



Fifth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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



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.
CIOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACII, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James	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	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
IHELWER, 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.
LATHILIN, 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.
MIIYCHUK, 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, Hon.	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTTIERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin, Hon.	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.
<i>vacant</i>	St. Boniface	

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 14, 1999

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for La Verendrye (Mr. Sveinson), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Harold Gilleshammer (Minister of Finance): I would like to table the Supplementary Information for Legislative Review, 1999-2000, for the Canada/Manitoba Infrastructure Works Program and the Canada/Manitoba Economic Development Partnership Agreement.

Hon. Darren Praznik (Minister of Highways and Transportation): Madam Speaker, I would like to table today the Supplementary Information for Legislative Review for 1999-2000 for the Manitoba Department of Highways and Transportation.

INTRODUCTION OF BILLS

Bill 34—The Court of Queen's Bench Amendment and Consequential Amendments Act

Hon. Vic Toews (Minister of Justice and Attorney General): I move, seconded by the Minister of Finance (Mr. Gilleshammer), that

leave be given to introduce Bill 34, The Court of Queen's Bench Amendment and Consequential Amendments Act (Loi modifiant la Loi sur la Cour du Banc de la Reine et modifications corrélatives), and that the same be now received and read a first time.

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

Motion agreed to.

Bill 35—The Highway Traffic Amendment Act (2)

Hon. Vic Toews (Minister of Justice and Attorney General): I move, seconded by the Minister of Highways (Mr. Praznik), that leave be given to introduce Bill 35, The Highway Traffic Amendment Act (2) (Loi no 2 modifiant le Code de la route), and that the same be now received and read a first time.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon twenty-one Grade 9 students from Rosenort School under the direction of Mr. Grant Plett. This school is located in the constituency of the honourable Minister of Government Services (Mr. Pitura).

Also, 40 étudiants de la neuvième année de l'Institut Collégial Lorette sous la direction de Madame Michèle Lagimodière-Gagnon et Mr. Roland Ouemet.

[Translation]

Forty Grade 9 students from l'Institut Collégial Lorette, under the direction of Mrs. Michèle Lagimodière-Gagnon and Mr. Roland Ouemet.

[English]

This school is located in the constituency of the honourable member for La Verendrye (Mr. Sveinson).

Also, twelve Grade 5 students from James Nisbet Community School under the direction of Mrs. Fay Pahl. This school is located in the constituency of the honourable member for The Maples (Mr. Kowalski).

Also, thirty-five Grade 8 students from Gillam School under the direction of Mrs. Marilyn Randall and Mrs. Shelley Morran. This school is located in the constituency of the honourable member for Rupertsland (Mr. Robinson).

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

* (1335)

ORAL QUESTION PERIOD**Flooding—Unseeded Acres
Federal-Provincial Meeting**

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, in the latter part of last week, there were a number of political representatives from both the provincial and federal government touring some of the flooded farmland across this province, and there was certainly a lot of concern expressed directly to producers and businesses that are affected in the community. A number of producers are left with the specific concern of what specific plans are in place as a result of the direct meetings that took place between the federal government and producers and the provincial government and producers. I would like to ask a very specific question: what specific plans, contingency plans, are in place for unseeded acres of land that are affected by flooding here in Manitoba?

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, allow me to, in the first instance, indicate that it is the intention of this government to do everything possible to provide the same level of support for all those farmers in need today that was provided to the farmers in

the Red River Valley just two short years ago during the flood of the century.

More specifically, I had the privilege of meeting with the federal minister late Friday night here in the building, after his visit to some of the flood-impacted areas, and I am satisfied it was a positive meeting. The federal minister indicated that he would, to use his own terms, not leave any stone unturned to make the existing programs, that is the NISA program and the AIDA program, applicable to the specific problems, cash flow problems our farmers are facing here in Manitoba, that is to loosen the trigger mechanisms within the NISA program that would enable some of our producers who have accounts in that program to draw on them without penalty at this time and, as well, to make some modifications to the AIDA program which would normally not provide any payout until the spring of 2000, make a partial payment possible as early as this late summer.

**Tabling Request
Correspondence to Prime Minister**

Mr. Gary Doer (Leader of the Opposition): The Premier (Mr. Filmon) indicated in his letter to the Prime Minister last week, following the comments of Minister Vanclief, who said that Manitoba had not yet applied for disaster assistance, that following that, the ministers would meet, and he would respond directly to the Prime Minister after the ministers' meeting. The Premier also stated that the JERI program would be looked at in media comments that were made.

I would like to ask the Acting Premier or the Minister of Agriculture: has the Premier written the Prime Minister following the meetings that took place between the provincial and federal ministers? Are there specific requests to trigger the disaster assistance program and specific programs for the crisis for producers, similar to 1997? Can the minister table that correspondence with the Premier and the Prime Minister?

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I can table some further information, specifically, Premier Filmon was joined by Premier Romanow from Saskatchewan on June 11, to specifically put forward four

request items of the federal government, that is to address the calls from producers for a payment on acres too wet to seed in '99, to provide for costs incurred to replace lost inputs, mainly fertilizer in this instance, and to maintain the property and restore productive assets as was done in other situations, other disaster situations. This specifically refers to the JERI program that was put in place by the federal government during the '97 flood here in the Red River Valley and then to also do just what I indicated: adjust the AIDA program and the NISA program to make them more applicable for farmers during this current crisis.

Madam Speaker, I will table this particular news release. I do not have the Premier's correspondence in front of me, but I will certainly undertake to provide the Leader of the Opposition with that correspondence, a copy of that correspondence. Both the Premier and I wrote to the federal government last week on these issues.

* (1340)

Flooding Disaster Assistance Planning

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, we know, of course, that communities like Melita are asking for the declaration of an emergency disaster, an economic disaster in their communities. The ministers are fully aware of the downturn in those communities and the situation. The minister mentioned Saskatchewan. In the province of Saskatchewan, the Premier of Saskatchewan has stated that there is a program in place, the crop insurance program and other programs, to provide for \$25 per unseeded acre in times of this kind of disaster, and they are asking the federal government with the specific amount of money to be matched specifically by the federal government as a starting point.

Does Manitoba have a similar specific contingency plan?

Hon. Harry Enns (Minister of Agriculture): My colleague the Minister of Government Services (Mr. Pitura) can better explain the system that seems to allow for some confusion.

The national disaster assistance plan is in force, and all the provisions of that are applicable. There is not a need for a specific declaration of an emergency other than if we would require extraordinary powers to move on private property, forcibly evacuate people, sometimes against their will. None of those circumstances apply during this disaster, but all of the programming and the funding, and the national federal funding, are in place as we speak.

Specifically, we are meeting, as the honourable Leader of the Opposition would expect, on a daily basis. Officials are meeting with federal officials on various programs, and we would hope to be in a position to make some specific announcements very shortly.

Inner City Poverty Levels

Mr. George Hickes (Point Douglas): Madam Speaker, for 10 years this government has allowed the inner city to fall into a decline. Despite promises, there has been no urban redevelopment strategy and no urban aboriginal strategy. Instead, friendship centres and recreation programs were cut, houses have been boarded up, and today over half the families in the Point Douglas area live in poverty.

How can the minister justify the dramatic increase in family poverty in the Point Douglas area which, according to the Social Planning Council, has risen from 44 percent in 1991 to 52 percent today?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, I thank my honourable friend for that question.

Any level of poverty is too much, and that is why we very aggressively, as a government, have indicated and stated very clearly that the best form of social security is a job. We have to move people off the cycle of dependence on welfare and into the workforce, and we have been working really aggressively to try to ensure that the supports are in place for single-parent families to move off welfare and into the workforce. We are participants in the National Child Benefit with the federal government, and all of the early intervention programs that we

have put in place, programs like BabyFirst, like EarlyStart, like the WIN program, that put additional resources into the hands of families that are on welfare if they participate in parenting and nutrition programs, all of those things are steps in the right direction.

Mr. Hickes: How can the minister justify the dramatic increase in family poverty in the Point Douglas area which, according to the Social Planning Council, has risen dramatically? Will the minister acknowledge that the government's neglect has created a tale of two cities where less than one-tenth of families experience poverty in some neighbourhood areas while, in the inner city neighbourhood, it is over one-half of the total population?

Mrs. Mitchelson: Again, I thank my honourable friend for that question. All of the things that we are doing through early intervention, through trying to break the cycle of dependence on welfare and the cycle of poverty—because the two do go hand in hand. There is not any government, regardless of political stripe right across the country, that is going to pay welfare rates that would take people above the low-income cutoff for the so-called poverty line.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable Minister of Family Services, to complete her response.

Mrs. Mitchelson: Thank you very much, Madam Speaker. Again, I say we have put in place the kinds of programs that work with families to ensure that they have a hand up and that they have an opportunity to move into the workforce to ensure that their children are parented and nurtured. We have used our National Child Benefit resources in a way that has been applauded and looked at by other provinces.

* (1345)

Mr. Hickes: Given that a report last month by the Centre for Policy Alternatives stated the evidence is strong that the provincial government's economic strategy is not solving the problem of inner city poverty and is making

the problem worse, can the government table a strategy for bringing high wage, quality jobs to the inner city rather than its low-wage approach that keeps families and children in poverty?

Mrs. Mitchelson: If you look right across the country at reinvestments under the National Child Benefit and the research that has been done into the initiatives that have been put in place in Manitoba, I would like to quote from the C.D. Howe Institute that indicates—

Some Honourable Members: Oh, oh.

Mrs. Mitchelson: I will quote: instead of using its welfare savings to fund cash benefits, Manitoba used it to implement a ChildrenFirst strategy involving early intervention programs for families having problems, improved school nutrition, and Headstart education for pre-schoolers. These initiatives, the author says, do not raise welfare walls because eligibility is based on neighbourhood and family characteristics rather than on income. The author argued that the other provinces should adopt variations on Manitoba's strategy rather than further raise their cash benefits to low-income families. High clawbacks on cash payments put punishing tax rates in front of low-income families taking on paid work.

So I want to indicate, Madam Speaker, that many agree that we are moving in the right direction.

Cardiac Surgery Waiting List

Mr. Dave Chomiak (Kildonan): Madam Speaker, we have already heard this session about the early closures, of the summer shutdown at Health Sciences Centre, the lack of ICU beds, the lack of nurses, a quota on patients requiring heart surgery. Can the Minister of Health explain to me why an individual who contacted the cardiac program last week was told she would have to wait two months for her heart surgery for three reasons: firstly, because there are 70 other people on the list for major heart surgery; secondly, because of the early summer shutdown of surgery at the Health Sciences Centre, earlier than usual; and thirdly, because of the Pan American Games and the need for

operating rooms to utilize for the Pan American Games? Can the minister explain to me how that can happen?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, we have discussed this issue here in Question Period and in our Estimates in some detail, and the issue of a summer schedule is nothing new in Manitoba. It has been in place for many decades in the province of Manitoba, under previous governments included. The good news, when it comes to cardiac surgery, is that we are now up over a thousand procedures in Manitoba. We have our shortest waiting list in many, many years. If somebody requires it on an emergent basis, it is done within 48 hours.

The last issue the member raises, relating this in any way to the Pan Am Games, a member or two of the media were inquiring about that this morning, and I can assure the members opposite there is no relation whatsoever to the Pan Am Games. I am not sure why that information may have been provided to this one individual, but on the overall health care system, there is an expectation that there will be no adverse impact on any of our procedures and any of our services.

*(1350)

Mr. Chomiak: Madam Speaker, can the Minister of Health, whose government told us there was no waiting list in Manitoba for the past 11 years, please explain to me why this patient was advised by the cardiac program that one of the reasons she had to wait two months for her heart surgery, while awaiting surgery for something else I might add, is because of 70 other people on the waiting list, the summer shutdown and the Pan American Games? That is what is being told to the public before the government—

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

Mr. Stefanson: Madam Speaker, again all the member did was repeat the exact same question he has just asked. We have discussed this issue in quite a bit of detail during our Estimates process. He is well aware there is nothing new with a summer schedule in Manitoba, whether it

is in our health care system or in other areas of our services. He is also well aware that we are doing significantly more cardiac surgeries than ever before in the history of Manitoba. Last year alone at Health Sciences Centre, a 50 percent increase in the number of cardiac surgeries in the province of Manitoba. We are now up over a thousand individuals annually having that service provided. So again, through the additional resources that we have dedicated year in and year out in budgets, we are able to significantly expand that very important service for Manitobans that need it.

I just indicated to him very clearly that there is no relationship back to the Pan Am Games, and I am wondering what his objective is here, whether or not members opposite really do support the Pan Am Games or not. I have indicated to him there is no relationship. Whatever caused the providing of that information, I am told that there is no adverse impact on the health care system at all from the Pan Am Games and that it is not impacting this issue here as well.

Mr. Chomiak: Madam Speaker, can the government, who try to spit out accusations on everyone to move themselves away from the real issues over and over again in this Legislature—can the minister explain why this individual who phoned the program was told by the program three reasons she had to wait two months for heart surgery: Seventy people on the waiting list, which we have the longest in the country; No. 2, the summer shutdown which we should not have except for this government's incompetency; and thirdly, because of the Pan American Games? Perhaps he can explain to the people who are waiting out there what the government's reasons are.

Mr. Stefanson: I repeat for the member opposite again, because obviously he is having difficulty hearing today. There is nothing new with summer scheduling in the province of Manitoba. It has gone on in this province for decades under previous governments that some members opposite have been a part of. So, again, there is nothing new there. We have significantly expanded our cardiac surgery in the province of Manitoba. We are now up over a thousand annually in this province. Health

Sciences Centre alone had an increase of about 50 percent last year, going up to 600 surgeries in the province of Manitoba. So, again, we have dedicated significant resources to address this issue.

The one issue that there is a requirement for that we have acknowledged is in our intensive care unit we do need more nurses, and this fall, in October, we have a graduating class that will provide up to 15 more intensive care unit nurses in the province of Manitoba, one of the many steps being taken to address that very important issue. But I remind the member opposite that there is no relationship to this issue and the Pan American Games.

Government Spending Health Care Advertisements

Mr. Steve Ashton (Thompson): Madam Speaker, Manitobans have recently been playing spot the difference, in this case trying to spot the difference between the government ads and the PC Party ads that they are seeing increasingly on their televisions. Now they have the same political message; the only difference is that the government ads use civil servants, government departments and, worst of all, public money to put out the PC Party message. I just want to ask when the Minister of Health is going to get the message from Manitobans, the message being that they do not want \$175,000 more spent on advertising; they want it spent on our health care system.

Hon. Eric Stefanson (Minister of Health): Madam Speaker, again I am wondering when the member for Thompson is going to understand that Manitobans want information on a number of issues, and they want information on their health care system. I encourage him to talk to his seat colleague, the member for Kildonan (Mr. Chomiak), who agrees with that fundamental point that Manitobans want information on their health care system. This information provides additional information on two very important issues that we know are uppermost in the minds of Manitobans: the issue of waiting lists and the issue of hospital overcrowding.

Again, as members opposite know, there has been significant improvement in the very

important issue of waiting lists. We are seeing reductions right across the board, whether it is diagnostic and/or surgery. We also know that a number of steps are being taken to alleviate the pressures on hospitals. That is why we are creating and putting in place 850 additional new personal care home beds in Manitoba and taking a number of additional steps. Manitobans want information on their health care system, and it is incumbent on government to provide that information.

* (1355)

Mr. Ashton: Madam Speaker, does the minister honestly believe anybody in this province accepts that answer? Does he not understand that people want money spent on health care, not health care propaganda ads for the Conservative Party?

Mr. Stefanson: Madam Speaker, I do not know what the member for Thompson is so worried or afraid of in terms of Manitobans getting information on the very important health care system. It is the No. 1 spending priority of this budget; it is the No. 1 priority in the minds of Manitobans. We spend 35.5 percent of all the money we spend on behalf of Manitobans on health care. We spend \$2.1 billion every year on health care in Manitoba. We spend \$5.8 million each and every day on health care in Manitoba. Manitobans want to know what is happening to their health care system. We believe it is important for government to provide them the information.

Mr. Ashton: I am wondering, Madam Speaker, if the minister will actually admit that the only people in this province who are afraid of anything are the Conservative Party. What they are doing is now spending \$175,000 more of the people's money as part of their political propaganda re-election campaign.

Mr. Stefanson: Madam Speaker, once again I encourage the member for Thompson to talk to his seatmate, the member for Kildonan (Mr. Chomiak), who agrees the public wants information on their health care system. Any time I am in contact with Manitobans, they tell me that they want more information. Any surveys that have been done indicate people

want more information on their health care system. So we believe it is important to provide information to Manitobans, whether it is their health care system or whether it is another area of services being provided by government. Obviously, the member for Thompson (Mr. Ashton) and his colleagues have difficulty with that issue. They have difficulty in sharing information, providing information to Manitobans. I am not sure why they do, but I encourage them to listen to Manitobans, and I encourage the member for Thompson to listen to his colleague the member for Kildonan.

Maclean's Health Care Survey Manitoba's Rating

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Minister of Health. According to the Maclean's health care survey, Winnipeg ranks ninth out of 16 Canadian cities. Of particular concern are the low efficiency ratings that Winnipeg health care system receives. In terms of early discharge, Winnipeg is ranked 12th. Can the minister indicate if he is happy with a 12th place among Canadian cities, and if not, indicate what position he feels the Maclean's survey should have given Winnipeg?

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, the member is right that in that survey done by Maclean's; it was done with research provided by the Canadian Institute for Health Information, the organization chaired by Mr. Michael Decter. But, as the member indicated, Winnipeg ended up in the middle of all of the cities. I believe there were 17 or 18 cities surveyed. The gap between the highest and the lowest was not that wide of a range.

The member raises an interesting point because at times the system gets criticized for discharging people too quickly, and yet the point that the member for Inkster is highlighting here is that, stacked against other Canadian cities, we are at the lower end of the scale in terms of the discharge policies. On an overall basis, I think it was not an unreasonable rating for the city of Winnipeg and the province of Manitoba. I do acknowledge that survey is now two years old, and I would suggest to members opposite, with the number of steps that we have taken in this

province, along with the additional resources in this budget alone, \$194 million more supported by members opposite, by the way, I believe that you will continue to see the city of Winnipeg, province of Manitoba improve in that national ranking, Madam Speaker.

* (1400)

Mr. Lamoureux: That is a very good point to send the ads to Maclean's or the Maclean's ads—

Madam Speaker: Order, please.

Mr. Lamoureux: Madam Speaker, my question to the Minister of Health is: will he acknowledge that, out of 13 categories, the very best Winnipeg could do was a fifth place showing, out of the 13 categories? No other city is as bad as that particular issue. My question for the minister is: does he give any credibility to that aspect of the survey?

Mr. Stefanson: Not at all, Madam Speaker, because again I think you have to look at your system on an overall basis. That is what is most important to do in terms of all of the services that you are providing. On an overall basis, right now, on a 1997 survey, the city of Winnipeg was in the middle of the pack. I would suggest, based on data I have seen recently, that Winnipeg and Manitoba will continue to move up on that scale. When it comes to very important services like numbers of physicians per capita, we are above the Canadian average. When it comes to numbers of specialists per capita, we are above the Canadian average. When it comes to numbers of nurses per capita, we are above the Canadian average. In many of the areas that are important in terms of providing the human resource services to all Manitobans, Manitoba stacks up very well compared to the Canadian average. I think you have to look at the system on its overall basis and not pick and choose one area or one individual item.

Mr. Lamoureux: Madam Speaker, can the minister then indicate what specific measures he is taking to raise the level of health care in Manitoba, specifically in terms of hip replacements, when Manitoba, according to Maclean's, ranks 13th out of 16th back then?

Mr. Stefanson: Well, that is a very good question, Madam Speaker, because I believe,

with the additional money that is in this budget, the additional \$194 million, supported by most members opposite, it includes additional money for hip and knee replacement surgery in the province of Manitoba. I think the target for this year is an additional 600 to 700 hip and knee surgery procedures in the province. That is why I said to the member opposite: I think this is a worthwhile undertaking in Maclean's magazine. I believe that you will continue to see Winnipeg and the province of Manitoba move up on that listing. In fact, I think if that listing were done in 1999, you would see Winnipeg significantly higher on that listing.

Simplot Plant Explosions Workplace Safety and Health Report

Mr. Leonard Evans (Brandon East): Madam Speaker, I have a question for the Minister of Labour. Last September, at the Simplot ammonia plant in Brandon, there was an explosion that sent flames 30 feet into the air, and then two months later there was another explosion with fireballs lighting the night sky from a relief valve. It could be seen as far away as Souris. Now last week another explosion occurred, and this is where sulphur is removed from ammonia. All of these occurred in the new or expanded portion of the plant.

So my question to the minister is whether he has received a report yet from his Workplace Safety and Health officials on what is a serious explosion, and would that report be made available to the public. If he has not received the report, could he indicate when he will be receiving that report?

Hon. Mike Radcliffe (Minister of Labour): Madam Speaker, I do not have that report in my possession at this point in time. Workplace Safety and Health officials are investigating the matter right now. I thank my honourable colleague for the question because it is a serious incident. We take it very seriously, and when I do get the results of the inquiry, I am quite happy sharing the results with my honourable colleague.

Independent Review

Mr. Leonard Evans (Brandon East): I thank the minister for the answer. I would ask a

supplementary. Would the minister be prepared to—and this is no reflection on the staff in his department, but there is a certain limitation on expertise—appoint a team of chemical engineers, who are knowledgeable about the operation of ammonia plants, a very specialized field, to ascertain the level of risk that exists and whether an adequate risk management program exists?

Hon. Mike Radcliffe (Minister of Labour): I would suggest, Madam Speaker, that my honourable colleague opposite is being a little bit anticipatory at this point in time. He certainly brings forward some good points, but I think the first step is to receive the initial report from the Workplace Safety and Health individuals. There may be a very simple solution to this, and I do not want to anticipate what the results of the inquiry will be. If the cause of the explosion is something more complex, more detailed, and the department people do not have the necessary expertise at hand, I am sure that they have the resources that they can obtain the expertise they need.

Mr. L. Evans: Will the minister acknowledge that these explosions have caused a great deal of concern and anxiety not only among the workers, which is a fact, but also among the residents, especially those close to the plant in the east end, that the whole question of safety procedures should be examined and that we need an independent review by a team of experts who know something about ammonia plants? There is lots of material in the United States. There is an annual conference on ammonia plants. There are upgrading regulations that are now taking place in the United States. Those should be looked at. We need a team of—

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

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Radcliffe: Madam Speaker, I want to tell this Chamber and all my honourable colleagues here that I have already had a conversation with the honourable member for Brandon West (Mr. McCrae), who shared with me the concerns of his community with regard to these three

explosions. So I certainly acknowledge the point that my honourable colleague makes on this issue, and I want to assure my honourable colleague that the inspection officers in Workplace Safety and Health have access to a lot of the learning and expertise, the written material that my honourable colleague makes reference to, and certainly will avail themselves of the cutting-edge learning on this particular topic. We are quite happy sharing this with my honourable colleague when the report comes in.

Youth Crime Rate Government Action

Mr. Gord Mackintosh (St. Johns): Madam Speaker, to the Minister of Justice. Over the last 10 years or so, as we became the most violent province in Canada and the gang capital of Canada, the robbery capital of Canada, the auto theft capital of Canada, the highest increase in violent youth crime, where was the Filmon government?

My question to the minister is: could the minister now admit that it was dormant, waiting for an election?

Hon. Vic Toews (Minister of Justice and Attorney General): Well, Madam Speaker, that is not in fact the case, and the member knows that that is not correct. Indeed, many of the policies that we have implemented have made a significant difference in the issue of crime, and we will continue on in that direction.

I am not quite as confident as the Free Press, for example, is in saying that this is an issue that is under control. I think it is an issue that we need to address on a constant basis. We need to commit resources, and we need to commit attention to it. New ideas, new legislation is always important in this ongoing issue.

Mr. Mackintosh: Would the minister, who has just alluded to some more of his pre-election confessions, admit that this is the government that has worsened the conditions that have bred this record crime, gave a free ride to gang members by excessive bail, plea bargaining and backlogs, never so much as mentioned gangs in any of its budget speech, Madam Speaker? I ask this question: would the minister admit that this

government is trying to make political mileage from a problem it helped create?

Mr. Toews: No, Madam Speaker, I disagree. I believe that our policies have been consistent and that our policies are making a positive difference. I think there is a big difference between our government and members opposite, members opposite who supported the early parole of a known gang leader and drug dealer. Those are their policies. Those are not our policies.

* (1410)

Mr. Mackintosh: Would this minister, Madam Speaker, who oversaw the rise in criminal street gangs in this province, and who just a few months ago eliminated or slashed a further 16 compensation benefits to the victims of crime while announcing a phoney victims' bill of rights and victims' impact statement, now admit that this government has not been tough on crime; it has been tough just on the victims of crime?

Mr. Toews: Madam Speaker, it is common knowledge that it is our Victims' Rights Act that has the only effective victims enforcement mechanism in place. In fact, in terms of putting money towards victims' plans, I can compare that favourably to Saskatchewan. Here in Manitoba, it is \$2.6 million; in Saskatchewan it is \$300,000. We put the money where the need is.

Island Lake/Garden Hill Nursing Stations Staff Shortages

Mr. Eric Robinson (Rupert's Land): Madam Speaker, my questions are also for the Minister of Health.

Several times we have raised the issue about nurse shortages in the Island Lake communities, and I have correspondence that was directed to me by the federal Minister of Health. In that letter, he says the Medical Services Branch of Health Canada has developed several strategies to meet the future staffing needs for nurses, and in the interim I am advised that the situation in Garden Hill has improved. The situation is that the nursing station is closed in Garden Hill.

I would like to ask the Minister of Health what discussions he has had with his federal counterpart regarding the dire shortage needs in Garden Hill and the Island Lake communities.

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, members of the Department of Health have met with federal government medical health services. I am told that as of today Garden Hill nursing station is not closed, but it is funded for eight nurses and I believe presently has five nurses. As the member acknowledged, it is a federal nursing station, and it does have, I believe, usually two physicians on site.

But this is a serious issue in some of our northern First Nations communities. We have been dealing at a senior staff level in terms of helping and trying to address this issue. We have indicated a number of things that we are prepared to do. Our \$7-million nurse recruitment fund is certainly available to assist in this very important area. I acknowledged that in questions from the member for The Pas (Mr. Lathlin). But I intend to be pursuing this as well with my federal counterparts.

Mr. Robinson: In fact, the nursing station is closed—for emergencies only. I would like to ask the minister what plans he has put forward to develop a regional health strategy to deal with this situation in Garden Hill and also the Island Lake communities.

Mr. Stefanson: Well, again, Madam Speaker, we have a situation where there are split jurisdictions. As the member knows, the responsibility lies with the federal government for these services. But we also have an overall responsibility for the health of Manitobans, so we have been working at a senior staff level, have been providing support to be pursuing the recruitment of nurses for the nursing stations. I have indicated that we are certainly making various instruments available across the province, but they are just as available and equally as important on our First Nations, our nurse recruitment fund of \$7 million. So we are doing a number of things that we can be a part of addressing this shortage in our northern communities.

Mr. Robinson: Madam Speaker, the people in the Island Lake area and Garden Hill not only regard themselves as Indian people but also Manitobans, and every week hundreds of them have to be flown out of the community for medical reasons. I would like to ask the minister now whether or not he will admit that there has to be something done to deal with the health problems of these fellow Manitobans.

Mr. Stefanson: Well, Madam Speaker, I have acknowledged and I acknowledged in my previous answer that I recognize that the overall health of Manitobans is a provincial responsibility. In this particular case, there are areas of federal jurisdiction. We had a lengthy discussion during the Estimates process, questions from the member for The Pas (Mr. Lathlin). We are starting to move forward on a project-by-project basis. I think if we continue to wait for the overall jurisdictional issues to be sorted out, unfortunately that might take some time, but I think we do have the capacity to move forward on individual projects and needs on our First Nations communities. This is certainly one of the highest needs, to be sure that the nursing stations are staffed to the appropriate level. We are prepared to be part of this solution, but it does take the co-operation of all parties, and I expect that that will be the case. So I think we can make some progress, and we are certainly committed to improve the situation.

Madam Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Madam Speaker: I have a ruling for the House.

On May 31, 1999, I took under advisement a point of order raised by the honourable member for Kildonan (Mr. Chomiak) respecting words used by the honourable Minister of Health (Mr. Stefanson). The point of order was that the minister had imputed unworthy motives. Hansard shows that the minister said: "it is typical desperation on their part to completely exaggerate, overstate, not come here with facts or whatever" and "to come to this House and try to scare people." The comments did cause disorder, and I would caution the minister when answering questions not to provoke debate. Strictly speaking, however, he did not impute

unworthy motives to the honourable member for Kildonan.

I would also like to remind members of the provisions of Beauchesne Citation 468: in speaking to a point of order, the intervention must be confined to the point of order and must not refer to the general tenor of the debate. Members providing advice to the Chair as to whether a rule or practice of this House has been breached are to address the procedural point and not the issue under questioning or debate.

MEMBERS' STATEMENTS

Order of Sport Excellence Portage Collegiate Institute

Mr. David Faurschou (Portage la Prairie): Madam Speaker, this past Friday I had the pleasure of presenting Portage Collegiate Institute's senior boys track and field team with Manitoba's Order of Sport Excellence Awards. On behalf of the Premier (Mr. Filmon) and on behalf as well of the Minister of Sport, the Honourable Eric Stefanson, this award was presented. The award is in recognition of their success at the Provincial Rural Track and Field Championships which was held in Winkler.

The Order of Sport Excellence consists of certificates and medallions for athletes and coaches who have excelled in their sport. Collectively, through the hard work, effort and commitment of the players and coaches, they were able to win the rural provincial championship.

* (1420)

These fine young gentlemen have displayed the qualities of sportsmanship, skill, dedication and championship spirit. I would like to take a moment to recognize each member of the team: Gavin Clements, Aaron Szumilak, Wes Hunter, Jason Bond, Dale Fust, David Greenfield, Jason Giercke and Chris Schwartz, along with their coaches, Mark Diboll, Ruth Link, Steve Lewis, Mark Sokolowski and Jay Mellen. I would like to take the opportunity to congratulate them on their accomplishments, as well, the students and staff who supported the team through the year. I am certain that it was their enthusiasm and support that was greatly appreciated by the team.

Finally, I would like to make mention, on behalf of myself, a former alumni and track and field member of the Portage Collegiate Institute, how very proud I am of their accomplishments. Their hard work and dedication has indeed paid off, and we are delighted to cheer you on and wish you well in your future success. Thank you, Madam Speaker.

Garden Hill Nursing Shortage

Mr. Eric Robinson (Rupertsland): The shortage of nurses at Garden Hill has been a major concern for some time. In January of this year, we held a press conference with the chief of Garden Hill, David Harper, hoping to get the federal Minister of Health to take the issue seriously. Regrettably this effort was unsuccessful. Months later, he wrote back saying that the situation at Garden Hill had improved.

In fact, the situation has not improved, and again this month the nursing station has been temporarily closed due to an acute shortage of staff. Our support goes to the remaining nurses who have worked under incredible strain. The health crisis at the community is very serious with a diabetes rate of nearly 15 percent of the 3,300 residents, sorely in need of a functioning nursing station.

Garden Hill is probably one of the largest communities in the country that is still lacking water and sewage. The dusty roads contribute to the health concerns as does the extremely high cost of living. That neither the federal or provincial governments are willing to take community concerns seriously is a source of frustration for the chief and council along with the citizens of Garden Hill. Thank you, Madam Speaker.

Community Protection Act

Mrs. Myrna Driedger (Charleswood): The Filmon government is committed to helping Manitobans take back their streets. One of the ways we are doing this is through measures such as the recently proposed—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

An Honourable Member: When was the last time you were in the core?

Mrs. Driedger: Quite often actually, Becky.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mrs. Driedger: One of the ways we are doing this is through measures such as the recently proposed community protection act. This act will help citizens reclaim their neighbourhoods by allowing for the padlocking of booze cans, brothels, shooting galleries and drug dens. Concurrent amendments to The Liquor Control Act will also strengthen enforcement measures and allow for the cancellation or suspension of liquor licences where illegal activities continuously occur on licensed premises.

The legislation which is currently being drafted will allow authorities to close down buildings either partially or entirely that are habitually being used as bases for drug dealing, activities related to prostitution or other types of disorderly conduct, evict people who use rental units as bases for habitual serious criminal activity, cancel or suspend liquor licences of establishments where it can be shown that drugs are habitually used or sold or where stolen property is traded or activities related to prostitution are routinely permitted to take place.

Our government believes people should not have to live in fear. We stand beside Manitobans as they clean up their neighbourhoods. This legislation is an important component of the Take Back the Streets Initiative announced in the recent Speech from the Throne. Our government has stressed the need for community involvement, ownership and solutions to crime and social problems. Moreover, a community protection act is consistent with recent government policies and initiatives that promote the ability of communities to identify local problems and lead or participate in solutions for safer communities. Our tough stand on crime will continue. Thank you, Madam Speaker.

Poverty/Crime Reduction

Mr. George Hickes (Point Douglas): Concerns about crime in parts of the north end of

Winnipeg have risen every year over the past decade. Sadly, the Filmon government and the Conservative Party only notice it briefly every four years. In the 1995 provincial election the Filmon team candidates held a series of press conferences announcing action on justice issues, few of which were remembered by the government once the election was over, which they are doing all over again. This must be election year, Madam Speaker. Now, as part of the 1999 election, the Filmon team and their advertising agency are making another series of announcements and television ads saying they care and understand that there is a problem. This cynical grandstanding by the government fools no one.

One resident on Pritchard Avenue told the media that she is sick of all this empty talk by Gary Filmon. She deals with real issues every day as she and neighbours try to take back the streets from prostitutes and their clients. At the same time, working with residents, the Winnipeg police raided a Pritchard Avenue house last week, confiscating boxes of needles, kicked several people out and boarded up the drug den, forcing the landlord to clean up his act, all without any photo opportunity by the Premier (Mr. Filmon) or his political ads.

Under Gary Filmon, the poverty rate has risen in parts of the north end such as Point Douglas to over 50 percent. Ignoring the causes of crime for 11 years and then holding press conferences does not solve crime. The Filmon government is just using problems of the north end for election ads and should get out, work and hear from the people of the constituencies such as Point Douglas who, with a little assistance, we will help to clean up the streets which belong to the residents, not the drug dealers and not the gang members.

Auxiliary Constable Program

Mr. Ben Sveinson (La Verendrye): Madam Speaker, I would like to speak about the recent expansion of the Auxiliary Constable Program and the benefits it will provide for rural constituencies such as mine, La Verendrye.

Our government will provide \$500,000 to expand the Auxiliary Constable Program to 390

positions in an effort to allow fully trained officers to better serve and protect Manitobans. The Auxiliary Constable Program is a volunteer policing initiative that currently has 140 positions in rural Manitoba with the RCMP, the province's police force. This initiative is intended to enhance community policing by training volunteers who provide assistance to the police during the performance of their duties. The announcement will provide for 100 new positions with the RCMP, and communities mandated to provide their own policing, such as Ste. Anne, will have access to 150 positions.

The program is important because these auxiliary constables can provide added assistance to the local officers in areas such as community policing. I know this will prove beneficial to Ste. Anne residents. The Auxiliary Constable Program can assist police in preventing crimes such as residential and business burglaries, graffiti, car thefts and vandalism. They can also assist with school safety, traffic duties, and assist officers during other routine and emergency situations.

Our government has taken a tough approach to fighting crime, and we are pleased to support local police services. The Filmon government is working hard to assist crime, and this improvement to regional services reflects that commitment. Thank you.

* (1430)

ORDERS OF THE DAY

House Business

Hon. Darren Praznik (Government House Leader): Madam Speaker, first of all, I would ask if you would canvass the House to see if there is leave to waive private members' hour. The understanding is we will be coming on Thursday.

Madam Speaker: Is there unanimous consent of the House to waive private members' hour for today, with the understanding we will deal with private members' hour Thursday morning? [agreed]

Mr. Praznik: In juggling a number of issues for the Estimates period, particularly the Premier (Mr. Filmon) attending the western governors'

meeting, for today, Madam Speaker, the opposition House leader (Mr. Ashton) and I have agreed that, with the will of the Chamber, Sport will be considered in the Chamber today. In Room 254, the Estimates of the Civil Service Commission will continue, and I look to the opposition House leader. I understand that Family Services would be the next should Civil Service finish, and, of course, leave would be sought for that. The Estimates of Consumer and Corporate Affairs will be considered in Room 255. So I would seek the leave of the House to make those necessary changes.

Madam Speaker: Is there unanimous consent of the House regarding the Estimates sequence for today, firstly, to consider Sport in the Chamber; secondly, to consider Family Services in Room 254 after the Civil Service Commission Estimates have been completed, and to deal with the Estimates of Consumer and Corporate Affairs in Room 255? [agreed]

Mr. Praznik: Madam Speaker, I also understand that the committee which was considering the reports of the Department of Labour, the Workers Compensation Board, also requires another sitting, and it would be my intention—although I will not make the formal announcement today. I have had discussions with the opposition House leader (Mr. Ashton), and it will be my intention to be calling that committee for a week Tuesday. That announcement will be made later in the week, but I wanted to try to give members who serve on Public Utilities and Natural Resources as much notice as possible.

Madam Speaker, I would then move, seconded by the honourable Minister of Finance (Mr. Gilleshammer), that Madam Speaker do now leave the Chair and that this House resolve itself into a committee to consider of the Supply to be granted to Her Most Gracious Majesty.

Motion agreed to.

COMMITTEE OF SUPPLY (Concurrent Sections)

CIVIL SERVICE COMMISSION

Mr. Chairperson (Gerry McAlpine): Order, please. Will the Committee of Supply please

come to order. This afternoon this section of the Committee of Supply will resume consideration of the Estimates of the Civil Service Commission. When the committee last sat, it had been considering item 17.1. Civil Service Commission (a) Executive Office (1) Salaries and Employee Benefits, on page 32 of the Estimates book.

*(1440)

Ms. Becky Barrett (Wellington): The minister was discussing the concern that I had raised about the Speech from the Throne paragraph talking about the reduction in the size of government over the next five years by 10 percent through I believe the minister was talking about vacancy management and increasing the training and increasing skill levels of employees, both current and new employees. I do have some issues to continue in that line of questioning.

The minister spoke about how the function, the vacancy management was going to be undertaken through two methods. One was the Estimates process and then—well, I guess it is one—the Estimates process as done by the individual departments and then as carried through and improved and put into structure through the Treasury Board process. This would be a yearly process that is undertaken.

Now, my concern is that that is what happens currently. There is currently the Estimates process that is undertaken every year, and then it goes into Treasury Board. It goes through the whole process and comes out as first the Speech from the Throne, then the budget and then the Estimates. We are talking here about a five-year plan that has as its goal, according to the Speech from the Throne, the reduction of approximately 1,400 positions. This is after a reduction of 3,500 positions over the last 10 years according to the minister's own comments last week.

So we are not at the beginning of a civil service reduction process. We are well through or into a reduction in the civil service. I think that there is a minimum below which it is impossible to function as a civil service or as any organization, below which you just cannot function effectively. I am not saying that I know

that 12,600 is that limit or anything close to that limit. I do not pretend to know what the actual lowest number is.

But the concern that I have is not so much with the number, although I am concerned about that. I really do think that that has some potential for being very troublesome. But I do not see anything either in the Speech from the Throne or in the minister's first answer—now, granted he only had one answer last week, but I would like the minister to address the issue of the plan.

I am not comfortable with the plan being simply a continuation of the Estimates process, because that does not guarantee that there will be at the end of five years a reduction of 10 percent or even anywhere close to that. I think it is incumbent upon the government as a whole to, if you are going to look at something like this—and you put it in the Speech from the Throne, so I am assuming that it is a real goal of the government to do—that you need to have more than just the annual Estimates process that is begun by each department, that when you get to the Treasury Board or the putting together of everything, you really have to have something more, I think, than that.

One of the other issues is, people do not, maybe they do, and this is a specific question that maybe the minister can get information for me on. Is there information on how many people within the next five years will be eligible for early retirement, which I am assuming would mean those from the ages of 45 or 50 on? I do not know how you determine retirement, if it is age or age plus years of service or whatever, but if the government is making the statement in the Speech from the Throne that they have a goal of 10 percent reduction over the next five years through attrition only, without layoffs, then the government should have based that statement on an understanding of what the pool of potential retirees looks like right now, where they come from, which departments are they, which jobs do they currently hold, and is there a plan in place for training, either training replacements for those positions, or changing the definition of those positions.

So I guess I have a general comment and then I have some specific questions.

Mr. Mike Radcliffe (Minister charged with the administration of The Civil Service Act): Mr. Chairman, some of the more specific and direct questions I think that my honourable friend has raised I would like to address first.

First of all, I guess, one of the more straightforward ones is that over the next five years 25 percent of the civil service workforce will be eligible, and I think the word "eligible" is a key term for retirement. That means that they will be 55, they will reach the threshold of 55 years of age. Whether those individuals opt to retire or not to retire is, of course, their particular choice. I have heard it said that that is really too young to retire. I could concur with that, being that I am now 54 years of age and I am looking forward to another five years of employment and will be asking the good people of River Heights to endorse that suggestion.

One of the other points, I guess, as a general background which I think is relevant, as well, is that my honourable colleague said that the workforce was reduced by about 3,500 people, which is true, and I am only dealing in boxcar figures at this point, but approximately a thousand of those people were health care, Department of Health people who migrated out to the WHA or the RHA system. So that, in fact, they are not longer technically in the civil service, but, in fact, they are still involved in public service.

* (1450)

The other key point I would like to emphasize, which I think is very important, is that of the 3,500 people by which the public service was reduced, less than 200 were actually laid off, which I think is a very significant figure. That should give some reassurance to everybody who is in the public service at this point in time. With regard to the role of the department, I think this is one thing that bears some emphasis as well. The department, in this case, is involved with the individuals who will be laid off or could be laid off or who would be laid off, I guess would be the right verb, and not otherwise. So if somebody needs retraining, if somebody needs another opportunity, if somebody needs counselling or resume writing or all the different attributes of finding a new job, the

whole handling of the communication issue is something that the civil service department would be involved with.

The actual management of the overall reduction of government is, in fact, probably more properly an issue that would emanate from the Department of Finance. One of the things that I guess I would want to share with my honourable colleague, as well, which she may or may not be aware of, is that the different departments of our government are divided for budget purposes into different sectors. These are groupings of departments, and often what will happen is that one of the big-spending departments, i.e., Justice, Health, Family Services, will be combined with a number of smaller departments, and different goals will be set.

The deputy ministers meet through the winter months, and they review their line Estimates to see where there can be possible savings and reductions in government. Every year, we have set targets which have for the most part been met by the members of the bureaucracy, and the goals that have been set, having in mind the essential targets that the government has to face every year—and as my honourable colleague knows, we have an ongoing and ever-increasing demand for funds from Health, from Education, from Family Services, from the whole social services side of government, and the other parts of government, regulatory or other services, often have potential for efficiencies in them. So each department has a challenge put to them every year of finding further efficiencies.

I acknowledge, and I think my honourable colleague is quite correct, that at this point in time many of the departments are pared down to the bone with a view of giving service, of rendering service to the public of Manitoba in the fashion in which they do it now. However, I think everybody would agree, and my honourable colleague would be no exception, that with the advance of technology and with the rethinking of how government performs, that efficiencies will be produced.

Now, one of the roles or functions of the Civil Service Commission is to manage and supply an internship program, and I believe that

my opening remarks did touch on that as well. The Management Internship Program is a government initiative, and what this is is an external recruitment at the master's level. These are drawn from the master's of public administration and other master's level programs, and the current target for 1999 is to have five such individuals.

Then we have a number of aboriginal projects, Aboriginal Management Development programs, and the target for '99 in this particular case is—I am told that there are 22 individuals from the Management Internship Program right now. This is the external recruitment from the master's levels of public administration. That was six in '96, five in '97, six in '98 and five in '99, for a total of 22 individuals.

The Aboriginal Management Development Project is recruiting internally, internal development, and targeted at training and upgrading people of aboriginal background. In 1998, there were nine such individuals identified and who entered the program, and in '99 there are eight for a total of 17.

Then, in addition to that, the Aboriginal Public Administration Program, which is, again, an external recruitment of aboriginal people with an emphasis on youth, is focusing on recruiting six individuals. So that touches on the remarks I made in my opening remarks that there were six individuals. So that would be a total of 45 people, and that speaks to the training complement, the training side of government.

So this touches on the role of what the Civil Service Commission directs itself to. My honourable colleague I know is looking to me for some specificity as to how government is going to achieve reductions. At this point all I can do is speak to the impact, speak in broad generalities and speak to the existing structures.

The remarks in the throne speech are an overall, broad goal. That goal is reviewed and discussed every year. All of the broad goals of government are reviewed prior to the Estimates being presented by government or prepared by government through the Treasury Board process. I know that what my honourable colleague is looking for is to say, well, there are going to be

five meat inspectors that are going to be eliminated or there are going to be six teachers. We cannot do that because that is not the case.

So my honourable colleague is saying, no, that is not the case. All we can do right now is say that as people identify what their intentions are and as they step forward and say: we are going to avail ourselves of this opportunity for maturing and moving off and accessing our pensions, then government will say: all right, we will react in a positive fashion and a proactive fashion and as the technology improves and increases, as the different programs, for example, SAP, which is a program that has just been introduced right now, government will be able to streamline its operations and then take the people who were involved in, say, for example, the whole process of writing cheques and recording expenses and revenue, et cetera, and retrain them for different functions, that is the process that will be ongoing as we move through the next five years.

* (1500)

Ms. Barrett: The minister spoke about the aboriginal training. I have some questions on those specific programs when we get to the human resources line. Frankly, the minister did not say anything new in his latest answer, but he did say that as people identify that they want to retire, the government will react proactively. Now, a specific question: how much lead time do people who are choosing to retire have to give to their various departments in order for them to access the retirement package?

Mr. Radcliffe: Mr. Chairman, under the collective agreement, the minimum time that an employee needs to give for notice is two weeks. It is one pay period. This I think is a norm not just confined to the public service but right across industry. I know when I was operating a small law firm here in town, that that, in fact, was the norm of what a clerk or a secretary or an employee would often say, which is I am obliged to give you two weeks, which is one pay period. However, I am told that by custom, and only by custom, especially when you get into higher levels of management or of administration in the government, usually one month is the custom

that many employees give by way of notice to their employer.

The Department of Labour—I guess this is a little more responsive to my honourable colleague's question—has developed a succession planning model, which has been applied to the Department of Labour. It is now being applied to the Department of Highways. The commission has developed this model for all of government. What this model or plan does is it has to elicit the information from a particular department, but the managers of the department would take the plan and apply it and say, all right, it would identify what are the key positions in that particular department, what are the ages or the demographics of the individuals who are currently filling those positions, and so what is the potential for gaps or holes in providing government service.

Then it goes on to say what is required—it asks the question of administrators—to train existing individuals. It helps to identify who could be promoted from within, what would be required to create new skills, and what sort of plans should be instituted for recruiting outside individuals such as I have touched on with the Management Internship Program and other issues, of course, what is required for recruiting outsiders in order to maintain the skein or the service level that is provided by government.

So this is a model that is being applied right across government at this point in time, and I think this is perhaps more of what my honourable colleague was driving at: is there a succession plan in place? Yes, there is.

Ms. Barrett: Yes, that is more what I was, I think, looking for.

The succession planning model asks managers to identify "key positions." Is there a way to identify what key positions are? I know that you are looking at an enormous range of programs, et cetera, but I guess the concern I still have is that if you can say 20 percent, or 18.7 percent in the case of the Department of Labour, of people will be eligible for retirement by the year 2001. I am assuming that in the Department of Labour, the managers and the key people know where those people are located or

can find that out, and perhaps that is what the succession planning model helps them to do.

But, again, key positions. The question is: do the managers identify everybody, or does a succession planning model focus on key positions?

* (1510)

Mr. Radcliffe: Well, I think my honourable colleague, Mr. Chairman, has touched on really the heart and soul of this program, because the definition of the word "key" is, in fact, the essence of the model or program. What that means is, does the individual who is being considered at any given particular time or a position and the occupant of that position right now possess and exercise scarce qualities that go to the heart and soul or the mission and function of the government? If that person were to leave, would the service be, would government be capable of continuing with the service? So that is the rough idea of what a key position would be. Does that person have scarce qualities, or are these qualities that are generally obtainable?

If an individual is a generalist and there is a ready supply of other individuals with the same skill set, then that elicits, I guess, one sense of review, in other words, where would one recruit other individuals with the ability to answer the phone, to be courteous, to be compassionate, to be a good listener, and to analyze demands and needs as they are coming in the door from members of the public?

Does somebody have, I guess, acute negotiating skills, analytical skills, which are the culmination of 10, 15, 20 years of government service, in order to promote labour peace? Is that something that is unique and, in fact, something that is scarce to the marketplace? If so, how does one train or discover other individuals with similar characteristics?

One of the other functions of this whole model, as well, is an assessment of whether it is still appropriate to be going on offering the same services to the public. For example, I can point to the Fire Commissioner's office, for example. The Fire Commissioner's office received legal advice that, in fact, they were not required and

that it was not appropriate for them to give continual inspections of premises. They could train local individuals at a municipal level to perform this function, but this was not something that either was mandated by the Fire Commissioner's office by their legislation, and, in fact, it gave rise to other legal liability which was not within their service package.

Their whole role in labour has changed. They are now the trainers of the inspectors, not necessarily the inspectors themselves. If they are inspecting, they do it at the behest of private corporations or municipalities and they do it for value. That is an indication of how the whole face of government had changed in that respect with an assessment of what is the appropriate skill, what is the appropriate service, have we done this before, should we continue to do this? Because as one I think acknowledges, the fact that somebody has done something in a particular fashion for 20 years or 30 years is not in itself a reason for continuing it if the circumstances of the workplace today do not demand it. I think that that ongoing measurement and analysis and assessment of the government role in the workplace, in all the regulatory functions and all the services, is ongoing in government, and it is part of this succession planning model.

I have heard discussions even in the realm of education, where the whole role of teaching is being reassessed. Teachers are saying, you know, should they continue with the classic model of one teacher to 18 to 25 children, or should that model change? Are there other ways to convey information? I think that we are all, because government is a living, flexible, changing creature, I think that the planners and the designers in government are continually looking at improving, changing the role of government and changing the way that it does provide service.

Ms. Barrett: Well, a comment, yes, the role of government is to provide changing, flexible services. I think that no one would argue with that. Any civil service that does not respond to the needs of the citizens that they serve today is going to get into trouble. But that is not what the throne speech said. The throne speech said: reduce the size of government without laying off

any government workers. It does say that Manitoba will have a unique opportunity to reorganize how it serves our citizens. Yes, but it also says: and to reduce the size of government without laying off any government workers. Then there is the 10 percent, you are looking for a 10 percent reduction out of the pool of 25 percent.

Flexibility is one thing, but an argument, I believe, could be made that this goal, in a sense, reduces the government's flexibility, reduces the department's flexibility, because if you say to each department in the planning process or in the succession planning model that the goal is overall 5 percent reduction and you, the Department of Labour or Department of Natural Resources or the small departments are going to have to bear more of that reduction because of the way government is, we have to keep the higher percentage of staff in the education, family services, health care, those things, those government departments—and I am using this as a for instance, not necessarily as that was what it would actually show itself to be, but if you are saying that as a goal it is not just flexibility and good service but to reduce the size of government by 10 percent, then your succession planning model is truncated in a sense.

It has no opportunity to say let us try a succession planning model that says we can keep the same 100 staff that we have, we just reconfigure them. It says, umm, we have to look at some reductions, may be more or less, but our goal is a reduction as well as service. So I would suggest that the concept of flexibility is a little less flexible than once you have this paragraph in the throne speech and the succession planning model than it might have been otherwise.

When you spoke about identifying the key positions, that made sense to me, and then in your response, I got unclear again. I can see that this is going to be a pattern. You talked about a person possessing and exercising scarce qualities that go to the mission and function of government, but then I got confused. Maybe the minister was putting in another element, because it is not just the person but the function I believe that you were talking about; that is, can the function be done in a different way as well as

does the person have characteristics? So is it either/or or both end?

* (1520)

Mr. Radcliffe: Well, I apologize if I, in fact, through my discourse confused my honourable colleague. What the succession planning does or the model is aimed at is identifying the key positions which I defined as being a skill set having scarce skills in the employment world, and then distinguishing those from skill sets that are generally obtainable. Then I moved on and said in addition, or I meant to say in addition, the whole succession planning and government business evaluation proposes to evaluate the service and the function that is supplied at this point in time and identify whether, in fact, that service can be provided in another fashion.

For example, do we need nine different or seven different individual kitchens or cafeterias in hospitals, or can this all be done through one food commissary and food delivered to the bedside? I use this only illustratively, and I know it is a contentious issue at this point in time, but I point this out because government has said, you know, for the function of numbers, we can identify a different way of doing things, so there is no sacred ox that ought not to be measured and assessed. Just because we have always done something in one particular fashion does not mean it should not be re-evaluated, reassessed.

Another illustration would be, say, we have one flood forecaster right now that works for government. If this individual should get to the position where he or she reaches retirement age, do we need to employ a flood forecaster full time with full benefits or can we employ a service? Are there individuals who offer this consultation or this advice and this information in the marketplace? There are different ways of arranging the production of service. I would suggest that the evolution we have seen over the past number of years of the whole delivery of health care has moved from an institution-based delivery system to a community-based. People are now staying in their homes longer. People are not in institutions.

The '50s and the '60s, I guess, the style of delivering health care was that we built very

large significant institutions, and we have seen right across the country different provinces who have gone around closing down many, many, many of these institutions as the price of labour got so high that we could not afford to maintain delivering service through those institutions, and that we had to redefine the job roles of individuals and re-identify how we could deliver the same sort of support system to the populace. For example, if you are paying a nurse \$50,000 a year, \$45,000 a year, then you do not want that person doing menial tasks on a ward. You want that person who is highly trained today, highly skilled, doing functions which match their skill set.

Twenty years ago or 30 years ago, a nurse did backrubs. A nurse did counselling. A nurse did a lot of issues at the bedside, which today those individuals do not have the time to do, do not have the strength to do, because those positions have been reduced because the costs of employing those individuals of a high-skill set—and that is not to demean the skill set of the people of 30, 40 years ago, but the wage structure has changed. With collective agreements, those people are now probably far better paid than they were collectively 20, 30 years ago, and so they do have to be used in a far more careful manner.

This is one of the reasons why there has been change in evolution. People are now living in their homes until they reach the stage where they need constant care because they are a danger to themselves or to the public, and then they are put in institutions if that is necessary, if they do not have support systems within their own homes.

Mr. Chairman, 20, 30 years ago, as you well know, you could go in for minor surgery, and you would stay for three or five or six days. You went in and had a baby, and you would stay in the hospital for six or seven days. Now it is 24 hours and you are home. I can only point to these illustrations to point out to my honourable colleague how the face of government has changed, and the face of government will go on changing as we have to meet these different market demands.

Ms. Barrett: As my colleague the member for Transcona (Mr. Reid) stated while the minister

was speaking, he is off on a tangent. Yes, in one way; no, in another. I think his comments have been very illustrative and, dare I say, scary.

I say "scary" or "frightening" or "concern," giving me grave concern, because I think the issues that he raised, which, No. 1, was the centralization of the food delivery service to hospitals, and the other being the change from institutionalization to community-based health care and the comments he made about staffing and nurses and costs, et cetera. I believe, have a direct impact on the whole issue of the succession planning model and how it is implemented.

I think if these examples which are in the public venue—I mean, I have no quarrel with what the minister is saying as to the actual change that has taken place, but if the minister is saying that he believes that the centralization of food production, the way it has been implemented in Winnipeg and the potential implications for its implementation throughout the province, is a good example of succession planning and for reducing the civil service over five years, then I think we really have a major problem. Using the frozen food situation as an example, to us it does not appear, and I think to most people it does not appear, that this was well thought out, that it was thought out completely. Thought out, not thawed out—and I apologize for that. The way it has been implemented has shown enormous weaknesses in the planning or certainly the implementation.

* (1530)

It is way behind in its scheduled implementation into the two largest hospitals in the city. Its cost overruns are phenomenal, and I do not believe we have heard the end of the cost overruns in this particular situation, and yet, at the same time as we have seen terrible problems with this particular initiative, personal care homes are being built without kitchens.

One in my constituency is being built, a personal care home, and I am digressing here for a brief moment, that was over five years late in the actual beginning of construction. It does not have a kitchen, which is predicated on the assumption that the United Shared Services

Corporation was going to be a viable entity and was going to be able to provide high-quality, nutritious food to not only all the hospitals in the city but the personal care homes, and that has proven to be not the case. It has proven from day one not to be the case.

If this is an example of what the minister is saying that the government is going to be doing as a result of this statement, that the goal is to reduce the civil service by 10 percent over the next five years, then that does not give me, nor do I think it will give the people of Manitoba, any degree of comfort. The other thing I would like to say is that, yes, we have changed at least in theory from an institutional to a community-based health care system, but the reality is that we still have far too many people going to tertiary health care systems, going to situations that they need not go to, staying in hospitals far too long because there is not the community-based support actually in the community.

So when the minister is talking about community-based care as another example of how government has implemented civil service reductions, there may be reductions in the civil service, but it is not because there is a heck of a lot more community care because we have not yet had the implementation of the community-based services that we need to take over from the institutional-based care.

Another very brief comment about that that strikes fear into my heart is that one of the reasons the minister gave for changing from institutional to community-based health care was that the price of labour was too high. Well, when I put that together in the context of what we are talking about, which is a goal of a 10 percent reduction in the civil service, I am thinking to myself the minister who is in cabinet, who is responsible for the Department of Labour, who is responsible for the Civil Service Commission is making comments like the price of labour is too high which is one of the reasons we are going from an institutional to a community-based setting. When I put that into the context of a reduction of 10 percent in the civil service, it says to me that it is cost, not service, that is driving this process or has far too high a degree of importance in this process.

I will not go into the issues that the minister talked about, about counselling being an unimportant part of the nursing situation. If you talk to any nurse who is frustrated, tired and burned out, she or he is frustrated, tired and burned out because they cannot do what they used to do which was provide that bedside care that may have included moving a patient, turning a patient over, providing a bedpan, but it also included things like counselling. Nurses who are in palliative care are not able to give—well, not so much the palliative care units, but in regular hospital units are not able to hold dying patients' hands because they have too many patients to deal with. That is the kind of change that this government has undertaken.

If these are the kinds of examples that the minister is using when talking about the succession planning model, then there is a lot of concern that we have on this whole issue.

Mr. Radcliffe: Well, Mr. Chairman, I think that the honourable colleague and I are going to have to agree to disagree on the concept and the issue of the cost of government. I think that my honourable colleague has literally missed the boat if she thinks that we can go on producing government services, creating the network that sustains the services that government has done in the past in the same old fashion without addressing the issue of cost.

I can only say that we can look to the two elections that have just occurred in the past month in the province of Ontario and in the province of New Brunswick. Really, the people of Canada are saying that government has to readdress how it does business, and to go on doing the same old, same old, and just paying out more and more money for the same level of service is just not good enough.

We can only look to the example of British Columbia, and the administration in the Province of British Columbia has literally brought that province to its knees through the policies that it has instituted. British Columbia five years ago, 10 years ago, was the envy of the Confederation, of the whole union in Canada, and the socialist government there has just been outrageous, the way it has handled the cost of doing business with government.

I walk the streets in River Heights, and people at every door say to me with a sense of indignation, a sense of anger, that they are frustrated with the tax level and with the lack of responsibility, the lack of accountability of the people who are imposing taxes on them. Each year they look to rising tax levels. I do not think that the municipality has reduced its taxes in the last number of years in Winnipeg, and people's incomes, unfortunately, are not matching the demands that are being made upon them for taxes.

I do not think any Manitoban says for a moment that they do not want to pay their fair share. They will, and they do, and I think that the spirit of volunteerism in Manitoba indicates the good faith and the good will that our citizens have, but when they look at their tax bill ever increasing, they are sending a message to government which cannot be ignored. Any government that ignores that ignores it at their peril, that we must continue to analyze, to measure and to come up with better ways, more efficient ways to provide the essential services that are required in order to maintain the safety net, to maintain the human services that we do produce. But we cannot persist in carrying on providing them in the same fashion that we have been in the past. There has to be change.

I acknowledge to my honourable colleague that change is painful and nobody likes change. The human animal does not like change, but, in fact, this government has been an instrument of change, and it is going to continue to be an instrument of change. The examples that I illustrated are only one or two small elements of the change that this government has introduced and will continue to introduce in the Province of Manitoba.

The succession planning is another issue of change that we will be introducing, and there will be an ongoing and vigorous assessment of the services and the functions that government provides. I can only look back to, for example, when the steam locomotives were discontinued by the railways. I can remember that it was an integral part of one collective agreement that the position of fireman be maintained in the cabs, long after the need for a fireman had disappeared.

So we have got to look at the same thing here in government on the issues that we have today. If there is machinery that is being inspected that no longer exists or that the quality of installation is such that it does not need independent examination, then is it appropriate to continue having independent examination of boilers that no longer blow up or steam vessels that no longer exist?

* (1540)

These are only illustrations to my honourable colleague that government has to continue to re-evaluate. Is the cost of the individuals going to be the sole and determinative feature? Absolutely not. Is the level and quality of service going to continue? Absolutely. But I think that any government who just blindly says that we are going to maintain a bloated or inflated staffing level, regardless of the service that they provide or the need for the service, just as an end in itself in order to foster employment, really has no future, and I read into my honourable colleague's remarks that that is perhaps the goal or the mission that she is advocating rather than trying to identify the real needs of the people and moving to supply them and furnish them.

Ms. Barrett: The minister will know when he reads Hansard that that is not anything that I said, not for a moment suggesting that we retain a bloated or inflated staffing level. I guess, as I was saying to the minister, he picked several examples in discussing the succession planning model, and those are not examples I would have used, as I stated, to say that that is a positive thing.

The minister talked about an earlier answer, another set of examples of potential changes of things that needed to be looked at, and he used the phrase "regulatory functions." I am wondering if he could give me some examples of some regulatory functions that could be looked at. I assumed in the succession planning model or something are these functions that need to be performed. Could he give me some examples? Examples that do not include regulating coal-run engines when there is not one. I mean, let us get at least into the latter half of the 20th Century if we could.

Mr. Radcliffe: Well, I only used that example to make a point, but I did want to also put on the record, because my honourable colleague had left a description of a reality which I would suggest does not exist at this point in time when she indicated that our health care system does not provide community support system.

I can only direct my honourable colleague's attention to the home care budget that has increased so dramatically over the last number of years. I believe that at this point in time our government is now spending somewhere close to \$125 million, \$130 million a year in providing home care support to individuals who are residing in their homes, who need attendants to offer either domestic support or medical support or, in fact, nursing care support in their homes. So I think that that situation flies in the face of the argument that my honourable friend is making.

With regard to the regulatory regime, I do not think that any specifics have been identified at this point in time that would be appropriate to reduce, but I would say to my honourable colleague that government is always mindful and always watching and always aware of the regulatory fabric that government performs and is trying to synthesize and make more efficient the regulatory pattern.

I can only point, say, for example, to Consumer and Corporate Affairs. For example, when I started practising law and I was articling, one was trained to go to the Land Titles desk and write out a legal description and all the endorsements on a legal title longhand. We had a young man, and I deliberately say "a young man" in those days, who went and got a very large, cumbersome title book, hauled it out, threw it on the counter in front of you, and you then wrote out the title longhand.

Well, today, with electronic communication, we have individuals who are employees, either male or female, in the Land Titles Office who can immediately transmit the entire copy of the title to a legal office, so you do not need a clerk to go down to the Land Titles Office. You are in constant communication 24 hours a day, and it is hoped that in the future Land Titles, Corporations and Vital Statistics and the Companies

Office will merge their functions, so that wherever one might be in the province of Manitoba, one could access the registry and have electronic communication.

So there would be an improvement of service, a change in the way that the regulatory or recording network is provided and would ultimately lead to an efficiency and a change in the personnel.

Ms. Barrett: So the minister, in his answer, was talking about a technical change to a particular regulatory function, but he was not speaking about changing the fact that there needed to be a registry of land titles or people registering. The function itself remains; it is the technical way it is being done that is changing. I have no problem with that, but that was not my question, and perhaps I was not clear.

Or is the minister saying, then, that it is not the specific regulatory functions that are being looked at here but just how they are to be enforced and using new technologies? I certainly got the impression from his earlier comments, and that is why I asked the question, that there may be some regulatory functions that the government is looking at, or might be looking at, to eliminate or to move outside of government, i.e., contract out or privatize. Is that an accurate statement?

Mr. Radcliffe: I think my honourable colleague has really put her finger on the whole concept of government and the change in the evolution of government, that there is not necessarily any reduction in function, but it is the process and the how-to that is being changed so that costs and the cost of labour can be reduced or managed and so that people are best employed to match their skill set and their education.

Ms. Barrett: The minister, in his response to my concerns that were raised about his examples of succession planning, mentioned that he was concerned or wondering if I was advocating the retention of bloated or inflated staffing levels in government, and I am wondering if he can share with me, because I certainly would not be wanting to retain in any way bloated or over-inflated staffing levels, which departments or

elements of departments might now have bloated or inflated staffing levels.

Mr. Radcliffe: Well, I think that my honourable colleague is well aware that with the downsizing of the number of people who are in the civil service in Manitoba, that, in fact, our government has made sure that there is no oversizing or inflated numbers in government. But as I was not involved with government in the days when my honourable colleague's associates were in power, I think I can only direct her to those years and those staffing levels, if she would consider the size of government.

* (1550)

Ms. Barrett: Back perhaps more directly to the succession-planning model, you said that managers in the departments were going to identify key positions and the ages and the potentials for gaps and holes and then move forward from there into what is required to train existing individuals, identification, who should be promoted, et cetera, et cetera.

I am not calling into question the concept, but it seems to me that this is a fairly labour-intensive process if you are really, truly looking at all of the staff for whom you are responsible in order, No. 1, to determine what the key positions are; and, No. 2, particularly who those individuals are who have those scarce qualities. This cannot be done, I would not imagine, just very superficially if it is going to be done well.

Has any thought been given to what that does to the current manager's role? Is the model going to be implemented using the existing managers, and is this just an additional responsibility that they will undertake?

Mr. Radcliffe: I think my honourable colleague has hit upon a very good point, that, in fact, the manager's role in government is a very onerous role and one that they handle very well. A manager, in presenting a business plan, they must look at their physical assets, they must look at their financial assets, and they must look most importantly at their human assets, and they have to assess this on a constant basis.

The commission has designed, in fact, a tool for the managers in government to really effect the management role that is expected of these individuals, and the commission is there to support these managers, as well, as they fulfil this function, so that really the succession planning is not an onerous burden, but it is an enhancement or an additional tool to enable the managers to fulfil their real function.

Ms. Barrett: I am now making an assumption here about the Estimates process. I am assuming it starts from the more hands-on level and moves further up the food chain, if you will.

Let us assume that the managers or someone at somewhat that level is one of the beginning processes for programming and putting forward the Estimates requests. Is there some requirement that they respond to how they have looked at and implemented or filled out, if you will, the succession planning model? Is that going to be a requirement for them to get their programming and planning through the Estimates process? I guess what I am asking is is there going to be an accountability function on the part of the managers or someone to have filled out or fulfilled the succession planning model?

Mr. Radcliffe: The whole issue of succession planning forms an essential ingredient in the business planning which managers must do in the administration of their departments. To date, the production of the programming has not been combined with the succession planning. They have been two independent functions or streams within the management of departments, but it is proposed this year that the whole business planning management tool will be combined with the measurement and analysis of the financial side of the program determination.

How this will be done will be determined by Treasury Board, and I would suggest that my honourable colleague would be well advised to ask Finance how they propose to combine these two management tools.

Ms. Barrett: I will ensure that that question is asked but clarify for me which two management tools. The succession planning model combined with the—

Mr. Radcliffe: With the measurement and ongoing analysis of the program costing and accountability.

Ms. Barrett: So what Finance is looking to do through Treasury Board is to require that managers in the process reflect an amalgamation of program, costing, accountability, and succession planning. Is that an accurate statement?

Mr. Radcliffe: That is correct.

* (1600)

Ms. Barrett: I will ensure that those questions get raised in Finance.

A specific question on this same area, and this goes back to notes that I took when the minister was responding to questions in the Department of Labour. The question is does the Civil Service Commission—well, I know the answer. The Civil Service Commission has information on the percentage of those eligible to retire. Do the departments themselves currently have information on what categories and what levels, or is that something that is going to be part of the function of the succession planning model?

Mr. Radcliffe: Each department does know and has at hand the figures on the demographics of their department. They know the age of the individual employees and they know the years of service. When we said that there was 25 percent that were going to be eligible for retirement, that is on an average across government. Some departments are higher and other departments are lower.

Mrs. Myrna Driedger, Acting Chairperson, in the Chair

Ms. Barrett: Again, in the Labour Estimates the minister said, and this is not verbatim, that he could not promise that the change will be restricted to just retirement.

I am wondering if he can explain that comment in the context of what he said last week in his response to my first question when he said here, and I quote: "The major issue here to consider is that this reduction will not impact

on any active employees, i.e., that means that this statement is not a basis for commencing layoffs in government."

Is there a contradiction in comment here?

Mr. Radcliffe: I do not have the exact context of my remarks, but some of the overall picture I guess of what this issue involves is the normal ebb and flow I guess of the labour force in government, like any other institution, be that for a mortal amortization or for resignation, but also the changes will not occur just because of retirement. There will be changes that will be effected in government from the advent of technology as well. So I think that what one has to do when one is considering either managing the issue of succession planning or experiencing and living through it is that the impact of technology will change how government does business as well. So this will be part of the whole environment, I guess, of the changes.

Ms. Barrett: The minister again in Labour Estimates said, and he said again today, that another prong to this approach will be increasing and changing the skill sets that people in the civil service have. Are there civil service programs in place now, or are there anticipated to be increases in civil service programming that will help this skill set change happen, in addition to the aboriginal programs that have already been identified and which I will ask questions on when we get to that point in the Estimates?

I guess the corollary of that is I do not see a huge increase in civil service staffing, but there is some increase, but most of it, as the minister stated, was in the area dealing with the aboriginal program changes, additional programs for outreach into aboriginal management programs. But is it reflected in this year's Estimates some recognition that there will have to be training undertaken to enhance the skill sets of, I would imagine, a fair number of employees if you are going to implement this program?

Mr. Radcliffe: Madam Chair, I am pleased to submit for my colleague's inspection or perusal a Guide to Training and Consulting. I have a 1998-99 volume produced by the Organization and Staff Development of the Manitoba Civil Service Commission, and what this does is offer

to the line employee in government a whole myriad of different courses. It covers such items as who is eligible, how they register, how they cancel, how they pay for the course, accommodation for people with disability, the length of the course, the location. It covers a whole myriad of individual topics dealing with leadership, personal development, professional development. It touches on harassment, facilitation skills, Internet training, designing web page, hiring workers with disabilities and on and on. I will not read obviously, the whole thing. My honourable colleague is, I am sure, aware of this document, and this has been reproduced for '99-2000 as well.

* (1610)

So that deals with the line employees, I guess, and the majority of the courses are anywhere from one to two to three days in length. So that is one of the focuses of the department that has aimed at increasing the skill set and the abilities and the education of our current staff. In addition, this year's Estimates contain an item for \$300,000, which is aimed at executive management training. It is a fund that has been set aside, and it is targeting those managers, those middle managers who are in the 35-45 year old age group. This is to increase the skills of this particular group.

I am told, as well, that the SAP program has contacted and touched on over 1,200 individuals at this point in time, and the amount of training that these individuals—sorry, that would be by October, that will be the number of individuals, and the training will be anywhere in duration from seven to 23 days in total impact. This is a program of general application right across government, and that would impact on the line employees.

So these are just a few of the programs and courses and resources that are available to individuals in government.

Ms. Barrett: Maybe these questions are better dealt with under 17.1.(b), which is Management Information and Support Services where SAP is referenced.

Mr. Chairperson in the Chair

The reason I am asking this line of questioning is that it is my understanding that the succession planning process is a fairly new concept and that again going back to the goal of the 10 percent reduction in the civil service and the concomitant plan to train and retain and upgrade skills, et cetera. It seems to me, I imagine there are over 20 individual departments. I do not know exactly how many. I should know exactly how many and I do not, but there is a range of departments that go all the way from Agriculture, Natural Resources, to Health and Education.

Now, the civil servants, many of the functions are similar throughout those departments, but a lot of them are, I would imagine, technical in nature and where many of the skill sets may be similar, the information or the knowledge base is not. You not only need a skill but need the knowledge. So if you are moving from a department that may have, after you have gone through the process, an abundance or excess of staffing that could go into a department that is under-resourced or moving around from department to department keeping in mind the flexibility comment that the minister has made.

It seems to me you need to have to some fairly specific training programs established. I may have a copy of the guide that the minister referenced in my office, but I have not seen it right now. It seems to me from what the minister was saying that it is general, not that they are not good programs. Not for a moment am I saying these are not valuable in and of themselves. I am looking specifically to over the next five years 1,400 positions potentially being eliminated or amalgamated or changed. Is the retraining or upgrading required to deal with at least some of those positions reflected in current civil service programming, or is there going to be an additional training component needed?

Mr. Radcliffe: The succession planning programs that we are discussing right now do focus more on in general what one could refer to as core competencies. I use the analogy with my department at this point of saying: are we going to take an agronomist, somebody who is skilled and trained in agriculture, and ask them to go and call upon and problem solve for single

parents or for challenged children or things of that nature? Absolutely not, the professional skill sets are not going to be cross-trained at all. There is no intention of doing that. In fact, throughout the whole concept of succession planning there will still be a need for recruitment as particular people with particular skills and specialized skills retire and there will be a turnover of personnel. That still will be an element of the civil service.

* (1620)

What the civil service is focusing on at this point in time is the general analytical and communication skills of managers and assistant managers and training people and amplifying their skill set so that people who are of a portable nature will be able to move from department to department.

As my honourable colleague knows, sometimes deputy ministers will move, but, in fact, the specific employees, say, in Justice will remain in Justice. There is no attempt or intention to move them out of that particular grouping or skill set. That would be absurd, because a lawyer is a lawyer is a lawyer or an ecologist is an ecologist and all the other types of individuals that I was discussing with my honourable colleague yesterday or the day before with regard to hygienists. One could not move them out of that field of endeavour. So it is the general, portable skills that the Civil Service Commission is focusing on at this point in time.

Ms. Barrett: The minister is saying that the professional skill sets, i.e., I am assuming that people who are largely in the professional/technical categories that we look at in the Estimates books who have been specifically trained or professionally trained are not going to be cross-trained. Visions of runners dance through my head at that, but be that as it may.

I am assuming that what that says is two things, the implications of that statement are two in nature at least. One is that, as you said, if you are an agronomist you are going to stay an agronomist. You are not going to be asked to become a social worker. The other is that that may very well be an area of the civil service

across departments that is less affected than by the succession planning process.

If you are not cross-training agronomists to become social workers and you are looking overall over five years for a reduction of 10 percent, then you are likely to be looking elsewhere for those reductions unless you can cut programs that the agronomists might be involved in or the social workers might be involved in. It would seem to me that the only way a professional/technical person is likely to be affected is through program changes rather than retraining. To me that says that the impact is more likely to be felt on the lower levels of the civil service.

Mr. Radcliffe: Mr. Chair, my honourable colleague is trying to probe, I guess, to find out what level or what area of government will be reduced or what department will be reduced. Many of her questions have been directed at trying to focus on individual departments. So, I think, as an illustration to assist in making the point of how this is going to be implemented, I can share with my honourable colleague that in the Civil Service Commission, for example, with the advent of increasing and improving technology, management has been reduced since 1991 by approximately 50 percent. Administration staff has been reduced by 44 percent, professional staff by 18 percent. So this gives my honourable colleague an idea of the mix that has happened to date.

This is what presumably we could expect in the future that as people retire, positions of general application may not be needed, or, in fact, even professional positions might not be needed if a professional person has additional technical skills and abilities that they can perform more work in less time with less effort than they could previously. This will be determined by the diagnostic tools that are applied and set out in the succession planning model.

* (1630)

Ms. Barrett: Could the minister define what a position of general application might be? Are these admin support positions? I mean, every single Estimates book for every single department, every single subcategory has three

classifications of staffing. One is the managerial, the second is the professional/technical, and the third is the administrative support. Now, I would assume that is a general guide as to the different employment groupings that follow in every single department.

So when the minister talks about positions of general application, that is meaningless for me, at any rate, and I would like to know what he means by that. I am not trying to get into the detail in each department. I know that is not feasible. The minister probably does not even know that in the Department of Labour because it is an ongoing thing. I am trying to get at what this change, the new application, is going to be looking at and the role of the Civil Service Commission in that process. So positions of general application just does not mean anything to me.

Mr. Radcliffe: Again, I think my honourable colleague is trying to focus on where the reductions are going to occur in government, at what levels and what different categories of employees. She quite correctly cites that employees are designated or divided into a managerial group, an admin support group and a professional group. The succession planning will impact on all three. For example, right now with the introduction of the SAP program, there will be reductions in savings in the internal services that are offered to government. There will be individuals who are performing functions now, and those positions may become redundant. So as those individuals retire, a number of positions could perhaps be eliminated, but that will vary from department to department.

What the succession planning does is start people thinking, start the managers thinking, so that they can identify which are the crucial services that the program cannot function without and then to identify functions or skill sets of a general nature that can be replaced by new recruitment and to apply this to the demographics or the profile of the employment service.

Ms. Barrett: I still do not have a sense of what position of general application is. I guess, I am concerned that again because the goal is reduction in civil service that is a concern to me

not because I am in favour of a bloated or inflated civil service, because heaven only knows that the statistics that the minister talked about in his last answer show that there has been an enormous reduction in the civil service over the last 10 years. We are not starting from a bloated, inflated civil service here when the Speech from the Throne mentions this additional 10 percent over five years. So we are paring down, a continual paring down after we have pared and pared and pared.

The concern I have is it appears to me that this goal was put out as a goal five years without a great deal of forethought. It seems to me if you do not understand the implications of it, then it runs the risk of being merely an exercise in reduction rather than being truly a necessary thing to provide a better civil service. I think probably we will not know that because there is very likely to be a change, whether the minister is retired or the critic is retired or not.

I think we could go on and on, on this. Part of it is a function of the fact that it is in its very beginnings, and it is impossible to have the Civil Service Commission know all of that stuff. I just wanted to share with the minister what the Labour critic has said that there is a subdepartment within the Labour department that has already combined a professional/technical job with a management job, and the impact of that is or can be that you water down each function which can lead to, in the case of many of the Labour department functions which are regulatory and enforcement, a lessening of both of those vital functions.

Mr. Peter Dyck, Acting Chairperson, in the Chair

That is one of the major concerns I have that if you have this goal in mind, you are going to end up potentially, in order to achieve that goal, losing another goal which is providing effective, efficient, good government to people which includes, to my way of thinking, enforcement and regulation of the existing laws on the books and an accountability function. I am afraid that you get down too far, and you are going to have the potential of losing that. So I appreciate the minister is taking this amount of time on this issue. We will make sure that when the Finance

Estimates come up, we will talk about that process in more detail and perhaps get some information in that regard.

Maybe the minister could answer a couple of specifics on this, or maybe, again, it is too early in the process, but will there be a voluntary separation plan available to people that may be identified as a result of the succession planning model who may be seen to be redundant or extraneous or de trop?

Mr. Radcliffe: There is no voluntary separation plan in existence at the present time and nothing contemplated at this point.

* (1640)

Ms. Barrett: So the succession planning model is designed at this point to be utilized solely for people who are eligible and opt to retire, whether it is at 55, 60 or 65?

Mr. Radcliffe: Yes, it is designed to impact on the positions of people who separate from government for whatever reason in those age categories that my honourable colleague mentioned.

Ms. Barrett: I am not sure what category we were on, 17.1.(b), 17.1.(a)(1).

The Acting Chairperson (Mr. Dyck): Item 17.1.(a) Executive Office (1) Salaries and Employee Benefits for \$175,700—pass; (2) Other Expenditures \$60,400—pass.

Item 17.1.(b) Administrative Services (1) Salaries and Employee Benefits.

Ms. Barrett: I am interested in the SAP system, anything the minister can tell me about it.

Mr. Radcliffe: Mr. Chairman, I am pleased to be able to respond to my honourable colleague. First of all, SAP does apply right across government. The anagram refers to System Application Product is the name of the plan. Basically what it does is it combines the ability of government to pay its bills, the financial side of it, of Finance, with the human resources system. So it attends to payment of bills and also payment of payroll. Ultimately, the SAP

system will be able to generate reports on records of service. There will be database information on the recruitment process in government; for example, has a position been advertised, has the selection process been completed, details of that nature. It will also contain particulars on benefits, and so a benefits report can be generated out of the system.

The system is administered by Information Technology, which is found within the Department of Finance. So I can point my honourable colleague to a department where she can obtain specific information on what this program will do.

Ms. Barrett: In the Activity Identification of the Estimates book and the statement earlier by the minister that 1,200 civil servants will be trained in the general application of SAP over a seven- to 23-day period—the Activity Identification says: "Participate in the Better Methods Service 1st initiative to support the implementation and operation of the newly implemented SAP corporate integrated Human Resource Management System."

So it sounds to me like the Civil Service Commission has some—well, may I ask the question? When it says participate in SAP, does that mean just as any other department would participate, or is there a specific role for the Civil Service Commission through its role as a Civil Service Commission in the implementation of SAP?

Mr. Radcliffe: My honourable colleague is quite correct that the Civil Service Commission will be engaged in an active role in the SAP plan. Once the plan is fully implemented, the Civil Service Commission will be the proprietor or the manager of the human resources side of the SAP process. The Civil Service Commission will be the authority or entity within government that will maintain the database, will effect changes and improvements to the system as it evolves through government.

I would share with my honourable colleague that, in fact, four to five staff members have been seconded from the Civil Service Commission to a Better Methods, which is another government initiative that is ongoing. This is, in

fact, one component piece of the Better Methods process. The whole human resources reporting and maintenance of the program will be based in the Civil Service Commission. So that is the participation level. It is very specific. It is more than just the general across-government application.

* (1650)

Ms. Barrett: When the minister said, in an earlier response, that 1,200 people will have been trained in SAP by October, he mentioned the training sessions from seven to 23 days in length. That seems to me to be fairly extensive training for a recording or reporting mechanism. Could the minister give me some more specifics on what is involved in that training?

Mr. Radcliffe: Mr. Chairman, in response to my honourable colleague's request, the payroll people, the attendance people, the people who attend to pay vouchers, the accounts payable people will all have very specialized and specific training and those will be the types of people that will be involved with up to 23 days of training. The benefits specialist in government, people who are trained to administer the benefits of government, our general secretaries, for example, the secretaries in our office will probably get three to five days worth of training because they just need a general navigation, they just need an overall and quite a simplistic view and grasp of the system.

The timekeepers, individuals like timekeepers or, in fact; the managers who are sitting around the table right now will require approximately seven days worth of training so that they can solicit reports out of the system. At the present time, the managers have to rely upon specialized staff in order to elicit this information, so they will acquire a working knowledge of the reporting base so that they can analyze what is going on. But that will require a minimal level of training.

Ms. Barrett: Now, are these various groupings in each department then? So that is why the number of 1,200 is quite large. It is these individuals who have been assigned the various tasks to implement the data collection, if you will, are in each department.

Mr. Radcliffe: That is correct. The majority of these are departmental roles and it would be the individuals who are collecting the data and putting it in. There are some people who have a specialized role in, I guess, the Department of Finance or the Department of Human Relations that will require more extensive control and inputting but my honourable colleague is correct.

Ms. Barrett: Who are timekeepers?

Mr. Radcliffe: Timekeepers are clerical individuals who are located in the departments who do as the function suggests, record the time. The difference between pre-SAP and post-SAP is that the individuals now instead of preparing sheets of paper, submitting the paper to the payroll department of the people being present in the department and at work, or leaves or absence or compassionate leave or any of the other variations on this scheme, these individuals input the data directly themselves into the system, so they are, as the title suggests, the keepers, the recorders of the time, and they are individuals located in each department who perform this clerical function.

Ms. Barrett: In a department such as Agriculture or Natural Resources or, I suppose, Energy and Mines maybe to a lesser extent, where you have people located throughout the province and in some cases not in an office, but whose jobs require them to be literally in the field, is there any change in the reporting of their hours or the gathering of the data so that the timekeepers can input it from pre- to post-SAP?

Mr. Radcliffe: The essential difference between the system prior to the implementation and the system after the implementation is only the recording of the information. In other words, it is being recorded electronically, and it will be done by the timekeepers directly. But the whole process of collecting the information will be identical to the way it is being done now in government.

* (1700)

Ms. Barrett: So if an employee of a department is being asked now in addition to their regular responsibilities to collect time sheets or time information to be inputted, that would not be as

a result of the function of the implementation of SAP but as a function of a change in the job descriptions or in downsizing or something within the department?

I am thinking of a person who is in one of the departments that is in the field, and this is a part-time person who is now being asked in addition to this person's other duties to implement what I understood to be the SAP part of that unit or something, but perhaps I got the wrong information. If this person is being asked to do additional information collection or retrieval or something, it is not as a result of the implementation of SAP. It is more likely an internal departmental reorganization.

Mr. Radcliffe: And this is an individual who did not collate or collect information and record it on paper previously, is that correct?

Ms. Barrett: Yes.

Mr. Radcliffe: The role that my honourable colleague has defined, in fact, could be part of the implementation of the SAP process. We would have to know more about the position of the individual before we could say with any authority whether this was a reorganization of the job role or whether it would be an implementation of the SAP program. So if my honourable colleague could share with me afterwards the particulars of this, then we could give a more accurate answer.

Ms. Barrett: I will endeavour to get more particulars. The information that I got from this individual was pretty much what I have given to the minister. I guess, I was not aware enough to know what further questions to ask, so I will try to get more information. But what you are saying generally is there could be some job description reorganization as a result of the implementation of SAP. It is not just the people who were dealing with the paper flow originally; they are now dealing with the computer data entry. There are other sort of cumulative changes that SAP has had in some other areas as well.

Mr. Radcliffe: That is correct. Apparently the whole flow of information has been analyzed and redesigned, so that is why it is so difficult to give any specific answer with any authority.

Ms. Barrett: I thank the minister for that, and I will endeavour to get some additional information on this particular situation and see what the concern is. I know that the individual with whom I spoke was quite concerned, because this individual felt that the additional responsibility was impeding the work that was already being done, and this person is only part time at any rate. So I will see if I can get some more information on that.

The minister said that 1,200 people would be trained by October. How many people are going to need to be trained in total in order for this system to be fully functional, or will that be the full complement?

Mr. Radcliffe: I am advised that there will be an additional 500 people who will be involved with the program as the whole recording of the benefits and the data on human resources is recorded and organized in a report fashion.

Ms. Barrett: So at the end of the whole process, there will be 1,700 people involved who will have been trained in one form or another?

Mr. Radcliffe: Mr. Chairman, 1,700 to 1,800, I am told, by the end of October of 1999.

Ms. Barrett: I am extrapolating from what the minister has said. It is my understanding that design to move from a paper system to a computer system, I would assume then that there is more potential for generation of more detailed information quicker and faster and more efficiently. The minister may be surprised, but I have no problem with that tone as well as content.

Are any of these 1,700 people—these are all current employees. There is no additional staffing required to implement this program?

Mr. Radcliffe: They are all current individuals.

Ms. Barrett: Also in the Activity Identification, a couple other programs that I am interested in, one is the CHRIS program and the other is the MEIS program. Could the minister provide me with some information on those two programs?

Mr. Radcliffe: The CHRIS system that my honourable colleague makes reference to is the

Corporate Human Resource Information System, which basically is the time recording to generate the payroll for employees for government. This system is not Y2K compliant. It is old technology and is being replaced with the SAP system. Likewise, the MEIS, the Manitoba Employees Information System, was the software that stored the personnel records, the employment equity records, the history, classification, and the salary levels, the salary history of the employees in government. This too was not Y2K compliant and SAP will replace that. So SAP is the Y2K solution for these programs.

* (1710)

Ms. Barrett: I would like to ask the minister questions about the Better Methods. Better Methods is a government-wide program. Who owns it? Who is responsible for the Better Methods program?

Mr. Radcliffe: The owner, if one can use that terminology, is the Information Technology office, which reports to the Department of Finance. Mr. Kalev Ruberg is the individual who is in charge of that department, who, in fact, is responsible for the reporting to the Minister of Finance.

Ms. Barrett: It appears I am going to be the deputy critic of Finance with the questions that are being channelled to Finance.

Under the Expected Results on page 26 of the detailed Estimates, it says completion of the implementation and support to the ongoing operations of the Better Methods, Phase III. How is that played out in the Civil Service Commission?

Mr. Radcliffe: The line which my honourable colleague has referenced on page 26 of the individual report refers to the four to five individuals that have been involved in the configuration of the SAP program that we have already discussed.

Ms. Barrett: I am prepared to pass this subappropriation.

The Acting Chairperson (Mr. Dyck): Item 17.1.(b) Administration Services (1) Salaries

and Employee Benefits \$562,200—pass; (2) Other Expenditures \$296,800—pass.

Ms. Barrett: The minister in an earlier response spoke about the executive development programs: Management Internship Program, Aboriginal Management Development Project, and Aboriginal Public Administration Program. I would like to ask for some more specific details on those issues.

Mr. Radcliffe: I can share with my honourable colleague the Aboriginal Public Administration Program. It is a two-year training program to recruit and introduce aboriginal people with a priority on youth to the systems and processes of government. It is a co-operative effort between Northern and Native Affairs, the Secretariat and the Civil Service Commission.

Initial intake is six interns. The funds are allocated from the Internal Reform and Workplace Adjustment appropriation, involves centrally managed work assignments, orientation, structured training, networking and mentoring over a two-year period, and the ultimate goal is the successful placement in positions throughout government and/or native organizations. The framework for the program has been approved as a new initiative for the '99-2000 recruitment for the first stream of interns targeted for the fall of 1999.

Ms. Barrett: Did the minister want to do the other program at the same time? Fine.

Mr. Radcliffe: I was going to go through each one of them. I thought we would go back. The Management Internship Program was a new initiative approved in the '95-96 Estimates coordinated by the Civil Service Commission and funded through Internal Reform. The object is to proactively recruit younger, talented employees to assist in meeting future requirements of government consistent with public service renewal and change. Five or six interns are recruited each year over a period of five years, centrally managed rotational work assignments, orientation, structured training, and interning over a two- to three-year period, designed to provide accelerated learning and maximum exposure to government. The ultimate goal is to provide middle management or

professional career positions within the government departments.

I have set out in a previous reference that there were six interns recruited in '96 that completed their program, and they have been placed in positions throughout government. Five interns from 1997 are moving into their third year to be placed in positions during '99-2000. Six interns recruited in '98, are moving into their second year of the program. Five interns recruited in April and May of '99 and are currently in a six-week orientation. Graduation of the second group, in other words, the grouping from 1997, will allow for an additional intake next year.

The Aboriginal Management Development Project: A two-year pilot to train and develop existing aboriginal employees to acquire skills to complete and to compete effectively for management positions. This was announced in the fall of '96, a partnership between the Civil Service Commission and departments who provide services to aboriginal people as well as clients, customers and partners. A commitment to both employment equity and management renewal, initial intake of nine management trainees was identified and sponsored by departments on the basis of proven supervisory experience and demonstrated leadership potential.

There are centrally managed work assignments, orientation, again similar to the other programs, structured and networking, mentoring over two years. The ultimate goal is the successful placement and enhanced ability to compete for management positions in government. The current status, the nine employees sponsored by Northern Affairs, Family Services, Highways and Transportation, Justice, Health, and Natural Resources, have completed the program and gone on to better jobs.

A second intake of eight employees is scheduled for the fall of '99. The make-up here will be three from Justice, two from Government Services, one from Highways, one from Northern Affairs and one from Finance. So that is a summary of all three programs.

* (1720)

Ms. Barrett: The Aboriginal Public Administration Program, the first one that the minister spoke about, how are these individuals recruited? How will the six come from the pool? Where will they come from?

Mr. Radcliffe: The positions will be advertised and recruited through open competition.

Ms. Barrett: Where will they be advertised?

Mr. Radcliffe: It will be advertised and circulated in the universities found in Manitoba, i.e., Brandon, Winnipeg, Manitoba, et cetera, the community colleges and a number of the aboriginal employment organizations or service organizations who deal with the placement of aboriginal people. The list is not exhaustive at this point in time, but it would be organizations, for example, like the Assembly of Manitoba Chiefs or the Manitoba Metis association. Those are just two organizations to illustrate the point, but there will be more.

Ms. Barrett: What are the criteria that will be used to determine which of the applicants will be hired? Are there any academic criteria or age criteria or other criteria?

Mr. Chairperson in the Chair

Mr. Radcliffe: The criteria are post-secondary education, academic education, individuals who are proficient in a knowledge of aboriginal culture and language, individuals who have a demonstrated ability and interest in public administration.

Ms. Barrett: Who will be selecting the six individuals?

Mr. Radcliffe: The selection boards have not yet been formed or the process been completed yet, but there will be a representative from the Civil Service Commission. There will be aboriginal representation from the Indian Affairs secretariat, Native Affairs Secretariat, and there will be some selection from Human Resources in the government departments.

Ms. Barrett: The minister stated that the universities, community colleges and aboriginal service organizations were being looked at as

sources for this program. How is the program being advertised, if you will? Is it just through written material? Are there any staff that have been assigned to actually go and speak with the potential applicants or at least the post-secondary institutions and the organizations? It seems to me it is quite a specific set of criteria that are being looked at, set of skills and knowledge base that is being looked at. I am wondering if there is just more than the normal set of advertisements that are going to these organizations.

Mr. Radcliffe: The whole plan has not yet been completed, but one of the options under consideration is to send one or two of individuals identified who have been spearheading the organization here, being one individual, Bernard Carriere, or the other one, Mr. Joseph Morrisseau. These people would contact the employment placement counsellors in the colleges or institutions involved, would have those people solicit individuals who might be appropriate, and then the individuals I mentioned would sit down and describe the program and review the individuals who would be so identified. That is one possibility. There would also be written communication, but these are all alternatives that the Civil Service Commission is considering at this point in time. It would be a variation or a mix of this sort of approach.

* (1730)

Ms. Barrett: So the program yet is still in the planning stages or at what point? The minister mentioned that it was anticipated to be beginning fall of 1999. We are mid-June 1999. How close is the program to being actually able to be advertised and applicants sought?

Mr. Radcliffe: Mr. Chairman, the plan or the roll out is to have the proposal or program in a position to be advertised in September of this year, so all the communications work would be done now through the months of June, July and August, so that it could roll out in the month of September.

Ms. Barrett: If it is advertised in September, then when is it anticipated that the first six young people would actually be beginning their two-year program?

Mr. Radcliffe: The selection process will be confirmed over the course of the next month; in other words, by the middle of July. The process then, the initial contact with the institutions and the organizations that I mentioned will then go out subsequent to that after the middle of July. The target date—and again this is just a target date at this point—is to have the six participants identified, recruited, committed and ready to start the program by September 20.

Ms. Barrett: Well, the minister said earlier that the advertising would go out in September, or that is what I heard; I may have been inaccurate. So, if the advertisement is going out in September, how can you have all the people in place by September 20?

Mr. Radcliffe: My honourable colleague makes an excellent point, and, in fact, I misspoke myself. The adverts will go out earlier through the course of the summer. May 21, it is anticipated that there will be a distribution of call letters announcing the program. June 4, it is anticipated there will be a receipt of expression of interest from the departments.

So there will be an uptake from departments of government that the call letters go out to. By June 25, it is hoped that the final selection criteria, the area of search, the method of assessment, and the composition of the selection committee will be finalized; that is June 25, 1999. July 11, the information will be disseminated to the collateral agencies. August 8, there will be the advertising of the job postings. September 3, the screening process will hopefully be completed, and September 7, the final selection of interns will be completed. By September 20 to October 11, the orientation process will be conducted. On October 12, the first placement of the four- to six-month course will commence.

Ms. Barrett: I find it interesting that the activity of getting information out to the collateral agencies, which is the universities and community colleges and other agencies, and the advertisement and the screening, et cetera, and selection, all takes place during the summer months. That causes me a bit of concern.

Well, I guess the question is have the collateral agencies been notified that this program is being planned and that they should

expect this activity to take place, so they have been able to at this point identify some potential applicants, so that young people do not go hither, thither and yon? Most particularly, when you are looking at young aboriginal students, they may very well be going back into their home communities.

So I have a bit of a concern about the time line here, not the number of days between any of the activities, but the fact that it is taking place through July through August.

* (1740)

Mr. Radcliffe: My honourable colleague does make a good point, that, in fact, there will be individuals who may be out of touch, who on the first round of this program would be appropriate individuals. However, a conscientious effort will be made by the commission and by the selection committee here, in this particular case, to contact the individuals in an appropriate fashion. That is why the two individuals, Carriere and Morrisseau, have been chosen, because they will be familiar with where appropriate individuals could be found. Obviously by contacting the institutions of secondary learning, the records of these individuals will be available.

It would have been more advantageous, of course, to launch this program in February or March but, unfortunately, with the government calendar, the programming and the funding did not become available until the latter part of April, early May. So therefore the first year there is going to be a hiccup. Nonetheless, we think, we are reasonably confident that with some intelligent efforts, the appropriate people can be reached.

Ms. Barrett: I wish the government all the luck in the world in this. I think it is a very good concept. Having participated for five years at least on the internship hiring committee, I know how students who are of the calibre that you are looking for are highly advantaged in getting jobs in the market. Sometimes we in the government area have a big challenge in making sure these people are interested and willing to come.

Question: how much are they going to be paid?

Mr. Radcliffe: In the neighbourhood of \$30,000 to \$31,000 a year.

Ms. Barrett: I think that is it on that. I am sure there are other things that will come to my mind, but I will leave that because I would like to spend a few minutes on the SOA. So I am prepared to pass this area.

Mr. Chairperson: Item 17.1. Civil Service Commission (c) Human Resource Management Services (1) Salaries and Employee Benefits \$1,054,600—pass; (2) Other Expenditures \$660,600—pass.

17.1.(d) Labour Relations Services (1) Salaries and Employee Benefits \$1,237,400—pass; (2) Other Expenditures \$318,100—pass.

17.1.(e) Organization and Staff Development Agency, no dollars.

Ms. Barrett: I was going through the Guide to Training and Consulting that the minister gave me earlier today and noted that the facilitators in many of these courses, well, they are either from the Civil Service Commission, or some are from other government departments, and others are from OS and D itself, and others are external.

Is there any information as to the percentages of facilitators that come from within the government as versus outside facilitators? I could probably add it up myself but did not have the time.

Mr. Radcliffe: I am told that the majority of the facilitators are private sector facilitators or vendors. There are three staff involved, including the director from OS and D. Other than that, they are all from beyond government. I am told there are a number of Civil Service Commission individuals who run the employment equity aspect of the courses but, other than that, the majority of them are from the private sector.

Ms. Barrett: I notice that there is a culture diversity workshop that is facilitated by a member of the Civil Service Commission, Louise Chippeway, but also Debbie Neufeld from Family Services. So I assume there is at least one that is internal. But the minister is

saying that the majority are from the private sector.

Mr. Radcliffe: Correct.

Ms. Barrett: How are the consultants or the facilitators chosen for the various courses?

Mr. Radcliffe: The OS and D group of the Civil Service Commission maintain a list of individuals from the community who supply this sort of work. They draw this list from their own knowledge and network in the community, individuals who self-submit, and they also circulate a request to the community for such facilitators. It is done on an interactive basis but largely informal.

Ms. Barrett: But the OS and D hires, contracts with the facilitators to provide the course?

Mr. Radcliffe: That is correct. Then the course presenters are evaluated on a constant basis, as well, by OS and D and by the participants themselves. So there is an evaluation and a prioritizing of the individual facilitators.

* (1750)

Ms. Barrett: Who pays for the tuition for these courses?

Mr. Radcliffe: The individual departments are the most frequent entities that pay for the courses.

Ms. Barrett: The most frequent? Are there cases where the client pays for the course?

Mr. Radcliffe: I am told that none of the individuals end up paying for these courses, but, in fact, from time to time the Civil Service Commission itself may pay for a course if there is a government-wide strategy that is being presented, for example employment equity.

Ms. Barrett: There is a reference to Manitoba measures in a couple of the courses. Could the minister explain what Manitoba Measures is?

Mr. Radcliffe: Manitoba Measures is the appellation given to the whole business planning process that we discussed earlier by which

government departments and managers and administrators and deputies arrive at their budgeting process. It is a concept of service delivery.

Ms. Barrett: Who decides which civil servants will attend which courses? Do the civil servants themselves ask to participate in these courses or do the managers or senior members of departments suggest that individuals take these courses? Are they required or are they at the person's own initiative. How is it determined?

Mr. Radcliffe: Ultimately it is the department who makes the final decision whether the employee should go ahead and take the course or not. In fact, it can be at the initiative of a manager who is doing a performance evaluation or assessment of the individual employee, or the initiative can come from arising out of a request from the employee who wants some more personal development.

Ms. Barrett: Now, for the first time in these whole Estimates I have some specific financial questions. They are found on page 77 of the Estimates book. There are four or five of them. I am sorry, page 57, excuse me. That was a test, I failed. Okay, the first question is—these are all expenditure items—the books and course materials, there was a large bump up in '98-99, and then there is quite a reduction in '98-99 projected and then the current budget. I wonder if the minister can explain that spike.

Mr. Radcliffe: We cannot be specific at this point in time. We can only estimate that that was the purchase of some course material, then ongoing maintenance thereafter. We will inquire and if there is any other component to it, we will certainly undertake to advise.

Ms. Barrett: Also, office and printing costs, actual '97-98, almost \$39 million—no, thousand. It goes down to 13 for the revised '98-99 budget and then down even more. I am wondering, that is quite a reduction.

Mr. Radcliffe: We will have to undertake to supply the particulars on that, Mr. Chair.

Ms. Barrett: I have two more, perhaps the same. It is likely we will have to have the

minister get some specifics. The next one, professional fees, have reduced almost \$100,000 from '97-98 to '98-99.

Mr. Radcliffe: The same. We will have to comply with the request.

Ms. Barrett: And the final is the audit expense which does not occur in 1997-98 and does in the future years.

Mr. Radcliffe: I think that '97-98 is blank because that was the first year of the program, and you audit at the end of the program.

Mr. Chairperson: Resolution 17.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,365,800 for Civil Service Commission for the fiscal year ending the 31st day of March, 2000.

Resolution 17.2: RESOLVED that there be granted to Her Majesty the sum not exceeding \$112,800 for Civil Service Commission for the fiscal year ending 31st day of March, 2000.

This now concludes the Estimates of the Civil Service Commission. What is the will of the committee? Call it six o'clock? [agreed]

CONSUMER AND CORPORATE AFFAIRS

The Acting Chairperson (David Faurshou): Good afternoon. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Consumer and Corporate Affairs.

As had previously been agreed, questioning for this department will follow in a global manner with all lines of items to be passed once questioning has been completed. The floor is now open for questions.

Mr. Jim Maloway (Elmwood): Mr. Chairman, I believe the previous day that we were in Estimates we finished the day by talking about—there was a question to deal with the Insurance Branch I believe. I am not certain that I got complete answers on the questions that I was

asking there. Can the minister confirm that the answers were provided?

* (1440)

Hon. Shirley Render (Minister of Consumer and Corporate Affairs): I do not have a copy of Hansard here in front of me, but I think I answered all of the member's questions. So perhaps, if I have left one dangling, he can just restate it.

Mr. Maloway: Well, regardless, there were a number of questions that I had concerning the Insurance Branch. One of them was to do with the whole area of demutualization, which is a process now that has been, I guess, around for a number of years, at least talked about for a number of years. It is only in recent months that the press have taken an interest in it, and there have been articles appearing in the last few days about this process. So I have asked a number of questions about the issue at this point.

What I am interested in knowing, the minister stated that there are no studies that have been done to analyze the effects of the process on Manitoba consumers. I think that should be done, that there should be some effort made to do an analysis. In particular, I think we would be interested in knowing what the net effect of the process would be on the Manitoba economy. To do that, we would have to look at the number of policyholders in Manitoba for each of the companies and determine how much money would be coming to the policyholders in Manitoba versus the amount of insurance company investment that is in Manitoba and how much of it may be at risk if in fact the insurance company, as a result of this process, becomes an internationally controlled company.

So I would like some response from the minister about this process as to what is being done by her department and what has been done. What is being done and what she is planning to do?

Mrs. Render: Maybe just generally I will just sort of restate that the department as well as the Securities Commission is unaware of any studies that have been done on this matter. However, I think it is fair to assume that, by being in a

position to raise additional monies for operations, insurance companies will have more money in which to invest in their operations. But actually, the whole question of demutualization and how this will affect the economy, in a sense it is a difficult issue to address.

Mr. Chairperson in the Chair

Again, I must reiterate that the demutualization process is being handled by the Office of the Superintendent of Financial Institutions federally, and one of the things that is, I guess, up in the air is that we do not know whether the people will take shares or whether they are going to take cash. The policyholders of Mutual Life, for instance, have the option of taking either cash or shares in the newly publicly traded company, and the values of the shares would depend upon the listing price of the new company's shares. This will not be released until the initial public offering of the listing of the company. In other words, the companies also do not know exactly how much each policyholder will receive.

Personally, I have got a friend who has been told that he is going to receive \$27,000, and he has been given the option of whether or not to take that in cash or in shares. So there is still, I think, a lot of information that is literally up in the air. The amount that a policyholder will receive is contingent upon the values currently built up in the participating insurance policies that they hold, so for all of these reasons it is not possible to know just sort of a finite answer of what effect demutualization might have on the Manitoba economy.

As I say, presumably if there is more money available by the insurance companies, that means more money that they will have to invest in their operations. If there is more money in the pockets of the people who are benefiting, that means an infusion of cash into the economy of Manitoba. If the newspaper reports are to be believed, there is some \$10 billion, I think it is, \$10 billion, \$12 billion, \$13 billion worth that is supposed to come out of this demutualization scattered across the country. Obviously, some of those policyholders are in Manitoba. So that means money in the pocket of Canadians, money in the pockets of Manitobans.

Mr. Maloway: Mr. Chairman, I would like the minister to tell us what the government's policy is regarding demutualization. It is not something that just came about in the last few days. The process has been talked about now for I guess two or three years, maybe even longer than that. So what is the policy of the government on this issue?

Mrs. Render: Again, this is not something that is happening with companies that are registered here in Manitoba. It is a federal matter.

Mr. Maloway: Well, the government makes representations and takes policy positions on all sorts of things that it feels it does not have control over, and in this there will be an effect on the Manitoba economy. So if it is such a big benefit to the Manitoba economy, then clearly the government's position should be in support of the policy. It has to have a position one way or the other on it.

Mrs. Render: I guess all I can say to the honourable member is this is not an issue that I, myself, have discussed with my colleagues, simply because it is not an issue that we are monitoring in the sense that the federal government, through the Office of the Superintendent of Financial Institutions, is monitoring the process. As I stated last week, Manitoba has no provincially incorporated mutual life companies. This whole process is being overseen at the federal level, and this is not something that we have a control over.

Mr. Maloway: Has the minister had any meetings or made any representations to the federal authorities on this issue?

Mrs. Render: I, myself, have had no meetings. The superintendent also has not had any meetings but has reviewed the process and is satisfied with the principles that have been identified that must underpin the demutualization process for Canadian mutual life companies.

Mr. Maloway: The ministers from the provinces meet periodically to discuss issues of common concern. The superintendents of insurance meet I think annually to discuss matters of common concern. Are you telling me that in all the

national meetings of ministers over the last three years plus and the last three or more meetings of the superintendents of insurance that this has not come up at all in a discussion?

* (1450)

Mrs. Render: Mr. Chair, I have been advised that for the superintendents' meetings, their concerns are flowing mainly around whether or not policyholders are being treated fair and equitably; that is the focus of their discussion. They feel that the principles that have been laid down will satisfy that requirement. Being a relatively new minister, I cannot really speak as to what exactly went on at former ministers' meetings, but my understanding is that this has not been an issue that has been discussed in other provinces. The whole question of insurance, the regulation of insurance companies, does not necessarily fall under Consumer and Corporate Affairs. It sometimes falls under other departments. So not necessarily is this a topic of discussion, because it is not an area that always falls within the Minister of Consumer Affairs' portfolio. So it is not necessarily a common area which I guess is perhaps one of the reasons why it has not been a topic of discussion or not to my knowledge.

Mr. Maloway: Mr. Chairman, I find it very surprising that if 2.5 million Canadian policyholders are being affected—we are talking about \$11.5 billion, I believe, just among the five insurance companies that are planning to proceed with this at this point. It has been called, whether correctly or not, the largest single transfer of wealth in history. I mean, I know that that phrase has been used to describe the impending transfer of wealth for the next 20, 25 years in Canada where the older generation dies and the younger generation inherits. So I do not know how big a figure that is compared to this, but certainly this is currently being called the largest single transfer of wealth in the history of the country. So surely, the ministers, and if not the ministers—but I would find that very surprising—certainly the superintendents of insurance, I would think, across the country would be discussing this matter at their annual meetings. I would find it very surprising that this has not been on the agenda probably many times, and if not, why has it not been? Why has

the Manitoba government not brought this up for the purposes of discussion?

Mrs. Render: Mr. Chair, I guess the short answer is simply that this is a federal matter. There are always enough things to take up the discussion time, whether it is at a ministerial meeting or superintendents' meeting or whatever kind of a meeting, than dipping into another jurisdiction. So I would suggest to the honourable member that I am sure at the federal level this has been discussed. Your questions, regretfully, cannot be asked to a federal member during this particular process, but because it is a federal matter, that would be where it would have been discussed. There is, I am sure, enough to keep our provincial people fully occupied during any conference that they might have.

Now I would just like to read something into the record. It is from Finance Canada dated October 30, 1998, and again, I caution the member that this is at the federal level. I am quoting: In developing the proposed demutualization regime, we had the benefit of examining the approaches taken in other major countries including the United States, United Kingdom and Australia, said Secretary Peterson. This is Secretary of State Jim Peterson, International Financial Institutions. Based on the experiences in those countries and our extensive consultations, we believe that we have developed a comprehensive and strong regime in terms of policyholder protection.

I just say once more to the honourable member that governments are often accused of duplicating, of wasting their time, of stepping on the toes of other levels of government, and I think when another level of government is overseeing a process, is undertaking whatever it considers to be adequate studies and adequate consultations, as I say, totally monitored by the federal level, that is not up to us to be peering over the shoulder of another level of government in this particular instance.

Mr. Maloway: I do agree that duplication is not good and should be avoided as much as possible in the interests of efficiency. I do know that in the last year or two there has been talk about a national securities commission to deal with

securities issues across the country. We will deal with the securities commission another day when we can talk about what has been happening with that. Has there been any interest? Have there been any initiatives? Have there been any moves in light of what the minister just said about avoiding duplication and increased efficiency? Has there been any initiatives among any of the ministers across the country to look at a standard national insurance regulatory body?

Mrs. Render: I have been advised that the Canadian Council of Insurance Regulators has been working to harmonize regulations in forms. Really the focus is to make it easier for companies that do business in a variety of jurisdictions. I believe this is consistent with what the Securities Commission also does.

Mr. Maloway: If they are contemplating ending some duplications and allow national companies to operate, I guess that is the goal, to operate right across the country with uniform rules. How will that impact upon jobs in Manitoba?

* (1500)

Mrs. Render: I am not too sure I understand the question. I do not see that it would impact at all.

Mr. Maloway: Well, it certainly does whether right or wrong. It does have the effect. On the one hand you want to strive to reduce regulations. You want conformity across the country. You want to make it easy for businesses to do business, so that is one of your goals. Unfortunately, sometimes when you do that, it results in loss of control if you give up—sometimes not necessarily so—regulatory control in certain areas; so you lose some control there.

The other problem that surfaces is that if it becomes easy for the company to do business, then they can, in fact, bypass Manitoba. I will give you an example. If you allow companies to operate, for example, out of Toronto and not license people in Manitoba or Saskatchewan or any other province, then they can simply set up a toll-free number and operate the entire country just out of Toronto or Waterloo or wherever they operate from. So insurance companies, pro-

vincial insurance regulators have been very jealous about guarding their turf.

For example, we have a company in British Columbia and it wants to operate in Alberta through a toll-free number so Alberta residents can phone in on a toll-free number and get their quotes, the insurance company will be much more efficiently run by doing that. But Alberta says, no way; we want those agents to be licensed here in Alberta, so we create jobs in Alberta by doing that. If you have a company that operates in Manitoba, and it has a hundred jobs here, underwriters and all, the types of jobs that we would have in the industry, what happens if you eliminate the regulations? It can be much more efficient for that company to simply go and close down shop here, eliminate a hundred jobs and maybe hire two or three people somewhere else to answer the phones and still operate here.

It is the same situation, Mr. Chairman, that we had with regard to breweries for many years. For many, many years, it was a Manitoba requirement that if you are going to sell beer in Manitoba to the liquor commission, you had to have a brewery in Manitoba. It did not make sense ultimately for these breweries to do that because they had inefficient operations, and I guess it was not bad years ago when you had dozens and dozens of breweries. But at the end of the day, when you had in the United States consolidation factors where huge breweries can operate, I am not sure which one is in St. Louis but there is a huge one, it maybe Coors in St. Louis that can produce for the entire country, then little breweries become very inefficient.

So that was the rule in Manitoba and I am sure other provinces, too, that if you are going to sell beer in Manitoba, you must have a brewery. At a certain point, I think in recent years, that rule was given up on and you see what has happened. There is now hardly any breweries in Manitoba. They are allowed to close but they are still allowed to sell into Manitoba. It is the same scenario with the insurance industry.

I am not saying one is right or one is wrong. I am saying the logical extension of giving up the regulatory powers and allowing easy access to the Manitoba market, the end result will be

that one jurisdiction in Canada will have all of the head office jobs, and what Manitoba will have is just a little branch plant office with half a dozen people working in it. What I want to know from you is what is the state of affairs with regard to that whole issue, and what are you planning to do about it, if anything?

Mrs. Render: I think perhaps the member might be confusing harmonization with elimination. As much as I am for eliminating regulations that do not serve a proper purpose, I am certainly not in favour of eliminating regulations that do the job that they were put into place for. So when I talked about harmonization, it was harmonization of regulations and forms, so that instead of one company, whose head office might be in Toronto, having to read through maybe 10 different forms to operate in 10 different provinces, there is one form. It was not a matter of giving up the regulation, or saying to the company that they did not have to fulfill certain requirements to be doing business here in Manitoba.

So I guess I am back to my first statement. I do not see how harmonization or allowing a business to set up and operate here in Manitoba is actually going to take away jobs. If you make things easy for a business so that they are not jumping through a million hoops, businesses are quite happy. It is one of the things that I hear all the time, and I have heard it from the moment I was put on the reg review committee: make things easy for us, do not make us go to 10 different stops to fill out 20 different forms that are confusing, that are pages long, that are in small print, that do not make sense. Make it easy for us.

So harmonization, I think, is a way to make it easy for a business that wants to operate in more than one jurisdiction.

Mr. Maloway: The minister can do all the harmonizing she wants, and I agree with that. I am just concerned about job losses in Manitoba. Can the minister guarantee us then that there will be no job losses in Manitoba in the Manitoba insurance industry as a result of her harmonization efforts?

Mrs. Render: I do not think any minister, at any level of government can ever guarantee

anything in this day and age, whether it is jobs, whether it is whatever. I think all of us want to make sure that there are jobs, whether it is for our young people, whether it is for those that are halfway through their working life, or whatever. Nobody wants to deliberately try to force somebody out of a job, so for the member to ask whether I can guarantee something like that, I just say that, speaking in a very general sense, whether I would be the Minister of Consumer and Corporate Affairs or the "minister of jobs," if there were such a minister, I do not think even that minister could guarantee that there would also be X number of jobs in a particular field.

Mr. Maloway: Then would the minister guarantee that there will be no investment losses from insurance company investment to Manitoba as a result of the demutualization process that is currently taking effect?

Mrs. Render: Again, I think the minister is asking me to guarantee things which I have no control over. One of the reasons given by insurance companies for demutualization is to permit insurance companies to issue shares to the public by way of a prospectus. These shares would be tradeable and, in all likelihood, they would be listed on one or more stock exchanges. As I said earlier, I think it is fair to assume that by being in a position to raise additional monies for operations that insurance companies will have more money with which to invest in their operations.

Mr. Maloway: I think we can probably solve part of the problem now if the minister would agree to bring or try to get this whole issue of demutualization on the agenda for the next minister's meeting, or that the Superintendent of Insurance would endeavour to put it on the agenda of her next meeting with the superintendents with the goal to attempt to find out whether there will be any net losses to Manitoba as a result of this move. I mean, I think it is probably getting a little late in the game to be doing this. This should have been done a couple of years ago, but what I think should be done is that the department should ascertain what number of Manitoba policyholders there are that are affected by this. She has already indicated that at this point she really cannot tell how much money they will be getting because some may

elect shares versus the cash payout, but she certainly could from the federal authorities get a good idea as to what the extent of the investments are of these five companies in Manitoba to begin with and what is likely to happen as a result of the demutualization process to these investments in Manitoba. So I ask her whether she would make an attempt to do something about this issue.

* (1510)

Mrs. Render: I guess, first of all, I will start by saying that we do not control what Manitobans do with the money that they are going to receive, nor do we tell the federal companies what they should be investing in. But back to perhaps part of the member's question is that the federal government's overriding objective, as stated by Finance Canada in developing the proposed demutualization regime which is largely set out in regulations, was to ensure that policyholders are protected and receive fair treatment. Now I think it is also important to note that fundamental to this is that it is the policyholders that must approve of any proposal to demutualize, so they are having a say in what is happening.

In addition, the regime contains a number of other measures to protect policyholders' interests including the requirement for independent, expert opinions on the security of policy benefits for policyholders and on the fairness of the allocation of the companies' value among policyholders.

Mr. Maloway: The minister's Superintendent of Insurance annual report for 1998, page 5, clearly indicates that her department is responsible for mediating disputes between consumers, agents, adjusters and insurance companies. So it just seems reasonable to me that if we are talking about, with these five companies, 2.5 million policyholders just with these five, that that has got to be quite a number of Manitobans. Based on the very first meeting where the shareholders did vote in fact to demutualize, at that meeting there were a few people that were opposed and upset by this move. So it stands to reason with this number of people that will be affected that the minister should be prepared for quite a number of inquiries and complaints and disputes

that should arise in the future between the consumers and those insurance companies. So what is she doing to anticipate this possibility?

Mrs. Render: I guess, whenever you have changes of this magnitude, there are always going to be people who are a little uncertain or unsure or perhaps afraid. I do not know that you are ever going to get 100 percent agreement on anything. But, again, I must reiterate that there is a regime in place that the companies must follow. Converting companies must describe in the information sent to policyholders the measures they have taken or intend to take to provide policyholders with information on the proposed conversion, with an opportunity to raise questions or concerns about the proposal. These measures may include toll-free lines, Internet sites, advertisements in widely circulated publications, information sessions. OSFI will oversee steps taken by the companies to communicate with eligible policyholders. OSFI may order companies to address the concerns of policyholders through measures such as holding information sessions or sending additional information to policyholders, if it is the view that policyholders should be provided with additional information.

So, again, the eligible policyholders will have an opportunity to have their say in this matter.

Mr. Maloway: I would like to ask the minister then: how many complaints does her branch anticipate to come out of this process?

Mrs. Render: I do not know that I can give an answer as to how many complaints because, interestingly enough, we have not been receiving any phone calls about the process. Usually, if people are extremely concerned, they will make a phone call and try to gather some information, but, as I say, we have not even received those types of phone calls.

Mr. Maloway: I would like to ask the minister if she would develop a position either for or against or neutral on this issue—because right now she does not have any position on it—whether she would develop a position and let us know what it is?

*(1520)

Mrs. Render: I am not too sure that it is appropriate for this department to develop a position. As I stated earlier, policyholders have a say in this matter, and once again, these are companies which are incorporated at the federal level. They are being monitored at the federal level, and I do not see that it is up to this department to be developing a stand at this particular stage. Perhaps, if we see problems coming out of it or as things move along a little farther, it may be wise for us to develop a stand, but I do not know that there is enough information or things have developed far enough for us to take any sort of a stand. This appears, from the information that has been given out, to be going to be beneficial to policyholders and the companies themselves, and until we have more information on hand, I think it would be unwise to take a stand with not enough information.

Mr. Maloway: The other day the minister provided an answer which would seem to indicate anyway that there was no possibility of corporate greed being the order of the day regarding the demutualization process when I believe she said that the corporate executives were not permitted to benefit or were not permitted to be shareholders in this process. If that is the case, I think that is fine. That is what we would want to see. But my information, from somebody who is fairly well known in the industry, who actually has made speeches on this subject to different organizations and so on, tells me that part of the push and desire for the demutualization process is the idea that the presidents and the executive officers of these companies will be on a more even playing field with other captains of industry and their banking colleagues in that, rather than earning smaller salaries, they will, through a process of stock options and much increased salaries, be doing very, very well compared to where they are right now.

The argument that has been advanced to me is that, yes, the policyholders will benefit by this move, but in reality the management and the boards of these companies will become much, much richer and enriched by this program, very similar to what happened with the Manitoba

Telephone System whereby the president and vice-president and some of the other president's men, over the course of one or two years, were able to, in effect, get themselves what amounted to million-dollar packages with share options and much increased salaries as a result of the privatization initiative.

If she is telling me that this is not the case, that in all five cases so far this has been prevented, then I would like to see some evidence of that because clearly that is not what I have gotten through the Manulife website nor with discussions with the national insurance people, the financial institutions people in Ottawa, and the person that I had mentioned to you earlier who is quite knowledgeable about this area and makes speeches on this subject. Certainly what I have been told is that in fact this is a classic example of corporate greed at the highest levels.

Mrs. Render: Actually what I will do is check to see whether this legislation has, in fact, gone through, but I have before me a bill to amend the Insurance Companies Act. Under Restrictions on Benefits, 12, subsection (1), subject to subsection (2): a converting company shall not provide any director, officer or employee of the company with a fee, compensation or any other consideration in relation to the conversion of the company other than: (a) the regular compensation provided to the person in that person's capacity as a director, officer, or employee of the company; and (b) any benefits provided to the person as an eligible policyholder.

Now this, as I mentioned to the honourable member, is a federal bill, and that was introduced last fall. I will undertake to verify that this legislation did or did not go through.

Mr. Maloway: Well, I think that information, if true, certainly will go some way to alleviating some concerns that I have and a number of people I know have. Certainly I will make the effort to pass that information along so that people are not making speeches to various organizations saying that there are going to be benefits when in fact there are.

But, clearly, that, I guess, ties into a larger issue. For many years critics of corporate

structure in North America have looked at Europe and, I believe, Japan, but certainly Europe—I believe Japan as well—where company presidents really do not earn excessive amounts of money. It seems to be a North American phenomenon that you have. I wish I had the figures here, but just the other day I saw the old figures for the president, not only the president but the board of directors of MTS, and what they got before privatization versus what they got after privatization. It was just a whopping increase in salary. It was from, say, \$300,000 to \$600,000. So their salaries almost doubled, and the stock options, of course, were astronomical. These benefit packages that the corporate executives have seem to me to be peculiar to North America. Why that is, I do not know. Perhaps there has to be some sort of federal government initiative, both in the United States and Canada, to put some sort of limits on what these corporate executives get, because it is fairly obscene in our society to have corporate executives actually getting incentive bonuses to reduce staff.

So what you have is a number of \$10-, \$12-an-hour workers being put out on the street after 10-20 years of work, and the corporate executives getting a couple of hundred thousand dollars in incentives for doing that. That is just not the proper way. I do not believe the average person believes that that is a proper way for the society to operate. If in Europe and in Japan and other countries you could have companies being run with a very small disparity in wages between the worker on the floor and the top managers, then I would think that is the way to go.

* (1530)

Now I know that the minister cannot solve that problem today, but certainly that is something that we should be looking at. If it were the case that the executives were planning to make big money because of this, then I would expect the minister to identify that as a problem and put it on the agenda of the ministers' meetings or issue a press release or do something anyway to indicate that at least the government of Manitoba does not support activities such as this. So perhaps if the minister could follow through and just make certain that this legislation has passed and just ascertain that there will not be a big

issue here of corporate greed, then this will go a long way to solving part of the problem. I will say though that I thought at that meeting in Ontario a few days ago, this was an issue at that time, as well.

The other issue that is important in this whole process of demutualization is the whole area of the loss of control. The minister will know that while a number of these companies have been mutuals from the very beginning, many of them formed in the early 1900s, late 1800s; in fact, I am told there were a number of companies that were in fact private companies before, and in the 1960s they turned themselves into mutuals so they could not be targets for takeovers. So what they are doing now is in fact opening themselves up for the take-over market, and that can work out okay, I guess.

If you assume for a moment that the company has a retained earnings account of—I am not sure what these companies would have—but assume that if there are five companies and they are looking at \$10 billion, they are fairly substantially reserved up in the retained earnings department. The question is why are they demutualizing in the first place if they are simply going to become take-over targets? I mean, what they are actually doing is they are flushing out their retained earnings, and they open themselves up then to become take-over targets from other interests who may operate them in a different sort of way, may in fact centralize them in Montreal or Toronto or Vancouver and shut down local offices. I mean, we have no idea what is going to happen. The control of the Manitoba Telephone System in terms of the shares, while they were sold to Manitobans, within days I believe, days or weeks, the majority of the shares became owned by people outside Manitoba, and that is what is going to happen here.

What you are going to have when you demutualize Manulife, which is one of the first of the five to move, is that these shares will be traded and traded back and forth. The original people who get these shares, do you think they are going to hold onto them for any length of time? Not at all. A lot of people are going to take cash right from the beginning, and a number who take the shares are, in fact, going to trade in

the shares within the next few months or years after they get the shares. It is conceivable that most of the shares of these companies will be owned and controlled off shore. Is that what we want to happen?

So I do not really buy the argument that these people give that they have to grow larger or fail. I mean, right now they are mutual companies, they cannot be taken over. What is the problem? Right now they are protected because they are mutual companies. They have \$11 billion between the five of them that they are now going to give out to the shareholders. So tell me what they are going to gain by going public. I mean, it seems to me that going public is really designed for somebody who needs cash. You know, the Chairman or myself or someone else who needs cash may go and float an IPO on the stock market to raise money because neither one of us have the cash to set up the company.

We are talking about companies here, Mr. Chairman, with \$11 billion that are sitting there invested right now. So why are they turning themselves into takeover targets by becoming publicly traded companies? Why are they giving out their \$11 billion in the hopes that, what, they are going to be taken over and there will be more cash coming in? They are going to do what? Merge with another company, be taken over by another company, probably a foreign controlled company?

I mean, what you are going to see in the space of four or five years is not five companies. You may see only two or three companies, maybe only one company. Maybe all five of them will be controlled outside of Canada. The result will be perhaps less jobs in Manitoba because of this process. So I would like to know where we are going here. Can the minister tell us where we are going?

Mrs. Render: My understanding is that the insurance companies want to convert into share companies in order to be in a position to raise additional money by public offering of shares. These companies, I have been told, feel that they will need substantial investment over the next number of years in order to compete with other financial service providers. I do not know, but this may result in these companies expanding the

types of financial services provided beyond the traditional insurance products.

I really cannot say anything furthermore than that, Mr. Chair, but as the honourable member knows, insurance companies that have not demutualized are limited in their ability to raise money. So, as I say, this is one way that they can maybe make sure that they are in place for the future.

Mr. Maloway: I know that it becomes at some point a philosophical question to be debated. I am simply observing what is in the process of happening with the Manitoba Telephone System and suggesting that the same will happen here, that in fact we will have fewer companies rather than more companies.

I think part of the problem is that Canadians in some ways do not like the idea of having five huge banks. In many cases they think that the banks are too big the way they are, that there should be more banks, should be more competition in the banking business. What the federal government is doing here is they are opening up the potential for there to be fewer companies rather than more.

What you will see happening is right now, you have five big, protected banks. I do not know how much competition you are seeing with the banks these days, but you will have these insurers doing the same thing. They will become private stock companies. What will happen is they may be bought up by the banks. So you will have fewer. There is no doubt in my mind that you will have fewer companies. There is a consolidation that is occurring in the industry and probably worldwide. This is all tied into the globalization of business. That is where this is headed.

I understand that the federal government has control of the agenda here. That is quite clear. But that does not stop the minister from becoming active here, doing her studies to show what the net effect is going to be to Manitobans and look at the whole idea as to whether it is good for the Canadian economy, is it good for the Manitoba economy, getting her position out early as opposed to sitting back and just being in a reactive position and saying, well, there is

nothing we can do about it, this is beyond our scope and control, and it begs the question, well, why are we in the business in the first place? Why do we even have a regulatory body then if we are not going to take an active interest, especially in an area where we have already indicated that we are looking at 2.5 million policyholders and \$11.5 billion in a move that has been called perhaps the largest transfer of wealth in the history of the country. Gosh, this is not some little, isolated issue here. This is a huge issue, so regardless of whether she has direct control or not, I think that it is incumbent upon her as the minister and the government to be taking some position here, even if it is only to say that they think it is a wonderful idea, because I am sure they do. They think it is a wonderful idea and that it should be proceeded with, with the greatest of speed.

* (1540)

Mrs. Render: Mr. Chair, well, I guess it would be safe to say that we are satisfied that safeguards are in place and once again, I would say that it is the policyholders who have the final say, and I hope the member opposite is not saying that he thinks that government should have the final say. Policyholders have the final say. I am just reminded by staff that once again the conversion proposal must be approved by the policyholder, so if they believe, having read through all of the information that has been sent out to them and I am sure that they will be discussing this and asking questions; if they feel that this is the proper way to go, then they will vote in that particular manner, but policyholders do have a say in this, in fact, have a final say in this.

Mr. Maloway: Mr. Chairman, I would like to move on to other areas of the branch. Page 38 of the annual report under client services indicates that the Insurance Branch handled 303 complaints last year. I would like to ask whether that number has increased or decreased this year.

Mrs. Render: We have 40 complaints, oh, 40 more.

Mr. Maloway: These complaints then, could the minister give us some idea as to what sorts of complaints we are dealing with, what the

resolution is of them, I mean, do they all get resolved? I guess that is probably impossible that they all get resolved, but what is the percentage of successful resolution?

Mrs. Render: The department has been tracking the successful resolutions; 58 percent have been resolved. The complaints really run the gamut from just simply inquiries to some people who feel they have been treated unfairly, or others who believe they have problems with their adjusters. I think, if the member has his book in front of him, he will see on pages 42-43, you can get a sense of the types of complaints.

Mr. Maloway: We will get to those pages, I guess, in a couple more questions. I would like to ask the minister, also on page 38, the recommended capitalization limits for the Manitoba incorporated insurers were to be increased from \$3 million to \$5 million. I ask, why did that happen? Has this been done, and are all of the companies in compliance?

Mrs. Render: The legislation was changed and, for the life of me, I cannot remember whether that was last year or the year before. Perhaps the honourable member's memory is better than mine, but it is just within the last year or two. One of the changes was that a new company to be registered had to have \$5 million to incorporate, that the \$3 million was just simply seen as too low in today's world. Existing companies were grandfathered, but they are being urged to grow their capital to \$5 million.

Mr. Maloway: Oh, I see. The wording is "recommended that the limits for Manitoba be increased from \$3 to \$5 million." So what she is saying is if a new company sets up shop here that they are required to start with \$5 million. I recall it being \$2 million. In 1981, I believe it was changed and increased to \$2 million at the time. So I see now that inflation has taken hold here, and that we are looking at \$5 million. We have no problem with that at all. I think that is probably quite low the way it is. It should be even probably higher than that.

The question is then: are there any companies then that are having difficulty raising the capital? There was a reason why it was done, that obviously you felt either it was

happening in other provinces or there was a certain problem that precipitated this move. Governments do not usually just introduce legislation for the fun of it. It is a difficult process, and legislation usually comes about when there has been a problem that has been severe, and to solve the problem we change some legislation and take some corrective action. So there has to be more to this than just a simple, well, we just woke up one morning and decided that \$5 million sounded like a nice, round figure where \$3 million was okay.

Mrs. Render: PACIC encouraged this change, and I believe the \$3 million had been in place for a number of years. Perhaps the honourable member, again from his memory because he is in the business, might be able to advise me, but my understanding is that the \$3 million had been in place for quite a while and it was felt that \$5 million would be better for this day and age.

Also, before I forget, apparently this change had taken place in other provinces as well.

* (1550)

Mr. Maloway: So, basically, this is just part of this standardization of rules and regulations across the country then. Manitoba wants to be in step with other provinces. Would that be a fair assessment of why this was implemented?

Mrs. Render: No, I would not describe this as harmonization. We wanted to have absolute minimum requirements in place.

Mr. Maloway: How long do the companies have? They are being encouraged to increase their capitalization to the \$5 million, but how many of them are at the \$5 million right now, and how long will it take until the rest of them get there?

Mrs. Render: I have been advised that we have not set any firm time lines on this.

Mr. Maloway: Well, if you have not set any time lines, then perhaps it will never happen.

Mrs. Render: Mr. Chair, no, it is discussed each year at the annual solvency examination. I guess maybe the best way to answer the question

is simply to say that there is no requirement. That would be like changing the rules of the game once the game has started. So there is a close monitoring of the companies which do not have a capitalization at the \$5 million.

So, as I say, it is discussed each year. There is close monitoring, but there is no absolute requirement for those companies who have been grandfathered to change that. There is an encouragement for them but they are monitored.

Mr. Maloway: I understand that there should be a phase-in period that if \$3 million was okay for a number of years and then \$5 million becomes the norm, that the existing operators should be given some sort of a phase-in period. But one would think that would be a definite, there would be a definite five or 10-year phase-in period, because if that were not the case then it is conceivable that what will happen three or four years from now when \$5 million is not enough—because we do not have an accelerating factor here, an inflationary factor.

So what happens in 10 years when \$5 million is not enough and we raise it to 10? Do we grandfather in all of these \$5 million operators and we leave the \$3 million where they were? Over the case of 30-40 years, then you really could have some problems on your hands. So I would think that there has to be some sort of a phase-in where there is going to be an equal, level playing field for everybody at a certain point in time.

Mrs. Render: I may have missed part of the member's comments, so if I am not answering all of his comments maybe he would just repeat them. The legislation only addressed newly incorporated companies. The existing companies have been in business for a long time. They do have a track record, and as I have been advised, their solvency is monitored. It is not as if they are on shaky ground.

Mr. Maloway: I understand that and I just think that a level playing field would be the ideal situation and that if you are going to change the rules, then you should probably at least allow a phase-in period but make certain that at the end of the period that everyone is on equal footing.

But, having said that, I would like to ask a question regarding page 39, I think it is, dealing with the number of licensed companies. It indicates that there are 246 federally registered companies and 37 provincial. Now I am sure there is a simple explanation for this, but I noticed in the annual report I got a different figure when I looked in there on page 1 of the '98 superintendents' annual report. There they list provincially incorporated companies, 38 of them, I believe. Oh, I see, and it says 37 in the report, but then when they bring the classification down—I see, okay, I think I have part of my answer here. Later on in the report it indicates that there are seven.

So just what is the explanation for this discrepancy? I know there is supposed to be seven provincially licensed companies. At least, that is what I thought, and then in two other parts here, we indicate that there are 37 or 38 of them.

Mrs. Render: Mr. Chair, I have been advised that there are seven home-grown Manitoba incorporated companies, and the other 30 are extraprovincially incorporated companies.

Mr. Maloway: So they are extraprovincial that are registered in Manitoba.

Mrs. Render: Yes, the member is correct.

* (1600)

Mr. Maloway: But that is not what it says in the department's '98 annual report. It says as of December 31, 1997, the 38 provincially incorporated companies are classified as follows: B and C, 22. They tally up to 38.

Mrs. Render: I think where the confusion is coming, and I can certainly understand the confusion, is it is the word "provincially." They were incorporated in a province but not necessarily in this province.

Mr. Maloway: I thank the minister for that clarification. That makes sense now.

On page 41 of her annual report, they give a description here of agent's licence cancelled, then suspended, then revoked. What is the difference between each of these? What is the

difference between cancelling, suspending or revoking? I understand "refused" is the next category; now that makes some sense. But what is the definition of "revoke," "suspended" or "cancelled," the difference between them?

Mrs. Render: A very good question. I think there may be a problem with the terminology. I have been advised that these are the terms that are used in the act, but you will see that "cancelled" has zero, and I think that is because there is too much of a similarity between "cancelled" and "revoked." "Suspended" is lifted for a period of time whereas "revoked" is taken away, which is what "cancel" also implies.

Mr. Maloway: I would like to, on the same page, page 41, look at the number of exams that are written, the number that have been passed and failed. There seems to be quite a high number of failures. The failure rate is fairly high on the Life side. Let us take the most recent year, '97-98, there were 542 written and 338 passed, so 204 failed. Now I do not know that those figures are out of whack with other provinces or out of whack with historical records here in Manitoba, say 10 or 20 years ago. I am assuming that those statistics could be compiled. Then I notice in the General, there are very few written in the first place there. For example, there were 41 written in '97-98 and there were only 10 people passing and 31 failures, so that does not sound to me like a very high success rate. A and S has 226 written; 147 passed and 79 failed. So you can see a better proportion in the A and S area and the Life portion, but a pretty bad set of statistics for the General side of things.

Could the minister put this into perspective, once again try to deal with how this compares to other provinces and how this compares to historical trends in Manitoba here over the last, say, 10 years?

Mrs. Render: We will have to check into both of the member's questions as for the historical trends and how we do in comparison with other provinces. The exams are set by the industry. They are written by the industry, but other than that, as I say, we do not have that other information right here.

Mr. Peter Dyck, Acting Chairperson, in the Chair

Mr. Maloway: I certainly do not mean to suggest that the exams may be too difficult, but maybe some better preparation needs to be done or courses need to be taken or something like that in order to prep the people for the exams because it certainly does not look like a very good success rate to me when 24 people write and only nine people pass, another 41 write in '97-98 and only 10 people pass. The success rate is not very high in that particular class.

Mrs. Render: My understanding is that the industry has study guides, and it is up to the industry to prepare the people for the exam. The little bit that I know personally on people taking some of these exams are that they have to go for an interview and the company determines whether or not they think this fine upstanding young man or woman in front of them is somebody that they would like to hire and after that has been determined and they hand them the study guide. Then the person writes the exam when they feel that they are ready. As I say, this is industry driven and it is not this department which oversees that particular aspect.

Mr. Maloway: I wanted to deal with an issue that has gotten some attention over the last few years, the whole area of redlining, what is called redlining anyway, in the B and C area. I mean, I believe I have been told that mortgage companies do that as well, that they redline certain areas and refuse to lend in certain areas of the city or certain streets and so on. Of course, the allegations have been made that the insurance industry does that as well. In fact, two or three years ago now, a reporter with one of the news outlets wrote a substantial piece on this whole subject, and it purported to show that there was discrimination going on against the core area in the north end of Winnipeg. Out of that whole process I believe a committee was set up, some sort of committee was set up. The superintendent was involved in this whole process. I wonder just whether you can give me a background on why this all surfaced and what was the eventual resolution of it.

* (1610)

Mrs. Render: As the member knows, in fact I suspect everybody in this room can remember some of the media coverage on this issue, that there definitely was a perception that there were some people, some homes, that were being denied insurance on the basis of where they lived. Upon investigation into the matter, it turned out that no one was denied insurance on just that one qualifier, in other words on where they lived, but both this department and the insurance companies realize that sometimes perception is stronger than reality and it was felt that it would be a good thing to have a standing committee of which, the member is correct, the Superintendent of Insurance is the chair. The basis for the committee was really to seek a solution if nonavailability problems arose. As it happened, the committee has been in existence for two years, I guess, and there have been no issues requiring calling a meeting.

Mr. Maloway: Can the minister tell us who was on this committee?

Mrs. Render: The chair is the Superintendent of Insurance. There is also a representative from Wawanesa, a representative from Portage and from two other companies operating in Manitoba, but the players have changed.

Mr. Maloway: I thought at the time that there were representatives of the public that were on this committee.

Mrs. Render: I have been advised that, no, because the committee when it was set up was set up to deal with a specific issue, in other words, a specific consumer, and because the committee was set up to deal with a problem, a problem which, as it turned out, did not occur but presumably might have occurred, you would have been breaching confidentiality to have a member of the general public on the committee.

Mr. Maloway: Maybe this is a different committee, then. At the time that all this was happening, I believe it was a series of articles, more than just the one article, that there was a committee set up at the time, so it obviously is not this standing committee. This is something else, and there was a committee set up. There was, I believe, a representative from Wawanesa on it, and there were members of the

community. For certain, there were, but I just forget who the members were. They were well-known names of activists in the north end or in the core area of the city who were supposed to be on this committee, and I just wondered who was on it now and what was happening to it and did it ever meet.

I assume that it did, because I never heard anything more about the issue, but clearly there was a committee that had people from the area on it.

Mrs. Render: Yes, there was another committee I have been told, roughly 20 members, including a variety of people from the Fire Commissioner to members from the Social Planning Council. They had about four or five meetings. The committee was disbanded because it was felt that the problems were not insurance problems but social problems. So, rather than setting up another large committee, it was better that the people who were experiencing the problems go back to groups that were already set up to deal with these particular problems.

As I say, the committee that the Superintendent of Insurance was chairing, that committee was set up specifically because there was a perception there were some homeowners who were being denied policy claims or policy insurance. That committee just did not have anyone come to them, so we are talking about two different committees.

Mr. Maloway: Has the minister received any complaints about the same issue, the redlining, as regards to mortgage approvals, because they seem to go hand-in-hand? There seems to be a problem in the real estate industry with the suggestion that mortgages are being denied at times to certain areas of the city, along with this issue?

Mrs. Render: The answer to the member's question is no.

Mr. Maloway: In the annual report, there is an indication that—now this is dealing with insurance applications and not mortgage applications—the number of applications rejected or renewals refused in 1996-97 was 11. And then '97—that is hard for me to read this—'97/9?

And there is an eight underneath it, so I am not sure what that means exactly. Is that a misprint? It is on page 42, just down No. 2, after claims, there is Application Rejected/Renewal Refused. [interjection] Yes, 42.

* (1620)

Mrs. Render: I guess, there are many reasons for rejection. Each company has its own underwriting criteria, and, I guess, all of us have the ability, if we are turned down by one company, to shop around, to approach another company.

Mr. Maloway: Mr. Chairman, well, first of all, could the minister clarify that the second column the 1997-9 and an eight underneath, what year are we talking about there? Because there are only two rejections and renewal refused, and it says 1997/9 and then an eight underneath it. What does that mean?

Mrs. Render: It is confusing. The eight should have been up right next to the nine, so it was 1997-98. You know, look at it too much and it—

Mr. Maloway: So, from what we see here, the number of applications rejected and refused actually dropped from 11 down to two in '97-98. Now, that does not seem like there could be a problem here at all if there are only two refusals or two rejected. But my suspicion is that there is a lot of people who would not find their way to the superintendent's office, that it is not that widely known, and I would expect that if people got rejected or refused that this is not really representative, I guess, is what I am saying, of the problem if there is one out there. I mean regardless of whether there is deemed to be a serious problem or not so serious problem, the point is that these sort of statistics, I do not think—

Mr. Chairperson in the Chair

I recall meeting with former Chief Cassels a couple of years ago, with the caucus. At that time, the chief was quite adamant about the fact that the crime rates were dropping in the city and was quite happy with that, but my point to him was that that may not necessarily be, because that is a case of reported crime.

If you deal with the insurance industry, you know that people do not necessarily report.

They know their deductible may be \$500 now as opposed to \$200 before or \$100 before that, and so they may not even bother reporting an incident if they feel that it is not major enough. So that is what I am suggesting is happening here, that there are probably far more cases than you realize here, but reality is that there are only, in that year, two people that actually made a complaint to you about this problem.

Mrs. Render: Well, I am not too sure that I totally agree with the member. I think that when people feel like complaining or they think they need help, one way or the other they are going to track down that help. At the very least, they can phone the government information line at the back of the telephone book.

They can look under, I believe, probably the white pages for the Insurance Council. If I were having problems, I think I would just open the book and look for the word "insurance," and if I saw the words "Insurance Council," I would phone them, and the Insurance Council would recommend that they phone the Superintendent of Insurance.

Also, agents have also been advised to tell dissatisfied people whom to go to if they have a complaint. Also, with all of the media attention that had been given to the matter of presumably lack of insurance for certain homeowners, the Superintendent of Insurance was on a radio talk show just discussing the insurance availability. So I think there are a variety of ways, if somebody wishes to pursue a problem, that they can find the Superintendent of Insurance, I would say, relatively easily.

Mr. Maloway: I guess I am just suggesting that those figures may not actually be reflective of how bad the problem is or is not. It is just reflective of how many people actually got through to the superintendent that year. I think most people, if they get rejected or refused, simply give up at a certain point, and there is a lot of evidence of that.

I mean, I am not sure that there was the problem there that was represented in the Free Press either, by the way. That was certainly a very good way to sell a lot of newspapers. It may be overstated how bad the problem was, but

perhaps these figures may understate the problem.

With some statistics that I saw the other day, I do not know what exact area the boundaries are, but there was a suggestion that people who paid an average of \$40,000 for a house, the property values had dropped over a certain period to \$22,000. To me, that is a pretty scary prospect because working people who bought their houses 10 years ago and paid \$40,000 for a house are now finding their houses worth \$22,000. That is, I think, a pretty scary prospect for a working person and a family who normally would buy a property thinking that over 10 years—I think that most of us grew up that way, that we just assumed, we just had faith that the market may not go up like Vancouver or Toronto, but if you bought something today, it was going to be at least worth as much as what you paid for it with maybe some slight increase to keep up with inflation. But for people who are buying homes in the \$40,000 range and now finding 10 years later they are worth \$22,000, that has to be a pretty scary prospect.

Well, it is a cycle, and what happens is that—I mean, we are saying now this has occurred during the current government's watch. It just so happened they happened to be in power while this drop in property values has occurred, while they have been in power, but, clearly, the society, the government, have to come up with some solutions to try to rescue the problem because one problem feeds on another.

If the property values drop from an average of \$40,000 in an area to \$22,000, then the mortgage companies do not want to lend in that area. Then the insurance companies do not want to insure in the area, and the area just falls further and further and further. We are not talking about an area now that is just confined to a few blocks; we are talking about an area that just seems to be expanding every year.

I think a lot of people living in these areas were not aware that the water was coming up alongside of the boat. There is the old joke about the guy on the Titanic who, when he was asked about what the ice was doing around the boat, he said it was for the party he was having on Saturday night. That is how I see things

developing in certain areas of the city, where people have been living there and with the best of intentions making their mortgage payments and keeping up their properties, and all of a sudden—there was not one set date at which they realized it was a problem, but now they are waking up to there is a problem, and they are all trying to run out the door at the same time, and you know that does not work, right? When everybody tries to leave the area at a certain time, the property values just collapse.

Somewhere, I do not know where the line was, but I know last year I had a complaint from some people whose relatives' estate was turned over to the Public Trustee. On the surface of it, it looked like there was a case for some serious malpractice on the part of the Trustee's office whereby a property in the north end was very well maintained, it looked very nice, and the city assessment showed it was worth \$30,000, but it was sold for \$11,000. The heirs thought that they were being ripped off, that they were being cheated and robbed. On the surface of it, it looked like that until you got beneath the surface and went and talked to the appraisers and the appraisal companies, and you found when you checked with a few of them they said, yes, the whole bottom has just fallen out of the real estate values in large chunks of the area. So any action that is being taken by the government is certainly not too soon in this whole area.

I wanted to also, before we leave this area and perhaps go into the Consumers' Bureau, on page 44 in the annual report, it indicates that the number of complaints opened has dropped between—pardon me, in '96-97 it was 48; in '97-98 it is 215. So why the big increase?

* (1630)

Mrs. Render: I am advised that before it was the Superintendent of Insurance that investigated complaints against agents, whereas the year that the jump took place, that was when the Insurance Council of Manitoba undertook to investigate complaints against agents. It was a hearing process and, as I say, the superintendent did that. So those stats, those numbers were simply not showing up in the 1996-97 figures but, as of '97-98, the insurance council was responsible for investigating complaints against agents.

Mr. Maloway: So those figures would indicate then that they are a little more active in looking at complaints then.

Mrs. Render: Yes, before it was somebody—sorry, Mr. Chair. I am not too sure just what the member's question is, but as I say the numbers under '97-98 reflect the new function that the insurance council had undertaken. That function had previously been done by the superintendent.

Mr. Maloway: I see. So what they did was expand their operation. I see. So it is not a reflection of a huge increase in complaints then.

Mrs. Render: No.

Mr. Maloway: It is just a phase-in of the council.

Mrs. Render: Yes.

Mr. Maloway: I thank the minister for that. I would like to ask some question of the Consumers' Bureau. I do not know how far we can get in this today.

Mrs. Render: I would just like to check with the honourable member. Is he finished with questions for the Superintendent of Insurance?

Mr. Maloway: I think so. I know we can call her back if we have any more questions, but that would be another day. I do not think today there would be any more questions for the superintendent.

Maybe while we are waiting for the change of staff, I could ask the minister if she could report on any trips she has taken. I know Minister Radcliffe was not overly active in the trip department. I was disappointed in how little activity he had in travelling compared to the high-flying Premier and the high-flying former Minister of Industry, Trade and Tourism. I would like to nevertheless ask the minister in the last year, and this would be before she has become the minister in January, I guess, or February, what the department has done in the area of trips and conferences and other activities.

Mrs. Render: For clarification, minister's trips or department's trips? I am assuming just the minister's trips.

Mr. Maloway: At the time, yes, I believe the question was ministerial trips. The minister can check back and see what the request was at that time and just provide me with updated information on any activities in that area.

Mrs. Render: I believe the previous minister travelled out of province only once to the consumer ministers' meeting last November '98. If the member wishes, we can check the record and see if there were any other trips, but to our collective knowledge here there was only the one trip.

Mr. Maloway: We would also like to know—I think the last printout I got may have been back in Minister Ernst's day actually—the designation of who went and where they went and the costs of the trip. So in his case then, it always may be a train trip to Stonewall or Brandon or somewhere and it was \$85, that kind of detailed information we were looking for.

Mrs. Render: Again, I need a little bit of clarification. I am assuming that the member really only wants out-of-province trips because within province a minister might visit an office or an area that the department is responsible for. It is usually just a day trip.

Mr. Maloway: I am not sure just what information was provided last time, but certainly out of province was included, out of province or out of country. Certainly within the province it would not hurt to have that information either.

Mrs. Render: We can certainly provide the member for out of province, out of country, if such a thing occurred. It may be a little more difficult within province. I mean I was into St. Boniface and that essentially is a trip, but I am not too sure that my deputy would have known that I was there. I know that the member is conscious about staff time and making sure that we are asking questions that will be useful, so I really need to know just if he wants to concentrate on the out-of-province trips.

Mr. Maloway: That would be fine. Whatever format you followed last time will be okay. It was not an exactly involved transmission. It was just one trip to Toronto, or something like that, so it is not a big deal.

I would like to ask the minister about gas prices. We have had a succession of ministers who travel through this department onto bigger and greater things and by no means all of them have made promises about research and monitoring, at various points, into the price of gas. Minister Connery was having people out checking prices here and there, and nothing really happened with him.

Mrs. Render: Thank you to the honourable member because I have interrupted his question. This is actually not Marjorie Simpson's area. I thought we were going to talk on the Consumers' Bureau. I am wondering whether the member could clarify which area.

Mr. Maloway: I thank the minister for the clarification. I really was not concerned about who answered the question or whether it had an application to the Consumers' Bureau. I understand there is some crossover in some of these areas. We know that the planning secretary, research department were to be here for around four o'clock, and we were going to try to put some questions in there between four and six o'clock, but we also have to deal with the Consumers' Bureau.

It makes no difference to me as to which one you want to deal with. We are going to be here for a while anyway, so if you want to deal with gas prices right now, we can deal with that and we can go back and forth. My next area will be perhaps dealing with the Consumers' Bureau. We can make everyone happy by going back and forth if you like. That would be fine.

* (1640)

Mrs. Render: If the member does not mind, it might be a little more efficient if we could finish with the Consumers' Bureau, since we sort of started on it the other day, and then the Research and Planning for another day.

Mr. Maloway: This would give the Research and Planning department ample opportunity to assemble all its myriad of studies and so on that it has done for the last few years on gas prices. Yes, I would be amenable to that. So perhaps we could—I do not know how many more areas I have to deal with the Consumers' Bureau on, so

perhaps the Planning department could stay around in case we do run over into that area.

Now, Mr. Chairman, at the outset, I did want to deal with the area of charities which, I understand, are dealt with under the minister's department. I would like to know what would have been the activities and experience with charities over the last year. We were concerned a couple years back in a whole area involving charities' sponsorships. I guess the whole concern about how much money—and it is a common problem that gets discussed. People are concerned at times, and I do get complaints where people are concerned about how much of their money actually ever sees its way to the starving children or whatever the purpose of the charity is. This issue came to a head a couple of years ago when the Premier was on a cruise. I do not think we had objection to him being on a cruise, but there was some suggestion that somehow the reason people were signing up for this cruise was to be close to the celebrity. In this case it was the Premier, but it can be football heroes or hockey players. I know the Chairman and I probably would not draw a lot of interest if we were the celebrities chosen for the cruise. The Premier certainly would be a pretty good draw, I would think. That is why people like him are chosen for these trips. They are being promoted.

Every few months you hear of a promotion to join such and such football player on a cruise. The idea is that people who take these cruises are really, I guess, not concerned so much about the costs as they are with rubbing shoulders with the celebrity. The charity is to get some benefit out of this. When we looked into it, we found the charity was not getting very much at all and were selling themselves quite short for this. What I would like to do is get into this whole area and get the minister's comments as to what the state of affairs are regards charities.

Mrs. Render: The act does not designate a percentage of funds raised that must go towards charity. When the Consumers' Bureau issues a licence, it has to be satisfied that the money is to go towards a charitable objective that that particular group is organizing for, but the act does, in fact, not specify specifically a certain percentage. In particular, for new groups that

are getting up and running, this could be a hardship because it takes a while to develop donor lists. You have your overhead, of course, but just that whole business of getting yourself up and running can eat up some of the money that is raised.

Both the city and the Consumers' Bureau are working together right now to develop guidelines and criteria to evaluate fundraising applications in a consistent manner, and I think the bureau is also going to be talking to other municipalities. It is really a review of fundraising activities so that we can get a better sense as to these kinds of fundraising programs, projects, whatever you want to call them, on a province-wide basis, just get a sense as to what is happening out there and whether there are complaints out there and, if so, how many complaints, and really just getting a real feel for what is happening on a province-wide basis.

* (1650)

Mr. Maloway: How many complaints has the minister had regarding charities in the last year, and what was the resolution of the complaints?

Mrs. Render: There were 29 complaints, and I guess they ranged from a variety of things. Some of the people that were collecting were simply not authorized, so they had to go through the process and apply to the bureau. Other times, when a complaint came into the bureau, the bureau told them to stop. Other times the complaint was that the individual who had donated money had not received a receipt in return. The bureau was able to intervene in those cases and satisfy the donor.

Mr. Maloway: Can the minister then give us an idea of how many charities have been fundraising where they were just basically out fundraising illegally, I guess? I am trying to differentiate that group from a group that simply went out, that are a legitimate group that just did not have a licence.

Mrs. Render: Apparently in the investigations, all but one complied. But I am advised that the bulk of the complaints were with groups that were not deliberately trying to pull a scam or anything but that simply had allowed say a licence or an authorization to lapse.

Mr. Maloway: Mr. Chairman, has the minister or her department had any communication from the Community Party in regard to the issuance of charitable receipts?

Mrs. Render: No.

Mr. Maloway: Has the minister had any inquiries—and this is getting off charities slightly—from the members of the Community Party for door-to-door licensing for their activities?

Mrs. Render: I am advised that this particular group is in the hands of the police, so this department is not involved.

Mr. Maloway: I understand that. My question was: had the minister or the department had any representations from this group for direct sellers licences and/or charitable recognition?

Mrs. Render: To my knowledge, no, they had not applied.

Mr. Maloway: Let us get back to the charities here. I see the problem, if there is a problem, in the split jurisdiction here with the city on one side and the province on the other, and that is what we determined a couple of years ago. It was hard to sort of keep track of what was going on because nobody was really in charge. The responsibilities were split up, and you really did not know what was going on, so it was kind of a hit-and-miss system. So it needs to be, I think, probably tightened up with, if possible, a more centralized authority over this area, because right now it is a shotgun approach out there. We just know sitting here that next year we will have a new list of people who we will be asking questions about.

When does the minister expect that these guidelines and evaluations are going to be available, and just when is all this going to be put to bed and sorted out?

Mrs. Render: The member is certainly correct. Both the city and the province authorize charities, and of course the process is slightly different. At the present time, the Consumers' Bureau authorizes some 150 charities annually, and the city issues permits to roughly 400. The

city charges a \$25 fee for those permits and a \$45 fee for a tag day permit, whereas the bureau does not charge at all. So it is not necessarily just a simple matter of having one jurisdiction take over, because say the province takes over the city, because then it may be that all municipalities might want to have the province do their work. So, as I say, the process in place right now is to be working towards a consistent set of criteria so that, whether it is the province or whether it is the city or whether it is the municipality outside of the city that is issuing a licence or a permit, the criteria are the same and we are working towards having something ready by the end of this calendar year.

Mr. Maloway: I think that is important, when you see a problem like this, that you take some immediate steps to clarify or solve the problem before it gets worse. For example, and this was much more severe, but during the flood two years ago we found out to our collective horrors that municipalities had merrily gone along their way over the last few years and allowed people to build houses using lower standards than other municipalities. There was not a consistency between municipalities, and so some people built houses on higher levels and so they were more flood proof and others were permitted to build houses on lower levels. Basically, to encourage house building, I guess, the local municipality wanted to attract people with as few rules and regulations as possible and I can see that happening in smaller towns. The result was we had ultimately a big mess on our hands with all these different regulations. So the government had to step in and say no; this is the way it is going to be. You are going to build houses a certain level and so that they are not as susceptible to flooding or you will not get a building permit.

It is the same thing here. I mean, this system has gone merrily on its way for all these years, and I do not know what triggered the interest in this. I notice the Premier has not been on any more cruises lately, but the point is that it is about time that we did get this under control, and I do not have any objection to the province and the municipalities, if they are agreeable, to turning the function over to the province. The province can do it more efficiently, centralize it

and make certain that there is compliance. Then what we are doing at the end of the day is protecting consumers.

I got the impression, maybe not correctly but at least it was my impression, that with the city it was just basically a fee collection service. There was not a big amount of effort spent looking into the charities and how well they were operating or what their qualifications were. They were just issuing licences holus-bolus. Now I could be wrong about that and maybe a little harsh on them, but that is the impression I got at the time. So to me it seemed like the gate was open and the cows were all wandering out anywhere they wanted to go. So if the minister says she is closing the gate and calls all the cows home, that is fine. At the end of the year? I guess I do not have a problem with that. I mean, six months is not an enormous amount of time, but I think the minister is assuring me that this is being dealt with, this is a fairly high priority and that she is dealing with this right now.

* (1700)

Mrs. Render: Yes, the member is correct. I would like to assure the member that, even though we do not have criteria in place right now, the bureau does consult with the city on a regular basis and particularly if there is, I guess I could term it a problem application, just so that an individual does not play off one jurisdiction against another, so there is communication back and forth.

Mr. Maloway: Is this activity that the minister's department is involved in, has this been an ongoing thing for many years or has this been brought to a head by one or two developments in the last year or so?

Mrs. Render: The province and the city have always exchanged information and talked about this back and forth. But I guess the member is correct that really the development of criteria and guidelines has really just arisen and been worked on in a more definitive manner in the last little while.

Mr. Maloway: Is this going to involve legislation, or will the changes be able to be accomplished by regulations?

Mrs. Render: I do not know in what form the changes will take place. I do not see legislation as being the answer, because then they are written in stone, and it is a little harder to change if we have not—whether regulation is the way to do it, I do not know. It may be that that is simply outlining the criteria. We have not got down to that particular point as to defining just exactly what form it will take.

Mr. Maloway: I would like to ask the minister: since the Consumers' Bureau licenses collection agents, I am sort of interested in an update as to what is happening with the province's collection agents and what sort of rules—I know they do follow a set of rules as to how late they can call people and how often they can call people. There is a whole set of rules. If the minister could explain to us just what the current rules and regulations are and whether there are any changes contemplated.

Mrs. Render: Any new collection agents that come on board come into the bureau for a briefing session. In answer to your question on calling, the act does set out rules pertaining to collection practices. For example, collectors cannot call consumers before seven in the morning or after nine at night, nor can they call on statutory holidays or Sundays, neither can collectors threaten debtors with proceeding with any action for which they do not have lawful authority. They cannot collect or attempt to collect from a debtor a greater amount than what is actually owing.

Mr. Maloway: I would like to also ask the minister whether she sees many changes in the rules.

Mrs. Render: There have been no problems identified, and if no problem is identified, there are no changes contemplated.

Mr. Maloway: The Consumers' Bureau, according to their annual report, recommends changes to consumer protection statutes and regulations, and we are talking about harmonization here with other jurisdictions. I would like a list of all of the changes that are contemplated in this area, a list of the ones that have been recommended.

Mrs. Render: There have been changes to the direct sellers. This has been done. The cancellation period was changed from seven days to 10 days, and there has been harmonization of other regs. The department is currently working on the bedding, upholstery and stuffed articles to harmonize with Quebec and Ontario which are the only two jurisdictions which regulate this particular area, and this will be done under The Public Health Act, and in the future we are looking at some changes to the cost of credit disclosure.

Mr. Maloway: I guess one of the benefits of this harmonization move has been, I believe, you have harmonized to the highest level so that, for example, your 10 days, that comes from Saskatchewan. Saskatchewan direct sellers' legislation gave 10 days, and we gave seven, so by harmonizing, in that case I believe, you have taken the highest figure, the most beneficial figure to the consumer. Did you do that in all of these cases?

* (1710)

Mrs. Render: I have been advised that was the premise for harmonization, to take it to the higher standard.

Mr. Maloway: I think that is only fair because otherwise if you took it to the lowest standard, you would be taking things away from consumers in different provinces. So it makes sense to me that harmonizing to the highest figure that benefits the consumer the most then actually extends consumer protection in those provinces that did not have the highest standard. So that is probably the proper way to do it.

I know we are running out of time here, and I did want to get into the whole are of the consumer complaints. These pages are just a bunch of figures, and they do not really mean very much unless you get a better explanation as to what is behind them. For example, in the area of home improvements, the number of complaints this year is 163, the minister said, and was 160 last year. So there is a certain amount of stability. That is down from 218 the year before.

But I was looking for a breakdown of that particular category in home improvements.

Presumably there will be some problems there with different types of—I would like to know whether their complaints are, you know, sunroom installations or kitchens or bathrooms or roofs. There probably is a predominance of one type of activity over another, but I do not know, just looking at statistics like this.

Mrs. Render: I am advised that the department does not break down the complaints in that manner. They simply break them down into home improvement complaints, but they do not break them down any farther, whether it is a roof or a furnace or what have you.

Mr. Maloway: I accept that because this is just a statistical analysis. But clearly the department knows roughly what sorts of trends are behind these statistics. So I would like to know what sorts of home improvement problems I guess, regardless of the statistics here, have you noticed in the last year as opposed to say a couple of years ago. Is there one type of home improvement that is starting to develop as a problem versus another?

Mrs. Render: Mr. Chair, there is no real trend. The only trend that there was was that the work was not done satisfactorily. Perhaps nature has something to do with it. A number of years ago, I am sure the member remembers, there was a downpour of hail. Some people, it was their roofs that were hit; other people, it was their cars that were damaged. So, as I say, in that particular instance, it was sort of an act of nature that that came in. So it was not as if there was a company going around that was not doing business in a proper fashion. Homeowners just needed something done, and as I say, in this instance it may have been roofs and the roofs were not replaced in a satisfactory manner, and the bureau intervened.

Mr. Maloway: Following up on that then, in the area of the furnace chimney cleaning, what sort of complaints were received in that area?

Mrs. Render: We do not have that information here. Again, just in a general way, it was simply not done to the satisfaction of the homeowner.

Mr. Maloway: I guess what I am looking at here is: are there any cases of furnaces being—or

companies selling furnaces and maintaining that they have to be replaced because heat exchangers are cracked? Do you recall a few years ago, the CBC I-Team did a story on the heat exchanger question, and there were a number of heating companies in Manitoba at the time who were found to be taking advantage of elderly people, not necessarily elderly people, anybody that seemed vulnerable? After all, when your furnace breaks down in the wintertime, you are not really in a strong position to argue your point. When the furnace person shows up and shows you a crack in the heat exchanger, it is very easy to fall for the argument that you need a new furnace because you do not want to be dying in your bed of carbon monoxide poisoning.

Now, that is the kind of argument that I am told that people are presented with when the furnace goes down in the middle of winter. So people sign up for new furnaces because of that problem. When you look at the whole area of the heat exchangers, you find that minor cracks are not necessarily that life threatening. For example, your car may have lots of scratches on it and dents, but you do not throw away the whole car. But it is not explained to people that the crack in the heat exchanger has to be in a certain place for it to be serious enough that the furnace has to be replaced. So what is happening is little cracks—by the way, all heat exchangers have some cracks somewhere, I am told. Even if your furnace is only a year old, it is going to have some cracks. The question is where are the cracks? Are they in a serious part of the heat exchanger or are they in a not-so-serious part? The point is that, because every heat exchanger has some cracks, some unscrupulous heating people may point to a crack and say, look, that is a crack, and you can see the crack so you know that the guy is not lying to you, and the result is you end up buying a high-efficiency furnace for \$3,000-plus or whatever the price happens to be.

So what I am trying to find out is, from these complaints here, how many of these are heat exchanger problems, as an example? What I am expecting from the department is for you to be able to tell me that that is no big surprise because in the furnace chimney cleaning side, 80 percent of these are heat exchanger problems. I am just doing this as an example because we can

go through each and every one of these all day long here. That is what I am trying to figure out. When I read this stuff, I do not get a clear picture of what is going on in the province. When I see furnace heat cleaning, I do not know what that means unless there is an explanatory note as to what—there is some sort of breakdown here. Well, okay, let us deal with that one right now, and then we will go on to the next one.

* (1720)

Mrs. Render: Mr. Chair, the number for the furnaces and the chimney cleaning is 13, a relatively small number. We cannot just say right here today what those complaints were, but I can say that the people in the department who investigate the complaints, if they see a trend developing, will alert the director. The director is not aware of any trends that have developed. As I say, the complaints have been small, so I think it would be correct to assume that the complaints were various. Certainly this is something that the department does monitor, but if there is a trend developing, then that is something that we have to be on the lookout for.

Mr. Maloway: Mr. Chairman, once again, similar to the red lining question we talked about a few minutes ago, I think it is possible here that the problem is much bigger than what these figures would indicate. If you have a crack in your furnace and the furnace repair guy is there to fix it, your heat is off and you see the crack, you are going to agree to the new furnace. The furnace comes in the next day and your old furnace is gone, and you will not think to question about this crack. There are just certain things you accept in life. So there may be a much bigger exposure here than what these figures indicate. I am just saying that this was examined by CBC a couple of years ago, and they found a lot of this abuse going on. It is not something that necessarily would be reflected even in these seven, but it has gone on. It probably still is going on.

Let us deal with coupon books/lottery/prizes. There were 42 complaints last year. What does that tell me? I do not know. I would like to know just what types of complaints people would have regarding coupon books. I

guess I can think of a few of them. What sort of experience do you people have with the coupon books, lotteries and prizes?

Mrs. Render: Mr. Chair, I am advised that the department does not keep individual stats. It is a range of complaints. It could be something such as a business has gone out of business when a person goes to use that coupon, or it may be that a person has to phone a 900 number and there is a charge involved when, presumably, they thought it was something free, and then they find that they have to make a payment to find out more about their so-called win.

Mr. Maloway: Mr. Chairman, that really does not give me a very good explanation. Maybe the minister could check or the director could check with the department and find out just what these complaints are regarding coupon books. I can appreciate that some of the problems with coupon books certainly could be businesses that are not around when it comes time to cash in the coupons, and that is certainly possible that a business could be listed or featured in a coupon book. I mean, we have a company in Manitoba featured in the Industry, Trade and Tourism annual magazine that is put out by a section of their department, and the company was bankrupt. The Little Red Tool Kit, I think, it is called. That is certainly not impossible that coupon books could be out there where companies are out of business, but that is the kind of detail that I was looking for here. Once again, it does not really mean anything looking at a statistic about 42 complaints, but we do not know what the nature of the complaints were.

For example, I think yesterday's Free Press details a complaint about a trip that was offered to the air show attendees last week. I am wondering if there have been any complaints to the department about this problem and how usual something like this is. It certainly sounds familiar to me some of these things, but can the minister explain just whether any complaints have been made and what has been done about this particular situation here?

Mrs. Render: Interestingly enough, I, too, cut out the same clipping. I do not know. Does that saying "great minds work alike" hold here?

The department is not aware of any complaints. I guess what I saw in the clipping and what I happened to highlight in the clipping was the fact that I think consumers are becoming more aware. I was interested in the comment of this particular individual who said: there has been enough in the news about scams that I knew not to give it to her. She was talking about her Visa number. I think that is correct. I think a lot more people in the last very couple of years have become much more aware that nothing really is free in this world, and before they start giving away credit numbers and things like that, I think more and more people are asking questions.

Mr. Maloway: I think that would be a fair assessment, if in fact it was true. What happened in this case, from what I read here, and I think what happens in some of them is this borders on, or not borders on, is misleading advertising. They are claiming that a free trip will be given. That is basically how it is being sold. Entry forms were given to win a 10-day trip for two to Florida, including a short cruise to the Bahamas. So, if that is the case, I mean, if you go to the home show, for example, you can put your card in or your name in to different draws. I guess you know that they are going to be phoning you. You may win something in the draw, a little jacket.

I know that in Las Vegas last year at the Comdex show, Manitoba had a little booth there, and they were advertising the Pan Am Games and Manitoba Call Centre, I think it was. There was a draw there for a Pan Am jacket. You understood that when you put your card in the box at the trade show that you had the possibility of winning this jacket. You trusted that the Manitoba Trade department was going to give this jacket, and you know that they are going to take your list of attendees and they are probably going to contact you later on. Every time I put my card into one of those boxes, I know I get calls from all these computer companies and whatnot all over the place, and I accept that. You know your free T-shirt is not free, that you take the T-shirt but you are going to get these calls. I understand that.

This is not a case of that at all. This is just outright false advertising, if this is true, because

this is a case where these people thought they were entering a draw for a free trip. Evidently there is no free trip, that each one of these people who gets called is called for a fee, and in fact the charges and fees associated with them "winning" this trip, because they are all winners, I guess, comes to more than what the trip is probably worth. So this is just an out-and-out scam, and the question is: how could this be permitted to operate at something as respectable as the air show, which is not something that just started this year?

* (1730)

Mrs. Render: I am unsure really how to answer this question. I know this was sort of a two-pronged effort by the air show organizers and Mind Computer. In fact, this particular combination of an air show and a computer exposition is the first of its kind in the world. So I hesitate to point a finger at the air show organizers and Mind Computer for being at fault. I would suspect that they rent space. Certainly there were a fair number of tents out at the airport, and they had a large number of exhibits, I think from right across North America. I think I am correct in saying that they had exhibitors come in from other parts of the world. So whether they can identify everyone, every single person, who rents a spot and absolutely guarantee to the nth degree that a particular exhibitor is not running some kind of false advertising or doing something that is not playing by the rules, I do not know.

I think that anything along this line, usually there are people who are not interested in seeing the computers. They are not interested in the business aspect of it, but in this kind of a show people quite often look for that easy win. All of us look for an easy way to try to get something, so I suspect that it is like any carnival or any group. Whether it is a neighbourhood block party or whether it is a community club, there is usually at least one kind of a booth that offers something. Now, whether somebody just did not check out this particular exhibitor properly, I just do not know. It may be that they did do a check and the check showed that there was nothing wrong with the company and let them set up. They paid their fee, and they set up. As I say, I do not know whether it would be proper or right

for me to point a finger at the organizers of this particular show.

Mr. Maloway: I certainly know that Mind Computer is a reputable company. I bought a software package from Mind before it was even Mind. I mean, it was just a little two-man, two-person office out in Transcona and upstairs where it was very hard to find. So I go back with Mind from the very beginning before anybody knew what Mind was. So there is no doubt about it, the company is very well run and extremely successful and very capable.

But that is not the point here. The point is that some people may have lost money as a result of this, and clearly it looks on the surface to be a case of just out and out false advertising. I do not care where it is. This one happened to be at the air show, but if you go to a booth, whether it is out on Broadway or anywhere, and you see a chance to win a trip for two to Florida, then you assume that you are not going to pay for the trip, right? It is a free trip. So if you get a call from the company the next day saying you have won, and they ask you for upwards of \$1,000, I believe it is an administration fee or something like that, and tell you you have to go and buy your own airfare to Florida and pay all these registration fees and stuff, then clearly you know that you have been had.

So I do not blame these people for being a bit upset about this, and if you cannot go to the organizers about it, then who can you go to? I do not know. Have you had any complaints? Have any of these people complained, or is this simply another Free Press story?

Mrs. Render: As of noon today the department had received no complaints, and to my knowledge the air show took place a week ago. So a week has gone by for complaints to have surfaced, and again, because of the article in the newspaper, I am sure that it would have generated some complaints. But, as I say, the air show was more than a week ago. I think people are just becoming a little more careful.

Mr. Maloway: Will the minister undertake to investigate this story or this article here in the Free Press, June 13? When she has a copy, investigate it, contact some of the complainants

and find out whether this is a real complaint or whether this is just a fancy story.

Mrs. Render: The bureau has a lot on its plate; however, we will attempt to see what we can find out. Like the member, I, too, have known the founders of Mind Computer, Brad Fry and Neil Stern, since they were operating out of one room. As a matter of fact, I bought my first computer from them way back in about 1981. I wrote my first book on it. The computer, I think, had 56K of memory, if you can believe it; bumped it up to 256K of memory, but that IBM computer that I bought from—or my next computer, no, that actually came from Mind now that I am thinking of it. But I have known both of them since they began in business and have followed their business when they first set up on Portage Avenue West. They expanded that site, and then moved over to the Ellice Avenue site. As I say, we will check with them and see what we can find out from them and pass on any information to you.

Mr. Maloway: I would like to, maybe for tomorrow, we could have a better explanation of some of the complaints in the chart here; nevertheless, I am going to press ahead here and see if I can get some ideas as to—requests for information. There were 28 requests for information in '97-98. I just wonder what constitutes a request-for-information complaint. I request information all the time, and I do not get it.

* (1740)

Mrs. Render: I am not too sure that we can sort of give you any specific examples just at the moment, but they are complaints that do not fall nicely into these other categories. I suspect that they are sort of grouped. In other words, they are not about charities, they are not about hobby products or towing companies. They are requests for information on a variety of things.

Mr. Maloway: Mr. Chairman, I would have thought they would be requests for information that consumers had made to, say, a computer company or a retail store and then denied the information. That would be my guess at this because these would be requests for information from the department. I cannot see that. Those

would be complaints against her department if that were the case. I cannot see that happening, but maybe it is.

Mrs. Render: We will clarify this particular line for the member.

Mr. Maloway: Mr. Chairman, there was a decrease in Personal Investigations Act complaints last year. Nevertheless, what sort of complaints does the department get involving The Personal Investigations Act? What sorts of things would trigger a complaint under The Personal Investigations Act?

Mrs. Render: Just for the member's information the number for 1998-99 is five, so they have decreased from 23 to five. I think that people are becoming a lot more aware.

Mr. Maloway: Mr. Chairman, once again, it really does not help me out a lot because those are five complaints that get to her, but maybe there are still people having problems that they are just not complaining about it. Why would the number of Personal Investigations Act complaints drop from 56 to 23 to 5? That does not make any sense to me. Was there some big change to the act? Did the personal investigation companies all of a sudden change their tactics or their strategies? I would think that they are essentially spooks who go around checking things out, and they would employ the same tactics that they have always done, you know, hidden cameras and all this stuff, but is there something in terms of technology or rules or regulations or something that would cause them to change their tactics, that would cause the number of complaints to be reduced? What sort of investigations are we talking about here? I can only speculate, but it is an awfully big decrease in the number of complaints.

Mrs. Render: The act is very specific. It regulates the conducting of personal investigations by users, personal reporting agencies only in respect to applications for credit tenancy, employment or insurance, and it also regulates, as I am sure the member knows, the type of information that can be obtained, that can be in a personal report. In answer to the member's question, I think we can only speculate. We do not know why the number of complaints has

decreased. It may be that people are just that much more aware, that they are that much more sensitive. It may also be that companies also are just more careful how they are using the information. So it may be a combination of factors, that the information that is being gathered is being used properly for the purpose for which it was obtained.

Mr. Maloway: Well, how many companies are registered then under this act?

Mrs. Render: The department does not register the companies. The department responds to complaints.

Mr. Maloway: Then I think perhaps it is the Attorney General's department or the Department of Justice that registers them. Am I right about that or not? Because they certainly are registered. The investigation companies have to be registered. They have to be checked out. I do not know whether they have to provide bonds, but they certainly have to be checked out. I do not think anybody can become a private investigator just by setting up shop. I think they have to go through the process of some sort of vetting. I just assumed that it was through Consumer and Corporate.

I am still trying to find out why this drop in complaints from 56 to 23 to five and looking for an explanation as to the investigation companies, how they are registered, who registers them, what do they do, how do they do it, the whole thing.

Mrs. Render: Well, I think the member opposite should take the optimistic view that people themselves, the consumers, are being more careful about the information they give out. The companies themselves who are asking for information are also being more careful that they utilize the information properly, and the net result is that the number of complaints have decreased.

As I say, that is only speculation. I do not have an answer for the member. I think it is good news, and perhaps in another year we might be able to give the member an answer. If the numbers keep going down, there might

appear to be a reason that literally leaps out at us, and we can answer the member's question.

Mr. Maloway: Well, I will check with Justice then to find out what role they play in the private investigators, but I know they certainly are registered. There is no doubt about that.

I would like to ask the minister then, the number of complaints has dropped substantially, too, in the food and drink category. Can the minister explain why that has happened?

Mrs. Render: Again, there is really no specific answer. It may be that somebody has gone to a restaurant and simply has not had a satisfactory experience and then phones in. The complaints sort of shift, I suspect, from year to year, and I do not know that there is any specific answer for any of these, why in one year complaints might be high, and in another year they might drop, or they may go up.

As the member himself has pointed out, sometimes people phone in. If they come home angry because of poor service, they tend to phone. Other times people shrug their shoulders and say, well, why bother. But, again, there is no trend or anything that is happening at the department. I think really this is what the member is trying to get at and what the department wants to make sure that it monitors, that if there is a specific trend, that we get on it before it becomes a full-fledged problem.

Mr. Maloway: Well, that is right. The food and drink complaints have dropped quite a bit. The minister refers to restaurants. Well, that is on the very next page. Restaurants and restaurant complaints have dropped from 12 to two as well. So what is the reason for that?

Mrs. Render: Again, we just do not know what some of these specific complaints are. They may be actually very general complaints, which is why they sometimes just do not fall into a particular category. They are just vague, general complaints.

Mr. Maloway: Residential dwellings, they have stayed roughly the same. What kind of complaints are constituted by the title here, residential dwellings?

Mrs. Render: Again, we cannot specify. What we can do, for residential dwellings we can ask that specific question and see if we cannot get back to you on that.

* (1750)

Mr. Maloway: Is that landlord-tenant complaints that we are looking at here? No, it is not.

Mrs. Render: I would not think so.

Mr. Maloway: We have hardware and software on the next page, under personal effects and services. We have hardware and software, the complaints drop from 87 to 48. Once again, what sort of complaints are these? I would think if one were buying software, the complaint—well, I am not sure. I will let the minister answer the question. I do not want to speculate.

Mrs. Render: Well, I do not wish to speculate either. We, again, do not have a hard and fast answer for the member.

Mr. Maloway: Right above it, Personal Services, the number of complaints went from 101 to 134. What constitutes personal services types of complaints?

Mrs. Render: Likely the personal services may have been the fitness clubs because '97-98 was the year that many of them closed.

Mr. Maloway: Just a few lines down from Personal Services, five down, we have got Personal Improvements, and those have dropped from 69 to 18. So we have Personal Services, Personal Improvements. There is nothing here that explains what personal improvements constitutes, what personal services constitutes. I think what we should do is try to get a better fleshed-out explanation for what these things are.

I can understand when you have got dry cleaners. Well, I think most people understand what dry cleaners are about. Those are complaints about dry cleaners. Then you want to ask why types of dry-cleaning complaints are there. Are they increasing, decreasing, what types are they? General types, a general explanation of them. But when you get into

something like personal improvements, what does that mean. Personal services, what is the difference between personal services and personal improvements? There should be some sort of explanation here to indicate. Just give us a few examples of what personal improvements, how it differentiates itself from personal services.

Mrs. Render: We will endeavour to find out what the difference between personal services and personal improvements is by tomorrow.

Mr. Maloway: I think the whole category probably needs some work as to give a better explanation to what is going on in the department. I know that a lot of times these reports are sort of drafted to give as little information as possible. Part of the argument is protecting confidentiality, and that is understandable in some cases. But in some cases I just see this material as just filling a bunch of pages and not really saying very much at all, so I would like to see some more narrative as to what the breakdown of these complaints are about. Now maybe it takes more than a day to deal with this whole area.

I wanted to get into questions about the BPA and whether the minister and the director felt that the BPA was operating satisfactorily or whether there should be some changes to it. We had the argument years ago that the BPA was watered down by the minister who was in charge when it was passed, but we have not really heard, and it has been a number of years now that it has been in effect, and perhaps it is time to review the BPA and how it operates with the view to strengthening it or if, in fact, it needs strengthening.

So I would like to know what the opinion of the director is as regards the powers of the BPA and whether she feels that she has enough powers under the BPA as it stands right now, or whether some legislative changes may be necessary to improve its effectiveness.

Mrs. Render: I am advised that The Business Practices Act continues to be a very effective tool in dealing with consumer complaints. In general, all complaints received at the bureau are reviewed under The Business Practices Act

unless it is a matter pertaining specifically to an unlicensed direct seller, collection practices, or matters dealing with financial contract disclosures. There were 21 charges laid under The Business Practices Act this year as compared to 60 in the previous year, and in our opinion, this indicates that compliance is being achieved through dispute resolution processes using The Business Practices Act.

Mr. Chairperson: The time being six o'clock, committee rise.

* (1450)

SPORT

Mr. Chairperson (Marcel Laurendeau): Would the Committee of Supply please come to order. This section of the Committee of Supply will be dealing with the Estimates of the Department of Sport. Would the minister's staff enter the Chamber at this time or whenever they get here. We are starting on 28.1. Sport (a) Support Services (1) Salaries and Employee Benefits \$15,400.

Ms. Marianne Cerilli (Radisson): Mr. Chairperson, I am willing to start our discussions without the staff here, but one of the things that I am waiting for from the minister is the facilities funding and an up-to-date listing of the record of funding going to all the facilities and the type of upgrading they are receiving.

Of particular interest to me last week was the listing of the facilities that are being funded off budget, I guess you could say, in terms of the Games budget and are funded through various other programs, maybe the infrastructure program or WDA or other programs like that. So that is what I would like to see if the minister has it for me to start off with today.

Hon. Eric Stefanson (Minister responsible for Sport): Mr. Chairman, I just received copies of two documents. One is a summary as of June 14, '99, today, of the Pan Am Games Society contribution to capital. It outlines all of their capital programs and what the Pan Am Games Society is putting into capital totalling \$15,588,014.

At the request of the member, I have also received a summary of funding from two sources. One is the Canada-Manitoba Infrastructure Works Program for projects that have an impact on the Pan Am Games. As we discussed, they are being done for a number of reasons of which the Pan Am Games is one reason. I will table this under the Canada-Manitoba Infrastructure Works. The projects that are highlighted here are the Pan-Am Pool, the Riverside ball park, the Festival Park at The Forks, the Lake Minnedosa dredging, and the field hockey, East Side Eagles at Kildonan East school.

Also, there is some funding provided under the Canada-Manitoba Economic Development Partnership Agreement which has an impact, as well, on the Pan Am Games. The funding under here is the Gimli harbour expansion, the Aquatic hall of fame at the Pan-Am Pool and some capital improvements at the Winnipeg Stadium.

So I will table three copies of those two summaries, Mr. Chairman.

Mr. Chairperson: Did the honourable minister want to introduce his staff present at this time?

Mr. Stefanson: Joining me is Mr. Jeff Hnatiuk, the president and CEO of Sport Manitoba.

I know it was not forwarded until today, but I believe the member hopefully received a three-page summary of the Pan American Games business plan which shows the revised business plan, along with some of the explanations of some of the shifts between some of the accounts. I will table this, Mr. Chairman.

Ms. Cerilli: I just want to wait to look at the documents that I am going to receive. Just going then from—do you need to copy those? [interjection] Okay. I thought there were three documents that he was giving me.

An Honourable Member: I tabled three copies of two pages.

Ms. Cerilli: Oh, okay. Just a general comment before we get into the details of these facility lists, the minister in his comments while he was tabling this indicated that there was sort of two

categories in his mind or in the mind of the government, he and his colleagues, with respect to the Pan Am Games.

He said that there were facilities that were not necessarily constructed for the Pan Am Games but were going to be used for the Pan Am Games as well as for other reasons. Would the minister not agree that all the facilities that are being used for the Pan Am Games would fall under that definition?

Mr. Stefanson: No, I would not agree with that because the Pan Am Games budget of the \$15.5 million is primarily facility development that had to be done either to meet Games requirements or technical sport requirements that the society itself felt needed to be done to have the facilities at a certain standard to host the Games of those particular events. But some of the other ones, if the member were to look at the listing under the infrastructure and the economic agreement, I think she would recognize that those facility improvements can very much stand on their own. Obviously they do have a benefit to the Games. These venues could still have been held, by and large, irrespective of these improvements. Doing capital improvements at the stadium does not in any way take away from the ability to host the beach volleyball. It could have been held there with or without the capital improvements.

* (1500)

The capital improvements at the stadium are being done to meet the long-term needs of that facility for football and other events, other gatherings. Certainly it will make the stadium a much more comfortable, attractive facility for the Pan Am Games. I think the same applies with most of these investments, that they will enhance these facilities for the Pan Am Games, but they were not required to meet the standards or the specifications or the ability to host these sports. Whereas obviously the Pan Am Games Society themselves felt that the \$15.5 million either required meeting the standards in specifications or they as an organization felt these improvements were an important part of hosting the Games.

So there is a difference between the two capital investments, Mr. Chairman.

Ms. Cerilli: So what the minister is trying to say is that certain of these facility improvements were not necessary in order for those facilities to be Pan Am Games standards facilities. Therefore, they are sort of in a separate category where they can stand alone. But he was saying earlier that these facilities were not necessarily needed for the Pan Am Games. So I guess what I am wanting to find out—because what the minister has not provided me is really what I asked for which is the total amount for all the facilities.

I would look at the one, for example, the field hockey venue at the Kildonan East school where that definitely previously would not have been the same kind of quality of facility. It previously was an artificial surface. So, in some cases, I guess my first point is that some of these facilities definitely are I think being changed to meet the standard for the Pan Am Games. But, more importantly, I am wanting an understanding of why the minister is sort of making this distinction between these different types of facilities.

Mr. Stefanson: Actually what I said when I was referring to the listing of projects done under the infrastructure and the economic development is to utilize these facilities, these improvements were not required at these facilities or other venues would have been utilized is what I indicated, because in some cases, in fact, she uses a good example, the field hockey East Side Eagles, in the absence of doing the improvements to that facility, that venue, that event would have been held elsewhere, probably at the stadium.

By enhancing that facility, obviously, we meet the field hockey needs of that sport for many years to come. It gives that sport an opportunity to host national and international events which we did not have a field, I am told, that met those kinds of standards and qualifications. Done properly, we all know the benefits of hosting national and international events in terms of the sport and the community and the economics, and so on. So the facilities listed under the infrastructure works and partnership, if those improvements were not done, those sports could still have been held as part of the Pan Am Games. They just either

would have been held in these facilities without these improvements or they would have been held at other venues.

Ms. Cerilli: My point then is that the minister's claim and the way he is distinguishing these different sort of categories and facilities, the ones that are funded by the Pan Am Games and the ones that are funded off the budget and by other programs, is a little bit false. I have just given one example, and he has agreed with me that facility would not have been used for a Pan Am Games facility if it was not for these other upgrades. So to me, that is one example of a facility that should be in the same category as the ones that are funded under the Pan Am Games even though it is being funded under the Canada-Manitoba Infrastructure Program.

I guess one of the reasons I am belabouring this point though is because I want to go through and get a more accurate picture on the total amount of dollars that is being spent by public partnerships or public partners on Pan Am Games facilities. I am going to go through each of these ones based on just the list that the minister has provided me with, because there are a number on here that are not provided by either Canada-Manitoba Infrastructure Works or the Canada-Manitoba Economic Development Agreement.

So I am going to start off then. If the minister has another comment, he can let me know, or he can just make it when I ask about the Birch Ski Area. The list you have given me has shown only \$15,000 from the Pan Am Games budget. How much additional money, and what program is it from for the Birch Ski Area?

Mr. Stefanson: Well, first of all, in terms of the member's last comment before the question, well, she is not right to suggest—I do not know how she worded it—that I was providing false information to say that there were these different categories. Probably the simplest way to describe it is that the projects under the infrastructure and the Economic Development Partnership Agreement would basically have gone ahead with or without the Pan Am Games. Maybe that is the best way to describe it for her. The stadium needed improvements. We needed

a new ball diamond in Winnipeg; I think we all recognized that. Some of the improvements in communities like Minnedosa and Gimli and so on are improvements required irrespective of the Pan Am Games. So that is the difference that I have been trying to explain to her in various ways.

The information that I have would indicate that for the Birch Ski Area, there is no other contribution to the capital. The capital totals \$15,309,216, but I am told that the \$25,000 is the total capital facility upgrade at the Birch Ski Area.

* (1510)

Ms. Cerilli: The numbers that the minister has just quoted do not correspond with what he has provided me with. I have something that says June 14, 1999, and Birch Ski Area is the first on the list, and it only has \$15,000 under PAGS's contribution. So what I am wanting to do as well is just clarify—I am going from another list—which venue this is. I thought that that area was going to be used for the mountain bike venue. I cannot find it on my list here now. So, if the minister could clarify what the venue is being used for—if it is not on the list—which sport it is being used for, the program that the additional money is coming from, and the total amount of the additional money. Maybe we are going to have to then clarify each dollar figure that is on the list, because it seems as if the minister is using a different chart now than I am.

Mr. Stefanson: Mr. Chairman, the member is right to be using the June 14, 1999 list which shows Birch Ski Area at \$15,000. She was asking about the event taking place. I had a two-page summary document, which is obviously outdated, that showed a preliminary estimate some time ago of \$25,000; that is why I said \$25,000. But the member is correct that the most current capital cost for the Birch Ski Area is the \$15,000, and the event that is taking place at the Birch Ski is the cycling mountain bike activities for men and women.

Ms. Cerilli: So I do not understand then why this facility is on this list. Is the minister then saying that this list is all the facilities that are being upgraded, whether they have additional

funding or not? Because I thought we were getting a list that was all the additional facilities that were not necessarily from Pan Am Games money.

Mr. Stefanson: I think I can make this perfectly clear, Mr. Chairman. The list totalling \$15,588,014, headed up The Pan Am Games Society, June 14, 1999, that is money being spent by the Pan Am Games Society on facilities. It is straight out of their budget.

The second page is what officials were able to pull together from two funding sources that we recognize have a relationship back to the Pan Am Games in terms of some of the projects. That was the Infrastructure Works and the Economic Development Partnership Agreement.

The one component that we have not had an opportunity to finalize is if there are any departmental expenditures that have any relationship to any of these projects. The one that was just mentioned to me is probably a very good example. I do not think there would be many that would fall in that category.

But one that I think is a very good example would be the one that the member is very familiar with, and that is the retention pond out in Transcona, where we put money into that project through the urban capital funding agreement with the City of Winnipeg. To me, again, that would fall in that other kind of category that I am describing to the member where it is done for a whole number of reasons in terms of drainage and so on, but obviously it also had the added benefit of being able to be used for the Pan Am Games. It is going to have a long-term benefit for waterskiing in Manitoba. It is very important, as she knows better than I, to that part of the city in terms of drainage.

So there could be a couple of areas where there has been a departmental expenditure that was done that is being done again because it needs to be done for other reasons, but it will have the added benefit of impacting the Pan Am Games. Certainly that one comes to mind. There might be one of two others. As we go through, we will try to highlight where they might be, and then we can certainly go back and get the funding allocation. I cannot recall the

dollars that were committed to the retention pond, but we can certainly get those for the member.

Ms. Cerilli: Well, then I am not completely satisfied with the information that the minister has given me, so I am going to take the time and go through these facilities, because this is an important issue, the public money going to facilities, which is part of the legacy of the Games, and the fact that such a small percentage of the actual Pan Am Games budget is going to facilities. Now we are finding out that there are more and more facilities that are funded through these other government expenditures and other government programs I think is an important matter. So I appreciate that the minister is going to go through each of these individually.

I would suggest that the example he has given of the lake in south Transcona is the only one that I think is sort of in this separate category, because the retention lake which is to address the flooding problem is an infrastructure kind of program that definitely would have been hopefully done without having the Pan Am Games, but all these other facilities are sports facilities anyway. What we are really talking about is two differing ways of funding Pan Am Games upgrading of sports facilities. The minister can disagree with me on that matter and he may do that, but I think in terms of the public what we want to ensure is we know exactly how much money is being spent prior to the Pan Am Games for all these sport facility upgrades that are going to be used for the Pan Am Games. That is what I want to spend some time clarifying.

I am going by some old lists for facilities from 1997, which is all that I have, plus what the minister has given me. I just want to clarify then, the list that the minister is giving me is not an exhaustive list then of all the facilities for the Pan Am Games that have had upgrading. This short list, there is one, two, three, four, five, six—26 items I believe on there. My point is then the list that I am going to be using is not complete, that I am going to have to go back to these other venue lists from '97.

Mr. Stefanson: Mr. Chairman, I believe that the list would certainly encompass the facilities

that received financial support. We will cross-reference it back to the overall venues. There might be a difference of a handful of locations, but this list is fairly comprehensive and I think it will be worthwhile to spend a minute running through them. Outside of the listing that we have given the member from the infrastructure and the partnership agreement, we were just discussing what venues might have received some support from government for other reasons.

* (1520)

The only two venues that come to mind are the one we have already discussed at length which is the tension pond or lake in Transcona, and the other one is some paving that was done at Birds Hill Park which will enhance that facility for triathlon cycling and I believe roller sports, but those are the only two that come to mind. I think if we go through it, we will certainly undertake to follow up with departments, but those are the only two outside of the infrastructure and the partnership that come to mind at this particular point in time.

Ms. Cerilli: Well, let us go through it because the next one on the list is Birds Hill Park. This is one of the ones I was asking about the other day because I have some information that the equestrian upgrades may be one that was done with some revenue from one of the provincial government departments.

I do not know if that one was on the infrastructure list. No, it is not, so can the minister give me a clarification on that? Are the equestrian upgrades at Birds Hill—so far, Pan Am Games has spent over a million dollars there. Are there any additional funds? If you do not have the dollar figure from the department, just even indicate that it indeed has more money, and you can provide that for me on another day.

Mr. Stefanson: Mr. Chairman, what I will do is give the member the best information we have today, but we will double-check everything we provide her just to be absolutely certain we have not missed something. But I am told there was no additional support provided from the Province of Manitoba from either an infrastructure or partnership or a line department towards improvements for the equestrian site at Birds Hill Park.

Ms. Cerilli: The other one you had mentioned at Birds Hill, though, was the triathlon in cycling. Was there additional money there and how much?

Mr. Stefanson: Mr. Chairman, as I indicated, Birds Hill Park is an area where some work was done on the roadways in terms of resurfacing and upgrading. I believe there was also some dredging and some water quality issues in the lake there as well. So I know that there were provincial government expenditures in the park that will benefit the Games, and I would put this in the same kind of category as we discussed the retention lake. I do not have the dollar amount here, but we will obtain that dollar amount and provide it to the member.

Ms. Cerilli: So I am to take it, then, that was paid for by the Department of Natural Resources?

Mr. Stefanson: I believe that is correct, that they have responsibility for the park, but whether all of the funding source for whatever was done there came from that department—I will confirm both the amount and the departmental funding source for the member.

Ms. Cerilli: The next one on there is the CanWest Global Park. This one also poses the question: with these facilities that are going to be used for the Pan Am Games, was there a requirement or agreement that, if the facility was going to be used for the Pan Am Games, the Pan Am Games Society had to contribute part of the funding?

Mr. Stefanson: The short answer is yes, Mr. Chairman. One of the conditions of the funding from the Pan Am Games Society was obviously utilization for the Games. One of the conditions of funding from the Province of Manitoba was access for amateur sport to the facility. But I think this is a good case in point. Had the Pan Am Games not invested money in this facility and been part of the catalyst to build a brand-new baseball park in downtown Winnipeg, they would have had to invest money somewhere else in some facility upgrade to host the baseball in Winnipeg. So what ended up happening here is that, with their investment, they were able to dedicate it to this project along with funding

from other levels of government and obviously significant funding from the private sector. I believe that, with the Pan Am Games contributing their \$842,000, along with money from other levels of government and a significant contribution from the private sector, we were able to put in place a fine baseball stadium in downtown Winnipeg.

Ms. Cerilli: The whole point of doing this, Mr. Minister, is that we get the dollar figures. I am going from memory, but I thought the public money into that stadium was about \$4 million. Do you have the actual figure for the money? Which allocation does that come from? Oh, no, it is called riverside park on this list. So it is \$4.5 million, and \$1.5 million of that is Manitoba money. So I can look at that list.

The next one is the Gimli Yacht Club. That is going to be used for sailing, I believe. Are there any other sports that are going to be used there? I can look at the list, and the minister can confirm if the total cost for that is \$1.2 million. I just want a brief description of what was done to that facility so that it is up to standard for the Pan Am Games.

* (1530)

Mr. Stefanson: The member indicated she wanted the money on that last project, and that is why I did not elaborate on it because it was on the list in terms of the provincial support for Riverside ballpark at \$1.5 million.

On the issue of the Gimli Yacht Club, the member is correct that that will be hosting the sailing venue. Again, as she noted herself, under the Canada-Manitoba Economic Development Partnership Agreement, the Province of Manitoba is putting \$600,000 in, along with the federal government and I believe the Town of Gimli as well, to a Gimli harbourfront expansion. Again, this falls in that same category that I have outlined for her for the Transcona lake or Birds Hill, where a new breakwater was put in place in the harbour area, a new harbour created. That harbour was dredged, and it has significantly increased the capacity of the harbour at Gimli to obviously dock and host a combination of sailboats, motor boats or other boats that can be utilized on Lake Winnipeg.

So it falls in that same category where it is a significant improvement to the harbour, the harbour capacity, and it involved the construction of a breakwater and the dredging of a harbour.

Ms. Cerilli: What I am wondering here, as the minister sort of suggested, is these were improvements that were not necessarily sport-related. The breakwater and the dredging are of benefit to the harbour beyond the use of sport. Is that correct?

Mr. Stefanson: That is absolutely correct, but for the Games it enhances the whole harbour and the access. The new harbour addition is in closer proximity to the Yacht Club and so on. So there is a benefit to the Pan Am Games, but, again, the venue could have been hosted in the absence of these improvements, but these improvements will enhance the venue for the Games. But more importantly is what the member said, that it provides an expanded harbour for the community and region of Gimli.

Ms. Cerilli: The next facility is the Glen Murphy Range which I guess is used for different shooting events. Can the minister explain the \$50,000 that was Pan Am Games money, what that went towards in terms of improvement? Were there any additional funds from other sources for that facility?

Mr. Stefanson: Mr. Chairman, the Glen Murphy Range will be hosting the pistol and the rifle events. It is located on Miller Road off Provincial Highway No. 8, three kilometres north of the Perimeter Highway. The improvements are permanent facility upgrades, and it currently consists of 25 millimetre rapid fire range, with six bays and so on.

I need to get the details. Most of these brief sheets I have give at least some indication of the facility upgrades. This one just says they are of a permanent nature, and I would imagine it is to the physical structure which was the venue for shooting back in 1967. It was also the venue during the 1990 Western Canada Games, but I can certainly undertake to provide a few more details on the nature of the permanent upgrades of Glen Murphy Range.

Ms. Cerilli: And there is no additional funding then, other than \$50,000 for the Pan Am Games Society?

Mr. Stefanson: Again, the information I have is that there is no additional funding, outside of the Pam American Games Society money, for this project.

Ms. Cerilli: We are down to Grant Park High School which I show on the list that I have as going to be a roller sport track, and it shows here \$40,000. What did the \$40,000 go to in terms of upgrading? Was there additional money?

Mr. Stefanson: The member is correct. It is roller speed skating, and what is being done at Grant Park High School is a new asphalt track located behind Grant Park High School being laid and put in place. Again, the information I have is that there is no other provincial money going into this project.

Ms. Cerilli: Next on the list is the Investors Group Athletic Centre. Am I to understand that we no longer call the U of M stadium the Pan Am stadium? Is that what that refers to? That has a \$6 million figure attached to it, that is Pan Am Games money. Is there any additional money, and what was the improvement at that facility?

* (1540)

Mr. Stefanson: No, I want to let the member know that the Pan Am stadium is still in place and still is called the Pan Am stadium. This is a brand new building called the Investors Group Athletic Centre, and it will house the basketball, the volleyball and the gymnastics in a new facility, basically adjacent to Max Bell Arena. I think it is right adjacent to Max Bell Arena.

I am told the total project cost was a little under \$9 million, and that the Investors Group Athletic Centre, the University of Manitoba retained the naming rights, and obviously a deal was made between them and the Investors Group. That balance of funding of roughly \$2.3 million was put in place through the university. Again, the information I have is there was no other provincial money provided for this project, but, as I said with all of these, I will do one more double-check of all of them and provide the

member again, either verbally or in writing, with a final summary, but I am told there was no other provincial money put into the project.

Ms. Cerilli: I understand, then, this is replacing what was called the old east gym at the University of Manitoba, and my understanding from the minister that sounds like the additional \$2.3 was not public money but was likely from the Investors Group, which then gave them the right to name it. Or maybe some of that was public money from the university.

Mr. Stefanson: The member is basically correct. The information I have is that arrangement was made between the university and Investors. At this point we are not privy to the details. Obviously, they made a contribution against that 2.3 million. Whatever that was and/or the residual came from those kinds of funding sources, I am told, Mr. Chairman.

Ms. Cerilli: The next one on the list is the John Blumberg Softball Complex. Just a little bit of information about what the upgrades were, if there is any additional funding other than the \$320,000 from PAGS, any additional funding, and what that funding was for?

Mr. Stefanson: The John Blumberg Softball Complex will obviously host the men's and women's softball events. This facility was originally built for the 1990 Western Canada Summer Games, hosted a number of special events, local, provincial, national championships over the years. Again, the improvements here are shown as permanent facility upgrades. Unfortunately, on this one, I do not have a great deal more detail, but I will certainly get those details. I am also told we do not believe there was any other provincial money put into this facility, but there may well have been a contribution either from the City of Winnipeg or from softball groups themselves. We will undertake to get further details as to whether or not there were any other contributions to this facility. The information I have is that there was no other provincial money beyond well into this project.

Ms. Cerilli: Sort of a side issue that occurs to me as we were discussing these facilities for softball and baseball is that there are both sports,

softball and baseball, at the Games, or am I wrong interpreting that? Is there women's softball or baseball or is that where the distinction is drawn?

Mr. Stefanson: Yes, there is both baseball and softball. Baseball is being of course held at the CanWest Global Park, and it is just men. Softball is of course at the John Blumberg Softball Complex, and it is both men and women.

Ms. Cerilli: The next on the list is Kildonan East school, which we have had some discussion about already, is actually going to be some kind of permanent facility I take it for the football club. It is being used for field hockey. Can the minister tell me what the upgrades are and if there was additional then the \$400,000 and where the additional money was from? It is on the next list.

* (1550)

Mr. Stefanson: Mr. Chairman, as the member knows, the Kildonan East facility will host the field hockey, both men and women. As she noted on the list, \$400,000 from the Pan Am Games Society and a contribution of \$500,000 each from the provincial and federal governments, and there were further contributions from field hockey, the community and the East Side Eagles organization. I would have to get those amounts, and, again, I think as the members knows the most significant cost attached to this was the purchase and installation of the artificial turf. I believe it was in the range of at least a million dollars of the cost of the project.

Ms. Cerilli: I am particularly interested in this facility, because it is one of the two that we have that is sort of in the north-east quadrant of the city. I was just there recently, and they were installing the surface. I am wondering if you can give me more information about what kind of facilities are going to be permanent there in terms of the different sports that are going to be able to use that upgraded facility. Especially if it is going to be artificial turf, is it going to be available for a variety of different sports?

Just continuing on then, while they are deliberating, the other matter with regard to this

facility is then it is only \$1 million of public money.

Mr. Stefanson: Mr. Chairman, I am told that that facility will be suitable for, obviously, field hockey, football, soccer and potentially field lacrosse. As well, the member will note on the summary of the Canada-Manitoba Infrastructure Works projects, under the conditions of that funding, each level of government put in a maximum of up to one-third, and the other third could come from any one of a number of sources. As I say, the federal government were putting in one-third, the provincial government were putting in one-third, the other third could come from a combination of sources being either municipal, the City of Winnipeg, fundraising, whatever other activity. So as outlined there, the province put \$500,000 in and the federal government put \$500,000 in.

Ms. Cerilli: The minister may have answered this question earlier. I am not sure if I asked it the other day because we were talking about this facility a little bit earlier, but will the track around the infield, obviously, the sports the minister just mentioned do not use the track. I was there at the track the other day and that was all being resurfaced as well. I am hoping that that is going to also be upgraded to some type of artificial turf as well, and that will be available to the school and the local community as a running track. Is that the case?

Mr. Stefanson: Rather than speculate on precisely what is happening with the track, and I do not have that information here. I will undertake to provide the member with further details on the plans for the track.

Ms. Cerilli: Okay, I would appreciate that. We will move on then to Lake Minnedosa. My old list says that this is going to be used for canoeing, kayaking and rowing. Can the minister confirm that or clarify it, and tell me if there were any additional funds for the upgrades there, what the upgrades were and any additional money beyond the \$195,000 from the Pan Am Games Society?

Mr. Stefanson: The member is correct that this venue will be used for canoeing, kayaking and rowing for both men and women. If the member

were to look on the summary of financial support for the Infrastructure Works Program, you will notice under the Town of Minnedosa, Lake Minnedosa, dredging, a total project there of \$1,274,000, of which the province contributed \$424,870, the federal government contributed the same amount. As I explained with this program, the other one-third would come from other sources, in this case, most notably the municipality, the Town of Minnedosa. This is one of those projects that falls in a similar area to the Transcona retention pond, Birds Hill, Gimli harbour.

There was a need to significantly improve the lake in terms of its silt buildup and so on, Mr. Chairman, and that was the nature of that project which again just enhances the utilization of the lake for these events for the Pan Am Games.

Ms. Cerilli: I am assuming, though, that the rowing is also taking place in Winnipeg at our wonderful new rowing club that is on the river right in the heart of the city. So are there two rowing venues? Can the minister explain this?

Mr. Stefanson: My information shows the venue, as we have already discussed for rowing, being Lake Minnedosa, and the rowing club site would be used basically as a training site during the Games, but I will confirm that for the member.

Ms. Cerilli: Is that because the river configuration at the rowing club is not suitable for an international rowing competition?

Mr. Stefanson: I believe that may be one of the reasons as well for certain races. I am told there is the issue of the number of lanes that are required, as many as eight lanes for certain races. I think an added point for Lake Minnedosa was the fact that it was used as the venue for the 1997 Canada Summer Games, and it received a number of accolades from all participants, from organizers, as a world-class event for a number of reasons in terms of its ability to handle the scope of races, the nature of the lake, as well for the fans and so on. I think it is a combination of reasons that the Pan Am Games Society has decided this is the most appropriate venue.

* (1600)

Ms. Cerilli: On a bit of a digression, I guess from our process of going through this list. I want to raise another matter with respect to paddling, water sports. I am aware that a couple years ago there was a group trying to put together a proposal to include whitewater canoeing and kayaking. There was a proposal to either have it at the old Pinawa dam site or, I think, another site on the Whitemouth River, if I remember correctly. Hydro was interested. There was going to have to be some investment in renovations, particularly at the old Pinawa dam site, but that was going to be seen as something that would, again, use the natural attributes of that region and starting to develop some of the potential for attracting more whitewater enthusiasts into that area of the province.

What happened to that proposal? I know part of it was done sort of late because there was an agreement, I believe, that any sport that was going to be in the Australia Olympics would be in the Pan Am Games, and that it was sort of right after the Sydney Olympics agreed to have whitewater paddling sports that they decided to try and get them also into the Pan Am Games. I am interested in getting some explanation of how far along that proposal got. I do not believe that it was successful. I have not heard anything, but I am wondering if I can get an explanation of that.

Mr. Stefanson: Mr. Chairman, I will get a status report, so to speak, for the member, and provide that to her.

Ms. Cerilli: Well, I would just like a little bit more information from the minister now if he is aware of this. A status report suggests that maybe I am mistaken and that it is still going forward, but I would think at this late stage that there would have been something publicly, and it is possible that I missed it. Can the minister tell me just briefly then where this is at?

Mr. Stefanson: Mr. Chairman, I certainly did not mean to imply that it is going ahead as a Pan Am sport or an activity in the 1999 Pan Am Games. I used the reference "status report" just

to provide the member with a summary of what has really happened with that entire issue.

Ms. Cerilli: Maybe the minister could also look into the whole concept of having something like this as a demonstration sport and explain what is involved in having a sport become a demonstration sport, because there is a huge potential in the area. There was a lot of interest by some of the local towns and municipalities in having some of the kind of investment that has come to other areas come to those regions for this type of activity, which would then attract a lot of tourism and recreation into that area. There already is paddling that is done on the old channel for the Pinawa channel, but to have it improved and made up to the standard to host major events, that would be I think a real bonus for the province.

So I am wondering if the minister could also tell me if this is something that the province is going to consider anyway, even above and beyond the Pan Am Games.

Mr. Stefanson: Mr. Chairman, interestingly, some people have expressed as a caution the fact that the Pan Am Games have 41 sports currently, that that is a significant number of sporting events. Obviously, the Games, the events that are held are done through the Pan Am Sports Organization, the various sport governing bodies and the host society.

But in terms of the member's specific question, as I have already indicated, I will look into the issue and get back to her.

Ms. Cerilli: I guess I am a little surprised that the minister would not have some more information from his staff on that kind of an issue. Like I said, there was a lot of work that went into proposals. I am aware of meetings that were held where people were there from Hydro, from different municipalities, from a variety of different sports and different groups, from I think even some other corporate people from some of those communities.

So I guess I am just saying I am surprised the minister would not have a little bit more information for me on that kind of an issue. Can the minister explain that?

Mr. Stefanson: Well, Mr. Chairman, I am just being repetitive. I am certainly prepared to look into the issue, and I am not aware of any request for support that has come into my office, the Ministry of Sport.

Ms. Cerilli: Okay, I guess that would explain why the minister would not know about it and is maybe suggesting that the proposal did not even make it as far as becoming an official proposal. I will have to wait for that to be clarified.

So I will move on then back to our list here. I think we are at the low-lying bridge at The Forks. We are talking about the kind of upgrade that was done. I do not think that is a venue for a sport. So this is a bit of a different one. It got \$835,287 from Pan Am Games money. I do not know if that is part of Festival Park or not, but the minister can clarify that for us.

* (1610)

Mr. Stefanson: Mr. Chairman, my understanding as to why it is on the list is, of course, that these are capital costs and capital expenditures that are listed on this project listing of \$15.588 million. In terms of all of the elements of this project, I will have to get those for the member. I will have to confirm whether or not there was any Province of Manitoba money in that project. The Province of Manitoba has invested in various initiatives at The Forks, as the member is well aware, but this is a separate project from the Festival Park, which is shown on the infrastructure works listing. So I will get further details of the nature of the \$835,000 spent.

Ms. Cerilli: I am beginning to wonder what kind of information the minister has over there in terms of what is happening with this capital budget. But I will move on. The next facility is listed as The Maples complex. It is not clear to me at all what sport is being staged there or if there are any other monies, or if the minister could clarify what the upgrades were.

Mr. Stefanson: Mr. Chairman, The Maples complex is going to be utilized for modern pentathlon, both men and women. It is going to be used for fencing for both men and women and for some elements of pistol and rifle. I am told

that the \$40,000 investment is the only investment, that there was no further provincial investment. Again, I will confirm that. I gather for the first time all five disciplines of the modern pentathlon are being held together in one complex. As a result of that, some of these improvements of \$40,000 are required.

Mr. Chairperson: Is it the will of the committee to take five minutes?

An Honourable Member: No.

Ms. Cerilli: I was just going to finish this thing.

My question with regard to The Maples complex was the kinds of improvements that are being made there or the kinds of changes and how that was going to sort of relate to the general public after the Games.

* (1620)

Mr. Stefanson: Mr. Chairman, I think the one benefit is, as I already said, for the first time all five of these disciplines of the modern pentathlon can be held together in one complex, that is shooting, fencing, swimming, equestrian and running are held at a combination of The Maples complex, the Seven Oaks Swimming Pool and The Maples field. The test event, I am told, was very well received by the participants, and it was well attended, I believe, by our people in the community and the people in the city. So that certainly is one of the ongoing benefits.

In terms of the detailed breakdown of what the \$40,000 was precisely used for, I will undertake to get that information for the member.

Mr. Chairperson: We will take five.

The committee recessed at 4:25 p.m.

After Recess

The committee resumed at 4:29 p.m.

Mr. Chairperson: The committee will come to order.

Ms. Cerilli: Slow going here today. Continuing on with this process of trying to identify in each facility the nature of the upgrades, the funding source, and funding allocation and the use that that facility is going to have at the Pan Am Games, so we will just continue with that. We are at the Pan-Am Pool. I understand there are a couple of different improvements here. Maybe the minister could clarify. I know that this is one of the venues that are on the list for the Canada-Manitoba Infrastructure Works, but I like to sort of have a distinction, if the minister could, between monies that went to the actual sports facilities and money that went to what I would call the foyer facelift for the Pan-Am Pool. Do you have that kind of information? Again, just put the dollar figures on the record.

*(1630)

Mr. Stefanson: Of course, the Pan-Am Pool is used for a number of swimming events and diving events and synchronized swimming and water polo events. As the member can see from the information provided, the Pan Am Games Society is contributing \$625,000, and if she were to look at the second sheet which shows the infrastructure works program and the partnership program the first project that has a relationship to the pool was the redevelopment of the roadway system and the lot and so on, which were done in conjunction with the City of Winnipeg and the federal government under their Welfare to Work Project, project of \$500,000 split a third, a third, a third. A second project that was done there were some significant improvements to the Pan Am facility itself. That is a project of \$1.5 million with \$523,000 coming from the federal government, the same from the provincial, and the remainder from a combination of the city and Pan Am Games, and so on. That is some of the major reconfiguring of the whole facility. A number of the rooms and the main entranceway, and so on, were all done, in part, under that program, Mr. Chairman.

The third element is under the partnership where a contribution was recently made to the Aquatic Hall of Fame, with the federal and provincial governments each contributing \$433,000 and the Aquatic Hall of Fame organization coming up through various means with the other one-third contribution. That is a combination of

again some physical redevelopment and putting in place that facility.

Ms. Cerilli: Rather than what is listed there on the two sheets, there is no other additional funding into the Pan-Am Pool?

Mr. Stefanson: That certainly covers any of the contributions from the Province of Manitoba. I think it would cover the contributions certainly from the federal government. It would cover the majority, if not all, of the contributions from the City of Winnipeg. We would have to check if the City of Winnipeg had any other contributions, recognizing it is basically their facility and they run the facility, but I believe this covers most, if not all.

Ms. Cerilli: I think I am going to come back to the Pan-Am Pool at another time. I will just keep going on the list then. Red River College, it is listed here on this list as a soccer venue. Can the minister clarify if that is indeed the case and if that venue has any additional revenue and the source of that revenue beyond the \$230,000 from the Pan Am Games Society and what the upgrades to the college facility were?

Mr. Stefanson: Red River College is being utilized for two venues. The Red River College gymnasium is being utilized for table tennis, both men's and women's, and the Red River College soccer fields are being utilized for women's soccer. The improvements that are being done here are a permanent construction of two soccer pitches. So the existing athletic fields are being upgraded for the 1999 Pan American Games through the construction of two permanent soccer pitches.

Ms. Cerilli: I am assuming then from your answer that there are no additional funds. Is that the case?

Mr. Stefanson: None that I am aware of, Mr. Chairman.

Ms. Cerilli: Does that mean yes or no, Mr. Minister?

Mr. Stefanson: Mr. Chairman, it means exactly what I have said on a couple of occasions, that I will provide the best information that we have.

We will double-check everything to make sure there are no other provincial government sources. I am not aware of any other provincial government sources into this project.

Ms. Cerilli: The Red River Ex site is being used for equestrian, and the Velodrome, according to this list. For equestrian, is there an indication of what the upgrading is for, any additional revenue toward it other than the \$90,000 from the Pan Am Games?

Mr. Stefanson: Mr. Chairman, the Red River Ex park site is being used for the equestrian show jumping, five medal events, individual competition and team competition.

Again, in terms of the information I have, there was no additional provincial money put into this project, and I am told in addition to the main ring, there are two warm-up rings and that two barns have been retrofitted and a new barn has been added. These can now accommodate a total, I am told, of 133 horses.

Ms. Cerilli: How about on the Velodrome then, the same questions.

* (1640)

Mr. Stefanson: Mr. Chairman, the Red River Exhibition park site is also the site for track cycling, 18 medal events for both men and women. Again, my information would indicate there were no additional provincial dollars into the Velodrome development, but I believe there may well have been some additional dollars from potentially the City of Winnipeg and others. We will certainly undertake to try to obtain that information in terms of any other contributions to the Velodrome facility.

Ms. Cerilli: Well, the Velodrome has actually been one of the facilities that has been an issue in terms of the quality of the facility. I am wondering if the minister could clarify what the plans are going to be in terms of provision of a velodrome. I understand it is going to be a temporary site. It is not going to be a permanent fixture. Could you just explain what it is that is going to be available?

Mr. Stefanson: Mr. Chairman, I am told no final decision has been made on that facility, that discussions are ongoing with the cycling

association about the future of the facility. I will certainly undertake to provide a current status report on those discussions.

Ms. Cerilli: I just want to clarify what the minister means. The facility is going to be a temporary facility. Is what is still up in the air the final location of where it is going to be housed or who will have responsibility for making that decision? What is the nature of the negotiations with the cycling association?

Mr. Stefanson: Mr. Chairman, I am told that facility can be left where it is or it could be moved, or it could be sold. Those are the discussions that are taking place between the Red River Ex and the cycling association in terms of the ongoing utilization of the facility and obviously the issue of the ongoing costs of operating the facility.

Ms. Cerilli: Let us move on then to the Stonewall Quarry Park, the same kind of issues there, what is being hosted there, any additional revenue besides what is listed from the Pan Am Games and the types of upgrading that occurred there.

Mr. Stefanson: Mr. Chairman, the Stonewall Quarry Park is a secondary site for baseball. I am told there have been some other contributions to the development of that site, but I do not believe any of them have come from the provincial government, although I will confirm that, but that there have been contributions, I believe, from the town itself and some others for just enhancements to that site.

Ms. Cerilli: I am not sure what it means that it is a secondary site. Does it mean that it will be used in the preliminary games or rounds and not in the finals, or is it a backup site? What does that mean?

Mr. Stefanson: That is basically correct. It will be the home to some of the games, but the finals will be played at the larger facility where they can accommodate greater crowds, Mr. Chairman. But they are one of the two sites for some of the games.

Ms. Cerilli: I do not know if you explained the kinds of upgrading—and if you have a list that

you could provide at the end of all this that outlines the kinds of improvements. That is what I was sort of raising earlier. I am surprised you do not have this with you that gives a little more detailed explanation about the kinds of improvements to these facilities.

Mr. Stefanson: I will certainly undertake to provide what I can in writing back to the member, backing up everything we have discussed this afternoon and providing any further details on some of these venues that we are able to, Mr. Chairman.

Ms. Cerilli: The University of Winnipeg Duckworth Centre is next on the list. It only, on this list, received \$10,000 from the Pan Am Games Society. Is there any other funding, and what was the upgrade there and the sport that is going to be there as well?

* (1650)

Mr. Stefanson: The Duckworth Centre is hosting boxing, karate and is one of the host sites for racquetball. Again, I am told there are no other provincial dollars, that the capital cost here is the \$10,000 and that it primarily pertains to the boxing ring.

Ms. Cerilli: Just to clarify, when the minister says he is not aware of any other funding, there may be some city or federal funding. He is saying that there is no other provincial funding that he is aware of?

Mr. Stefanson: I want to make it clear when I say that, I am referring to provincial funding, because that is the funding we have control over. On a number of projects I have tried to be co-operative and outline that there are other contributors, that we will undertake to try and find out if the City of Winnipeg contributes to the Pan-Am Pool or whatever. But when I am saying no other funding, I am referring to funding that we have direct control over. But recognizing we have gone into this discussion about where does one draw the line, whether an investment is benefiting the Pan Am Games or not, we are trying to be as inclusive as we can to say, okay, if you are doing some improvements at a site, there can be a benefit to the Pan Am Games as well and undertaking to relate that back to any of these projects.

Ms. Cerilli: The University of Manitoba Max Bell facility is being resurfaced, I am aware of that, inside. I understand it is being used as a warm-up facility for the track and it may be used as other things too. The minister can clarify that. I am wanting to know if there is any other additional funding.

Mr. Stefanson: The member is correct that the Max Bell Centre arena is being used for roller sports, artistic and hockey. I believe she is also correct that the majority of the dollars are being used for the resurfacing of the track. I am not aware of any additional provincial dollars going into this project, although I do believe that some additional dollars were invested that might well have come from the university. We will undertake to provide those details.

Ms. Cerilli: Now we are at the U of M stadium. Same kinds of questions there, types of upgrades, the additional costs, the sports that are going to be there.

Mr. Stefanson: The University of Manitoba stadium is being used, of course, for athletics, some 46 medal events, both men and women, and the majority of this allocation is going to the resurfacing of the track.

I am not aware of any other provincial dollars invested in this project, or any other dollars, but again we will undertake to see if there were any other contributions from the university or any other organization.

Ms. Cerilli: How about the roadways that are being built to take athletes from the Max Bell Centre, when they have finished their warmup, to the U of M Pan Am stadium? I understand that those are going to be temporary roadways. Is that part of this budget, or is that an additional line somewhere?

Mr. Stefanson: Mr. Chairman, there is no way of telling that from the information I have here. I will undertake to get back to the member on that.

Ms. Cerilli: We are nearing the bottom of this list in term of new facilities or facility upgrades. The Winnipeg Lawn Tennis Club is receiving \$550,000 from the Pan Am Games. Is there any

additional funding? What kind of upgrades are they getting there and explanation of the sports?

Mr. Stefanson: The Winnipeg Lawn Tennis Club, of course, will host men's and women's tennis. It is at Wildewood Park. The Lawn Tennis was built in 1973. It is part of the overall larger Wildewood Club development. This money is being used for permanent court resurfacing and some clubhouse reconstruction costs.

Again, to the best of my knowledge and our information, there is no additional provincial money in this project. There could be a little bit of additional support from the club itself or other sources. This is certainly the majority of money, I am told, but we will undertake to see if there were any other contributions.

Ms. Cerilli: The Winnipeg Soccer Complex. This is another venue that has been a bit of a complicated one and a problematic one. I am wanting to just get some information about—the actual dollars listed here are \$680,000. If there is any additional money from anywhere, and what actually the improvements are, including the seating, which has been an issue? I think we heard earlier that the women's soccer is at a different venue, so this is just for the men's soccer, I believe. Can the minister clarify that?

* (1700)

Mr. Stefanson: The Winnipeg Soccer Complex is being used for all of the men's events and the playoffs for the women's, the semifinals, and final matches. I am told that this investment from the Pan Am Games is the total investment. There is no other provincial money in the project. The money is mostly going for additional permanent seating and lighting enhancements at the facility.

Ms. Cerilli: How about the Winnipeg Trap and Skeet centre or facility? I am not sure where that is actually. The minister can clarify that, as well as any additional money beyond the \$120,000, clarification on the upgrades.

Mr. Stefanson: The Winnipeg Trap and Skeet Club of course is hosting trap and skeet. It hosted the trap and skeet shooting competitions during the 1967 Pan Am Games. That is located

near Oak Bluff, Manitoba. It is a national training site and the site of many national and international meets. They received some renovations back in 1990 and at that time played host to the 1990 Western Canada Summer Games. This money is I am told basically going to some improvements to the clubhouse facilities. There is no other provincial money. There is potentially a small additional contribution from the organization itself that we will try to confirm.

Ms. Cerilli: The water-ski facility we have talked a little bit about already. It is not listed on the sheet. I think the minister mentioned that earlier. Going from my memory I think it is approximately \$3 million plus the \$48,000 for the Pan Am Games. That \$3 million would have been all public money. I am not sure if there was any money put in by the water-ski association. If the minister could just clarify, does that include all the sod necessary around the hill, around the shore of the lake? I do not know if he has that kind of detail with him, but just to basically confirm that the number is \$3 million?

Mr. Stefanson: Mr. Chairman, while the Winnipeg water-ski site of course will be hosting water skiing, six-medal events for both men and women, as the member knows the venue is built by the Manitoba water-ski association and was completed in the summer of 1998. I believe she is correct that the total capital cost of the retention lake was \$3 million with, I believe, the province making a contribution of half of that. Again, as I indicated at the outset of these discussions, I will undertake to get confirmation of the total capital cost and what elements were included for the money spent.

Ms. Cerilli: I am also interested in finding out a little bit more detail about this facility in terms of the roadways that are going to be upgraded to accommodate the increase in traffic, any kind of care that is going to be taken for the parking in terms of dust on roads and the parking lot, what sort of a description of the kind of permanent facilities that will be there in terms of buildings, washroom facilities, change rooms, canteens, whatever, meeting rooms?

Mr. Stefanson: I will undertake to get all of the details and provide them to the member.

Ms. Cerilli: The last one on the list here then is the Winnipeg Winter Club which is listed as having a budget of \$58,000 for improvements, same kind of issues. Are there any additional monies? What is the upgrade there and clarification on the sport?

* (1710)

Mr. Stefanson: Mr. Chairman, the Winnipeg Winter Club is being utilized for both squash and racquetball. I believe there is no additional provincial money. In fact, I do not think there is any additional money being put in the project, although we will confirm that. The money is mostly being utilized for the development of a future court which is a pro court, portable acrylic squash court, and as well a two-sides glass portable racket court, so it is really for court development for both of those sports.

Ms. Cerilli: I am assuming that court, what is called the feature court then or the portable court, would be able to have more seating or spectator space than what is available there now. Is that part of what the increase is for?

Mr. Stefanson: That is correct, Mr. Chairman. That is one of the reasons behind this type of court.

Ms. Cerilli: That brings us to the end of the list that the minister has provided for me, but I think there are some outstanding venues. I just want to clarify those. The minister mentioned one when he was talking earlier about the Festival Park at The Forks. Does the minister have an explanation of that venue? I think that it is listed on this other sheet; there it is. Festival Park. So that is costing \$1.5 million, and that is not on this list. I guess you could argue that is not a sport facility, though.

The other one that comes to mind from looking at this other list I have is the Winnipeg Stadium, if that has received any funds or upgrades. The Convention Centre is another sport venue that we have not talked about. The squash club is another one. The Winnipeg Stadium, I mentioned that one already, sorry. There are a couple of others on this list: Chateau Lanes and the arena. I am wondering if any of those have received any money for upgrades outside of the Pan Am Games budget.

Mr. Stefanson: I will undertake to review those projects one more time, but I am told that for some of those facilities, the Winnipeg Arena, which, I believe, is hosting some gymnastics, some basketball, some volleyball, that there are no facility improvements required there. Anything that is done there is just either of a temporary or of an equipment nature, not of a facility improvement nature. Winnipeg Convention Centre, one of its halls is going to be used for some badminton and some team handball. Again, there are no facility improvements in that case, but, again, there is some equipment required and some temporary adjustments, no facility improvement. Winnipeg Convention Centre, another hall for judo and tae kwon do and wrestling, once again some equipment improvements and some temporary adjustments. Winnipeg Squash and Racquet Club, of course, being used for squash; again no facility improvements and temporary adjustments. The Winnipeg Stadium, beach volleyball.

We have under the Economic Development Partnership Agreement a contribution of \$1.5 million from both the federal and provincial governments for a number of improvements at the stadium that go well beyond the Pan American Games. The other one that was mentioned was the Festival Park, which is shown under the Infrastructure Works summary, which shows a total project of 1.5 million and 500,000 from the federal and provincial governments. I am sure the member has seen some of the work being done on the Festival Park at The Forks, which will provide a venue for all kinds of gatherings and activities at that site. It will be the main focal point for many of the evening events and for the awarding of various medals and other activities taking place there. I will undertake to confirm all of those projects.

Ms. Cerilli: I just want to clarify. I do not know if the minister was mixing up the arena and the stadium or if I was just mixed up. Could you clarify what is happening at the arena and also what is happening at the stadium? It is the stadium that has had the \$3-million upgrade. There has been nothing at the arena, I think he said.

Mr. Stefanson: The arena is for gymnastics, basketball and volleyball. There are no

improvements of a permanent nature. As I indicated, there are some equipment issues and some temporary enhancements or adjustments. The stadium is for the beach volleyball. It is the stadium that has received a major upgrade. It is receiving, as can be noted under the partnership agreement, \$1.5 million from the federal government, provincial government. Winnipeg Enterprises is making a significant contribution. I would have to get the total cost of the project. We can certainly undertake to do that. Major components of that include new seating in the stadium, with backs on the seats, a major new replay scoreboard. That would be two of the key elements and other physical improvements to the stadium itself.

Ms. Cerilli: In the budget line for equipment, I was thinking particularly in terms of the convention centre. They would be bringing in special flooring or cork courts. That is all going to be temporary. None of that is something that will remain as something for Winnipeg. It is going to all be rented, I am assuming.

* (1720)

Mr. Stefanson: The one other venue at the stadium that I should have mentioned is the opening and closing ceremonies as well. Beyond the interior improvements, now that that fencing is no longer required at the stadium, all of that fencing has come down and there are major improvements on the exterior, on the grounds of the stadium as well. When it comes to equipment, I am told that in some cases the equipment is being rented and in some cases it is being purchased. Really that will come down to one of the legacies that can be left to the sport government bodies and sport organizations, the equipment that is being purchased for the Pan American Games.

Ms. Cerilli: Could I get a list of all the major kinds of equipment purchases, whether it is some of the more expensive mats and things or whether it is flooring, other major kinds of equipment. One of the other items I know that has been at issue is a Jumbotron. Is the scoreboard at the stadium going to have that kind of capability?

Mr. Stefanson: Mr. Chairman, I will undertake to obtain that information on equipment being

purchased and provide that to the member. The clock and replay board that is being purchased for the stadium is one of these jumbotrons that will have full replay capabilities and so on, again, another amenity for people attending any event there, and it will be available for the Pan American Games.

Ms. Cerilli: So the one at the stadium is the only one that is going to be in the city for the Games, and that is going to be just rented. There is not going to be one at any of the other sports. Is that correct?

Mr. Stefanson: Mr. Chairman, I should just clarify, the jumbotron at the stadium is being purchased, so it is available on an ongoing basis. It will be the only jumbotron at any venue. I believe the Winnipeg Arena now has some replay capabilities with some of the features that they have in the arena. So those would be the two venues that would have replay capabilities.

The Pan-Am Pool does not have replay capabilities, but they, as part of their overall improvements, have a new state-of-the-art clock.

Ms. Cerilli: I am just aware that in some of the planning that was being done for the facilities for the athletics venue that there was an interest in having a jumbotron and that kind of replay capability for the athletics venue, but I guess that is not part of the facilities available.

Mr. David Faurchow, Acting Chairperson, in the Chair

Mr. Stefanson: Mr. Chairman, I believe the member is correct that that is not available at the Pan Am stadium, but I will confirm that.

Ms. Cerilli: Well, I appreciate the painstaking way we have gone through this list and the patience of the minister and his staff sort of going through this. I think though that it is important to sort of get a more detailed explanation. I do not think there is anything public that has sort of shown this additional monies for games-related facilities. I think when we put it all together that will paint a more accurate picture then of the kind of investment that is being made into these games.

I just want to ask in terms of the overall budget for the facilities, the one that the minister has given me today has \$15,588,000, but the budget that I was provided with the other day has two different figures for facilities. The one that corresponds with what could be called this business plan 2, which if we go back to the previous budget, the one before they made the changes in the expenditure allotments and how some of those were changed, that budget was over \$19 million, actually almost \$20 million for facilities, \$19,928,000, and now business plan 2.(a) is \$17,753,000, and now we have a third figure here of only \$15,588,000.

Can the minister explain why there are these different figures for the facilities, and all of them seem to be on the revised budget? They are all after the \$122-million budget.

Mr. Stefanson: The member will note from the information provided on the business plan analysis that under facilities, there is a brief explanation of the approved changes of \$2,175,000, roughly, this shows \$2 million, which really shows the transferring of a lot of operational expenses and personnel expenses out of the facility line and into Games operations and ceremonies and so on, Mr. Chairman. What I will do is get a reconciliation from the \$17,753,000 to the capital listing that we have just gone over of \$15,588,000.

I could speculate what some of the components might be, whether or not there are rental charges for facilities or other types of costs related to facilities, recognizing that the previous budget has obviously included a number of operational issues, as I say, over and above the capital costs. I will provide the member with a reconciliation of those two amounts.

Ms. Cerilli: It is interesting then, if what the minister is suggesting that the bill for rentals is \$2 million, potentially, because that is what is the difference, if this money is all just for capital improvements.

* (1730)

Mr. Stefanson: No, I am not suggesting that at all. I am just saying that that could be an example, based on how the accounting appears

to have been done in terms of blending capital and operating. That could be an example of some costs that might be included in that line. But as I have indicated, I will provide the member with the reconciliation of the difference between the \$17,753,000 and the \$15,588,000.

Ms. Cerilli: I guess I am going to have to go over this business plan after we have finished here today to ask more questions on the budget itself, so I think I am going to move on from the facilities to some issues arising out of the Pan Am Games agreement.

The Pan Am Games agreement in some ways answers questions and in others just raises more questions in terms of the kinds of policies and agreements that are governing the Games. There has been some discussion already about the plan for the Legacy Fund. I am interested in seeing if there is actually a plan that is written down that we could review and have for review. It says, I am on page 10, item 5.3.(f): Plan will include the following, a plan for the Legacy Fund to be developed in conjunction with the funding partners.

Is that something that the minister is willing to table? I am assuming that that is complete.

Mr. Stefanson: I am not sure if I am answering the question, but the member referred to the Pan Am Games agreement and the whole issue of the Legacy Fund. If we are in the position of having a surplus, which is obviously a position I think we would all like to find ourselves in, 50 percent of that surplus is then deposited to the Legacy Fund. The various elements are outlined here in the agreement. I am not sure what else the member is looking for.

Ms. Cerilli: Maybe the minister could just direct me then to the page if I have missed something here. I just went through this earlier today. Can he direct me to the page number, because I do not know where it says this formula for the Legacy Fund?

Mr. Stefanson: Page 23, Section 18 deals with various elements of the Legacy Fund.

Ms. Cerilli: Okay, yes, I did go through that. I guess what I was asking the minister for is the

plan as reference to—in item (f) that has I think more indication than of what the Legacy Fund is going to be used for.

* (1740)

Mr. Stefanson: Discussions have been along the line of 50 percent of any surplus going to the benefit of amateur sport in Manitoba. Again, the discussions have revolved around utilizing Sport Manitoba and the National Sport Centre to accommodate that support for amateur sport in the province.

Ms. Cerilli: As I reconsider these sections, it talks about there having to be actually terms and conditions which is the plan that I am talking about, and that was supposed to be completed by December of 1996. That is the kind of thing that I am interested in. The minister said that Sport Manitoba is going to be involved with that. I am not sure if I knew that, but I knew that the other centre, the Centre of Excellence, I believe, is going to be receiving that. The minister is talking only about the 50 percent that is going into that fund, but what about the other 50 percent of any surplus?

Mr. Chairperson in the Chair

Mr. Stefanson: When the agreement was amended because of the additional funding provided, the agreement at that time was that 50 percent of any Games surplus would be split equally between the federal government and the provincial government, and the remaining 50 percent would go into this Legacy Fund that we are talking about right now.

Again, the discussions have been along the lines of utilizing Sport Manitoba and the National Sport Centre as the vehicle to accommodate the support for amateur sport. The member refers to the terms and conditions being submitted by the 30th of October, '96, and approved by December 31, '96. Of course, that was based on certain conditions at the time. Those subsequently changed in March of 1998, and I will provide an update for the member on that.

Ms. Cerilli: Mr. Chairperson, does an update mean that the dates have just been changed, or is

there actually an outlined guide, this Legacy Fund, that has been developed and agreed to? The other part of my question is: does Manitoba have a plan for its 25 percent, and does Sport Manitoba have a plan for its 25 percent?

Mr. Stefanson: Mr. Chairman, first of all, as I indicated, the amendment to the agreement is that 50 percent of any surplus, if we are in that position, goes to the federal and provincial governments. We just split equally, so the member is correct that, if there is a surplus, the Province of Manitoba would receive 25 percent. No decision has been made on what to do with that 25 percent if that is achieved at this particular point in time.

The other 50 percent is what we have been talking about that will go to the benefit of amateur sport. That is this issue of the trust fund which is to be established and so on, and the terms and conditions to govern this trust fund shall be that the objective is to support the activities of the National Sport Centre here in Manitoba, which is really an organization that is funded by Sport Manitoba to support and meet the needs of amateur athletes in the province of Manitoba.

So that is the overall direction from the agreement. Further details are being worked out in terms of all of the elements of the fund.

Ms. Cerilli: I said earlier that I am interested in seeing the terms and conditions, but it is not clear to me yet from the answers the minister has given if the date has just been changed and the terms and conditions are not completed yet. You have just said things are still being worked on, so that is one issue.

* (1750)

The other thing then is if you have said that the National Sport Centre is sort of funded through Sport Manitoba, but it is a national centre, so I am assuming that it would have other funds as well. I would hope, is that where all of that 50 percent is going to go, of any surplus? I guess the other thing to add is I am a little bit more optimistic about the bottom line for the Games since going through some of these Estimates because now I understand that there is

this sort of built-in cushion on the ticket sales, like we were discussing the other day. So if the ticket sales go very, very well, there is a chance there will be some legacy left, and there will be some money in this fund. So I think that this discussion in terms of the parameters that are being put in place for the Manitoba portion, which is actually then potentially 75 percent of it, because the federal government is only getting 25 percent, so back to the point of the status of these guidelines or parameters being completed. If Sport Manitoba is actually funding the National Sport Centre, is that where all the money is going to go?

I guess the other side issue on that was if the National Sport Centre has funding from other partners besides just Sport Manitoba.

Mr. Stefanson: Mr. Chairman, even though it is a National Sport Centre, there are seven of them in Canada; the centre here in Manitoba is in place for the benefit of Manitoba athletes. It is funded, and the majority of the funding comes from Sport Manitoba, approximately 50 percent or \$200,000. I believe that about \$100,000 comes from the Canadian Olympic Association; and about \$100,000, Sport Canada. But the \$200,000 provided here in Manitoba is provided through Sport Manitoba, which has a direct liaison with the National Sport Centre.

So the amended agreement was very clear that the Legacy Fund, the 50 percent for amateur sport, will be to support the activities in the National Sport Centre. That meets some of the original intent of the original agreement, where it had to be determined how those funds would be established. Now we are awaiting final details on all elements of the administration of the fund itself, but the decision had been made that 50 percent of the fund will go to support the activities of the National Sport Centre.

Ms. Cerilli: Back then to the issue of the provincial portion, 25 percent, what considerations does the minister have, or what are his priorities for how that money should benefit the legacy of Sport Manitoba?

Mr. Stefanson: Well, that amendment was put in place after both the federal government and the provincial government significantly

enhanced their funding support for the Pan American Games. As the member is very well aware, we discussed that in previous occasions during last year's Estimates and at other times. So no decision has been made on what would happen to that 25 percent that is coming to the Province of Manitoba. We will wait and see if that happens, if it does happen, at what level or what financial amount, and then make the decision at that particular point in time.

Ms. Cerilli: So the minister does not have a dream and vision of his own. I guess I was perhaps out of order then. I think I may have been even asking for your opinion, but that was what I was asking for, as to what ideas you have in terms of how this money would benefit Manitoba.

Mr. Stefanson: Mr. Chair, I have lots of ideas for sport in Manitoba, but this agreement very specifically allocated 50 percent of any surplus automatically to the benefit of amateur sport through the National Sport Centre. It returns 25 percent of the federal government, which, I do not believe, has made any decision at this point in time what they might do with that 25 percent, and it returns 25 percent to the Province of Manitoba to make decisions at that time. I think that is a reasonable approach, recognizing the amount of support that both the federal government and the provincial government are providing to these Games.

Ms. Cerilli: I think it is a reasonable question for me to ask the Minister for Sport what he would do with 25 percent of any surplus that would come from these major games. I do not think that is an unreasonable question for me to be asking you at this time. I guess what you are saying is that you are going to see if there is any surplus, and then you will decide what you are going to do with it. So your government has no policy as to what they would do with their 25 percent.

Mr. Stefanson: I find this interesting. We did spend a lot of time concerned about deficits. Now we are focusing on surplus. The member says she is more optimistic about surpluses now, but it is no sense spending a lot of time on a policy when you do not know what an amount might be. If it is \$1, that is significantly

different than if it is \$100,000 or if it is \$500,000 or if it is a million. I could go on and on and on, on this in terms of what is ultimately done with any surplus. We, as one of the major funders, are already supporting 50 percent of it automatically going into amateur sport to the National Sport Centre. We will have the opportunity if there is a surplus to make decisions about how to use those dollars here in the province of Manitoba in a whole range of areas, Mr. Chairman. I think to start to speculate about what you might do with a surplus that some doubt that you will even achieve, and/or what it might be, you can spend an awful lot of time unproductively. We would rather wait to see what the surplus is, if any. We have already indicated where 50 percent will automatically go benefiting sport in Manitoba and make further decisions at that time.

Ms. Cerilli: On this topic then, of the items included in the revised business plan, I am wondering if the minister would agree to provide

me with each of those (a) through (i). I am most interested in the financial plan, marketing, the agreement with partners, provision on facilities, the one we have just talked about, legacy fund, the risk management plan, the plan for greening of the Games, and maybe there are others under item (i) that are relevant to organizing carrying out the Games. Could we have copies of all of those?

Mr. Stefanson: Mr. Chairman, I will follow up on that and get back to the member.

Mr. Chairperson: The hour being six o'clock, committee rise. Call in the Speaker.

IN SESSION

Mr. Deputy Speaker (Marcel Laurendeau): The hour now being six o'clock, this House now adjourns and stands adjourned until tomorrow at 1:30 p.m. (Tuesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 14, 1999

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