about what the ultimate solution might be for residency knowing that these other houses are not going to be available. I do not want to add to the rumours because no decision has yet been made, but we are looking at a range of accommodations, basically because we are losing some of the ones that we have, that are existent.

Mr. C. Evans: A quick answer from the minister, has this house that has been the manager's residence for many years been sold, yes or no?

Mr. Cummings: I did not say it had been sold. The member I think heard my answer which was that other houses that we had for staff have been sold, so there is going to have to be some changes made to accommodate staff. That could involve changing the manager's house to accommodate the fact that we need extra space. If the member is saying just leave the manager's house alone, then fine, that is one way that it can be managed. I am not sure what the thrust of the question is beyond the fact that there are a lot of rumours about a castle being built out there to accommodate the manager. If that is the rumour he wants allayed, then I will be glad to allay that rumour.

The fact is we are losing two houses, I believe, not necessarily one of them being the manager's house, but that does not mean we might not use the manager's house for something else and find other accommodations for the manager. I mean, that is obviously a decision that I do not think the minister has to go and decide who is going to live in which temporary residence out there, but I will assure him that the minister will be watching to make sure we do not overexpend in a solution.

Mr. C. Evans: Can the minister tell me whether the manager's house—has any work been done on the existing property in the house? Has money been spent in renovating the manager's house?

* (1720)

Mr. Cummings: I do not know.

Mr. C. Evans: Will the minister then provide me with the answer as quickly as possible, and if so, I would like to know how much was spent on renovating the house, the manager's house? So if the minister would be so kind as to provide me with that at the earliest convenience.

Mr. Cummings: Mr. Chairman, of course. This is managed through Venture and is a Crown that reports through the department to me, and I would be quite prepared to review that question and provide him with a correct answer.

Mr. Struthers: I want to thank the minister for putting up with a little bit of helter-skelter from a number of different issues and from a number of different critics, all of whom had questions that they needed to have answered.

I just want to finish off the questions that I was asking previously on wildlife. I want to ask some questions about Oak Hammock Marsh and Ducks Unlimited, and welcome back the deputy minister of Natural Resources.

Could the minister indicate to me how much money the province has contributed to Ducks Unlimited over the last several years? Is that a figure that the minister has available to him? Can he tell me how much money Ducks Unlimited has received from the province?

Mr. Cummings: The member asked whether or not we had contributed any money to Ducks Unlimited. If I were to strictly interpret that question, the answer would be zero. But we do have an agreement to assist with the development of the interpretive centre, and that is a longstanding agreement. There was a five-year agreement in place, and there was nothing that went to Ducks Unlimited last year.

At any rate, I am sure it was public knowledge before. This is just reconfirming that the original Oak Hammock agreement was about \$150,000 a year for six years, and there was nothing last year. We are entering into a new agreement in support of the interpretive centre.

Mr. Struthers: Is the minister at liberty to explain the new agreement that he talks about entering into with Ducks Unlimited on the interpretive centre, or is that not public information as of yet?

Mr. Cummings: We are having a press conference on Friday to announce this, so I guess the member is asking me if I want to pre-announce it. I think he can read the paper as well as I can. There was some speculation in the paper a couple of months ago around these negotiations. I am quite prepared to say that what we have done is not striking a new agreement, but simply renewal, amendment, if you will, to the existing master agreement for a further five-year support. The precise amount I will be announcing on Friday at Oak Hammock.

And to be sure that I am clear about this, the agreement is only—the dollars are in support of the interpretive centre, not in support of Ducks Unlimited, the company, but in support directly towards the interpretive centre at Oak Hammock for which we feel some joint responsibility and some stewardship, because it is a very aggressive and well-known site. The Interpretative Centre needs to be consistently renewed. I think we had a quarter-of-a-million schoolchildren that have been there. It is very successful in that respect. There was always an assumption that there would be some support that would be needed to make sure that was always refreshed and updated.

Mr. Struthers: Mr. Chairperson, I had the chance recently to go out to Oak Hammock Marsh to check the facility out and the Interpretative Centre, and I was amazed at the number of metres of boardwalk that are out there and the opportunities there are for learning to take place.

I also noticed there was not a sign on No. 7 Highway showing that the Oak Hammock Marsh was anywhere, which might be an idea for whoever makes the

decisions on the signs to stick one up. It would have saved a friend of mine and me a little bit on gas money as we went cruising past the turnoff. That is something that maybe should be looked into.

I want to ask the minister: in light of the announcement that he is going to be making on Friday, is he concerned about the allegations that have come forth suggesting that Ducks Unlimited is considering moving its headquarters outside of our province?

I will be the first to concede that this is, as far as I know, a rumour that they will be moving to Calgary, or that they may even be withdrawing from Canada to their offices in the States, in Nashville. Now I understand the risks involved in dealing with what amounts so far to be just speculation, but it also makes me a little nervous that we would be putting money into a project if one of the partners is considering leaving and not showing the kind of support that maybe they should be showing to this whole project.

That is not to take anything away from Ducks Unlimited, who does good work. I think of a project in the minister's own riding out behind the Ste. Rose Curling Rink and dance hall, out by Burnside park, where Ducks Unlimited is involved in a project there with the local conservation district. I do not want to take anything away from the good work that they do, but I do get a little nervous when I hear that Ducks Unlimited could, in fact, be moving away from a project that the government is putting some money into.

I would just like to hear comments from the minister in terms of those kinds of concerns that many people have in regard to this Interpretative Centre.

Mr. Cummings: Well, rumours have been circulating along the line that the member indicates, but I think they are in the main precipitated by the fact the Ducks Unlimited has gone through a reorganization. It was well known that they do not have as many staff onsite as they did have, based on the fact that they had more of decentralized structure. I think, as a government that has done some decentralizing itself, that we can appreciate what they were attempting to do.

* (1730)

Nevertheless, any agreement along the lines that I have just discussed is also subject to the conditions of the master agreement, which provides some protection in terms of operations, but the principle that is involved is whether or not DU intends to be here in the long haul. It is my expectation that they will be here in the long haul and that they will live up to their end of the bargain.

They will remind you, and I appreciate the fact that they will remind anybody who asks, their primary goal in life is to improve habitat and increase populations. They want to direct as many dollars towards doing that as possible. They very often want to partner with governments, local governments and the province on major projects. We are pretty fortunate to have them interested in a number of projects here in the province—[interjection]

I never like to hear those types of rumours and certainly have challenged Ducks Unlimited in that respect, because it does create an aura of suspicion when those rumours are floating around. I am very pleased when Ducks Unlimited chose this direction to become involved in education, because if I were to speak about what I think is at least a significant portion and responsibility that they have is that the hunting fraternity, which is very much part of the support base for Ducks Unlimited, has to be understood at the same time they are encouraging the public to produce and invest in habitat, take care of the wildlife which they intend to harvest.

But not everyone who supports Ducks Unlimited is a consumptive user. The big portion of their support as well comes from people who may never pick up a shotgun and simply support habitat development and the protection and the development of the population's restoration of breeding grounds being part of that.

So the question was: does it make me uneasy? It was dealt with in the way that I just described. Their decentralization did go forward. That I was not particularly happy with, because it did mean there were a few less jobs at Oak Hammock than there had been originally. But in the end, if they spend their money along the lines of the mandate that I just described, then we will get our money's worth out of Ducks Unlimited, and the centre will continue to be one of the best interpretive centres around.

Mr. Struthers: I thank the minister for that. I would like to ask a couple of questions having to do with—I am going to switch gears a little bit here—the joint Agriculture-Natural Resources committee on elk ranching. It was something that was a topic not so long ago in Question Period. I think there were some very disturbing issues brought forth from the minutes of one of the meetings that took place between the joint Agriculture and Natural Resources committee.

One of the issues that came out of that would be what is called a penned hunt or canned hunt, or whatever the terms are for that practice. But what we learned from the minutes of that meeting was that the committee has been struck to look into the pros and cons of going towards, I guess the word is legalizing, a penned hunt in the concept of penned hunting here in Manitoba. I know other jurisdictions have gone this route.

Once they have accepted the whole concept of elk ranching, it is hard to fund a jurisdiction that has not gone to a penned hunt after accepting the concept of elk ranching. So knowing that other jurisdictions have gone that route, I am worried that Manitoba is going to go the same route and that at some point we too will be releasing elk into a pen and allowing hunters to come along and not just lasso them, but—and probably would not be lassoing them as the Minister of Industry, Trade and Tourism is indicating, but that would shoot the animal for what would be “sport.”

I think I clearly stated a while ago in Question Period that that is a violent and disgusting concept. The minister at the time seemed to agree with me, so I am wondering why has a committee been struck to look into this if everybody is in agreement that this is a disgusting idea in the first place? Maybe the minister could comment on the work of that committee, where they are at now, what the mandate of that committee is, and when he expects the committee to report to him or the Minister of Agriculture (Mr. Enns) or to the both of them or to cabinet? I would just like to know more about this committee.

Mr. Cummings: Maybe I will answer this one sitting down. I got quite lathered up the last time the question was asked. The fact is that as far as I am concerned, the question as it was raised, the way the question was asked I suppose that got me excited, because the fact is

it was taken out of context, the question of the committee being struck.

Secondly, the valuation of the issue was being driven not so much by those who wanted to do it but by those who were opposed to it, and Natural Resources being the good co-operative committee people that they were said, well, then let us meet and talk about it. I think I am understating the context to some extent, but that is the basis upon which I understand the process.

My statements at that time still stand. One of the things that we did when we entered into this process, we worked with a number of different stakeholders, and I am not about to see that good working relationship blown apart because somebody feels that the very fact that any discussion was occurring was a reflection of intent on our part to move in this area as opposed to just allay the fears of some people that were being raised at that point that we were seriously considering making a move in that direction. Some people undoubtedly would like that to happen, but my comments stand that it was not contemplated, it has not been something that we have endorsed or supported nor are we likely to.

It is, I recognize, something that has happened in other jurisdictions, but we have very much a fledgling industry here. The industry was being developed for the antlers, eventually for the food value that would come from the surplus stock, I suppose, but that is much more of a low-end usage. I fail to see how we would encourage a different usage except for culled stock. Nobody is talking about that at this juncture, and nobody wants culled stock when they are looking for trophies either. So it strikes me as my comments of the day still stand.

Mr. Struthers: It seems to me that in that case, the minister would be prepared if this joint committee were to recommend a move towards penned hunts that this minister would then take some kind of action to thwart that kind of a recommendation. If the minister believes that penned hunts are wrong, and if the minister believes, as he indicated in Question Period, that this is not a practice that is acceptable to him, the possibility exists that this committee will come back and say they had lots of good reasons to go towards a penned hunt.

*(1740)

Would the minister be willing then to in a sense put his foot down and say: no, we are not doing this, or does he have that power to begin with?

Mr. Cummings: Well, if the member were to read the quote in the paper at that time, I said that I did not support it, and the department did not support it. It would likely be a pretty short consultation.

Mr. Struthers: The people that I have talked to in the minister's department did not support going into elk ranching in the first place, and yet we have elk ranching. Maybe I will give the minister a chance to take another run at the question. If that is the recommendation of this joint Agriculture-Natural Resources committee, is he willing and does he have the authority as the Minister of Natural Resources to not allow penned hunts in Manitoba?

Mr. Cummings: Well, Mr. Chairman, I do not know how much more plain I can make the answer. I answered the question already.

Mr. Struthers: I do not think the minister did answer the question. Maybe he does not want to answer the question, but I guess it just remains to be seen whether the Department of Agriculture can talk the Department of Natural Resources into yet another practice that I do not think the Department of Natural Resources is all that in favour of.

Mr. Cummings: Well, the member is obviously opposed to elk ranching. I think we can assume that from his comments on the record. In fact, he is nodding across the way. He is opposed to elk ranching, and I have just said—

Point of Order

Mr. Struthers: Mr. Chairperson, I do not want the minister to just assume through innuendo and through body language that I am opposed to elk ranching. I will tell him straight off, I am opposed to elk ranching.

Mr. Chairperson: Order, please. The honourable member does not have a point of order. It is

clearly—no, it is not a dispute. Yes, it is a dispute over the facts. Difficult to find on this one.

* * *

Mr. Chairperson: The honourable minister, to conclude.

Mr. Cummings: That is quite educational, but I am quite clearly opposed to penned hunting, certainly the way the member describes the activity. He described it as abhorrent and a few other adjectives that go with it. I wonder if he feels the same way about the release of pen-raised pheasants because there are two or three different ways of describing how recreational hunting has evolved around species that are perhaps bred domestically.

Nevertheless, he does no one a service when he refers to minutes of committees that he takes out of context and for his own purposes. He may well not like my innuendo, but he will like this innuendo even less because if he wants to take out of context the reason for discussion that committees may use for at least part of an agenda, if he wants to use that as a reason to try and portray this government and my motives as anything other than what they are, then I have to take severe umbrage to that.

The elk business is a fledgling industry here in the province that we are doing everything we can to nurture right now. Not only is he opposed to elk ranching, he certainly was apparently opposed to the capture of elk, undoubtedly talking to people in the Swan River Valley about their view of elk ranching and elk capture, but we have I think a pretty good opportunity developing in this province.

We have made an agreement with the Assembly of Chiefs to assist them with their various bands getting involved in the opportunity of elk ranching, an area that they are wholeheartedly in support of. Interestingly enough, they apparently were willing to forgo some of the jurisdictional struggles that surround the right to elk in the wild in order to become part of the system where they can have value added within the activity of holding elk, because Manitoba elk are going to be very much in demand.

Manitoba elk are some of the best-known developed elk, certainly in western Canada, and I would say in North America, given some of the traits that our elk display. They are some of the most desirable animals to have for elk ranching. It leads me to believe that there are a considerable number of his constituents out there who probably agree more with me than they do with him about the future of elk ranching.

All I need to do is talk to the people in Crane River to know that they are very much in favour of elk ranching—they in Crane River being constituents of the Ste. Rose area. I would think that the thinking is very similar in the aboriginal community that he represents. So he is putting himself in conflict with some of the people that may most be wanting him to assist them with developing some opportunities for well being in their own communities. He is free to do that, but I also have no compunction about exploiting that opportunity.

Mr. Struthers: I have no doubt at all that the minister will try to exploit that opportunity, and if the minister would—well, maybe some of my speeches are a little on the boring side, but he should maybe pay attention every now and then because everything that he is speculating I have said, I have said.

I do not like the elk capture. It is something that I was opposed to when this government brought it forth in the House. I am not going to walk around behind the minister's back and not tell him to his face that I do not like what he is doing with elk, that I think he is wrong. I will tell him that to his face. I will tell it to the people in McCreary who phone me to say that I am right, and the constituents that he has that think that he is wrong in capturing a wild animal and using it for the purposes that he is. I will go to sit in on band councils and I will talk to them as well. I will talk to the ones who approached me saying that this is a silly thing to be doing. I will talk to Sapotaweyak, where, as the member for Swan River (Ms. Wowchuk) has indicated the day before yesterday, instead of going to a capture and ranching elk, they would just as soon capture elk and relocate them to another part of the province to let the animals start a new herd there.

So the minister can talk all he likes about using statements I make in the House to his political advantage, but he is playing with a two-edged sword

there and he might find that he might cut himself on that as well. My point of view will always be on the record, and I will stand by it. I do not mind doing that. The minister has been up front with me on this, and I intend to be up front with him. If he thinks he can make political hay with what I say, then all the best to him, but it is a two-edged sword, and I do not mind getting into that game with the minister as well.

* (1750)

Before six o'clock rolls around, Mr. Chair, I would like to move on to the area of Forestry. One of the concerns that I have had in the three years that I have been Natural Resources critic is a concern concerning our database that we have in Natural Resources. Certainly, a database, good, solid data, is essential to making decisions, whether it is in Natural Resources or any department. Any minister has to rely on solid information when he makes his decisions having to do with Natural Resources items, none more important, I would say, than the area of forestry.

We have signed some very large agreements with companies in Manitoba, agreements which have allowed hundreds of people to be employed both in the construction of plants and in the extraction of resources. It has also meant a huge harvesting of timber in our province, and we cannot be making decisions on the harvesting of timber and other resources without good solid information to base our decision making on.

That is why I was listening very closely to the conversation that took place earlier this afternoon between the minister and the member for Crescentwood (Mr. Sale). It is my understanding that Louisiana-Pacific has a relationship with Linnet Graphics. It is my hope that the relationship will produce something tangible and useful that can be used by the company and by the government and by citizens of the province of Manitoba.

Can the minister indicate to me if a base map has been completed for Louisiana-Pacific by Linnet Graphics?

Mr. Cummings: Mr. Chairman, I would be glad to share that information about the contract between Linnet and L-P, and certainly the information will be

public, but I cannot answer completely whether or not the work would have been completed in all areas. I am sure there would be more than one phase to getting this work done, but I cannot answer it at the moment.

Mr. Struthers: Was the minister aware if there was a date agreed upon for a completion between L-P and Linnet, or does he know if there had been a projected date by which to complete a base map?

Mr. Cummings: We will have to provide that information. I do not have it with us here.

Mr. Struthers: I think a role that the provincial government can play in this is to make sure that eventually all of the information that is produced through the relationship between Linnet and Louisiana-Pacific can be something that is used by people of the province of Manitoba. Can the minister tell me if there, in fact, will be access for anyone who wants to use that information that is eventually produced by Linnet for Louisiana-Pacific?

Mr. Cummings: It will be provided to us. It will be provided at the Clean Environment hearings where necessary. It will be provided as part of the public record on all of the information that needs to be filed in various forms by Louisiana-Pacific. So it will be available from more than one source actually.

Mr. Struthers: Is it the type of information that would be available to John Q. Public in preparation for, say, a CEC hearing, or is it something that just ordinary citizens can readily access?

Mr. Cummings: In the context that I just answered the question, where they file information and where we achieve information, like if there is some context in which the question whether or not it is every last page of it is available, we will provide that answer. Remember, this is a contract between the company. It is a private work that they are doing for a private company. We require information which they will have to provide. That does not mean that Linnet cannot do work for the company and that information, for reasons that I cannot imagine at the moment, but there might well be reasons that that information would be proprietary to Louisiana-Pacific. I mean, they are paying for it.

This is the type of assembled information that would need to be available for certain environmental information, for harvesting information in some cases, and that sort of thing. Just so I do not hang myself out giving an answer that gives a false impression, let me double-check the context of the question.

Mr. Struthers: Maybe when the minister is looking for that information, could he establish whether or not a fee that would be paid by an individual to Linnet, or to L-P or whoever, to get a hold of that kind of information when it is eventually available?

Mr. Cummings: Well, if I understand the question correctly, he is asking me about whether or not Louisiana-Pacific would provide information for which they have just paid a lot of money to have assembled. So, would they provide that free to somebody? The answer is very much the same as the last question. You have got to be careful how you context this, because when you have an agreement between two private companies, there is a limit after you get past the regulatory requirements for information about certain geographic features, stands, densities. We require and can require that information one way or the other. Either we have it or we have somebody else, in this

case Louisiana-Pacific, produce it for us. But there might well be, as I said, between two private firms, we are not the middleman on this, if that is the implication that the member might have. This is a private deal, so there will certainly be some things where they would require payment if they were going to provide that information.

Mr. Struthers: Can I take from those comments, then, that the minister sees no role for the province in requiring that even if it is, and I understand what he is saying about a deal between two private outfits, is there no role for the province in there to try to encourage access by individuals of that information whether there is a fee on it or not? Or would that be stepping into a contractual agreement that he cannot do?

Mr. Chairperson: The hour being six o'clock, committee rise. Call in the Speaker.

IN SESSION

Mr. Deputy Speaker (Marcel Laurendeau): The hour being six o'clock, the House is now adjourned and stands adjourned until tomorrow at 10 a.m. (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 3, 1998

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