



Fifth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	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.
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DRIEDGER, Albert	Steinbach	P.C.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
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EVANS, Leonard S.	Brandon East	N.D.P.
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FILMON, Gary, Hon.	Tuxedo	P.C.
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HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
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WOWCHUK, Rosann	Swan River	N.D.P.
<i>Vacant</i>	St. Boniface	

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 17, 1999

The House met at 1:30 p.m.

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 Emerson (Mr. Penner), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Harold Gilleshammer (Minister of Finance): Madam Speaker, I have two reports to table: the Supplementary Information for Legislative Review for Manitoba Finance and also for the Manitoba Enabling Appropriations and Other Appropriations.

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, I wish to table the final report for the Manitoba Round Table on the Environment and Economy from 1988 to 1997.

Madam Speaker: I wish to table the 1997 Annual Report of the Provincial Ombudsman.

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 ten Grades 9 to 12 students from Neepawa Area Collegiate under the direction of Mr. Murray Martin. This school is located in the constituency of the honourable Minister of Natural Resources (Mr. Cummings).

Also, thirteen Grade 5 students from Holland Elementary School under the direction of Mrs. Shelley Wallis and Mrs. Janice Drummond. This school is located in the constituency of the honourable member for Gladstone (Mr. Rocan).

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

ORAL QUESTION PERIOD

Regional Health Authorities—Winnipeg Administration

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, yesterday we were asking questions about the Tories' priority of spending money in health care on propaganda ads. We have also been concerned about the Tories' priority of wasting money on frozen food, SmartHealth, and we are quite concerned about the bureaucracies the Tories have created in the health care sector.

We know there are two CEOs for the two new regional health authorities created in the city of Winnipeg. Can the Minister of Finance, or Minister of Health rather—Freudian slip, sorry—tell us how many vice-presidents there are in the two bodies, please?

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, we just spent a number of hours during the Detailed Estimates process for the Department of Health. The Health critic, the member for Kildonan (Mr. Chomiak), has asked for a great deal of information. We have indicated that we will be providing that. Certainly, one of the pieces of information he has asked for I believe are organizational charts for both of those organizations, the Winnipeg Hospital Authority and the WCA, the Winnipeg Long Term Care Authority. Again, I will be providing that information very shortly to the Health critic, and I am sure he will provide that to the Leader of the Opposition. It will show the

numbers of vice-presidents, it will show the total staff complement, and the entire administrative structure of both of those authorities.

* (1335)

Mr. Doer: Madam Speaker, we have been advised—and we have copies of the staff chart which we asked the minister for a number of weeks ago, but of course he has not provided that to us—that there are 10 vice-presidents, 10 vice-presidents in the two Winnipeg health authorities, and this government is in favour of full salary disclosure.

Can the minister advise us: what are the salaries for those 10 vice-presidents, and could some of that money not be better spent on nurses, diagnostic tests and direct services to patients?

Mr. Stefanson: Well, first of all, Madam Speaker, the Leader of the Opposition and his colleagues, they supported the 1999 budget that we brought down that includes all of the funding for health care in the province of Manitoba which is in total \$2.1 billion, which includes the funding for the administrative structures, whether it is the administrative structures of the hospital authorities or the administrative structures within hospitals, and so on.

The objective throughout the entire transition to regional authorities is to be sure that there is not additional administrative bureaucracy, that the support either comes from the existing facilities or is taken away, in part, from the Department of Health. There has been a significant transfer of employees from the Department of Health to regional health authorities across the province, and I provided that information, again, to the Health critic for the member opposite.

So I think the important message for Manitobans is that this budget includes \$194 million more in spending on health care. That spending is going into all of the areas of health care. It is reducing waiting lists for diagnostic services, for surgery procedures. It is providing \$20 million more for home care, providing \$13 million more for personal care homes, creating 850 additional personal care home beds across

the province of Manitoba, and I certainly would be pleased to go on and on.

Mr. Doer: Madam Speaker, the minister is going on and on, but not giving us any answers. I asked: what are the salaries of those individuals?

The administrative component of the budget has gone up under the government. We, in fact, have gone from two deputy minister positions in Health—one associate, one deputy—to one deputy and three assistant deputy ministers. The administrative component has gone up. We would have less senior bureaucrats than the Tories have hired and have more nurses within the spending priorities of government. In fact, it is our estimation this government is spending more money on bureaucrats that they have created in the two health authorities than they are on the whole nurse recruitment program, again, a set of backward priorities in our view.

Can the minister confirm that in the WHA authority and the WCHA authority there are 10 directors on top of the 10 vice-presidents, and how many of these senior people are in there? What are their salaries? What is the staffing, and can this money not be better spent for patient services here in Manitoba?

Mr. Stefanson: Well, Madam Speaker, again, when it comes to the issue of salaries, I can certainly make that information available to the member opposite. He knows in Manitoba, we have a public sector accountability act—that I cannot recall whether members opposite supported or not—and that requires the putting forward of all of the salaries over \$50,000. So I will certainly provide that information to the member opposite.

But I think the important issue and the important message is that we are spending \$2.1 billion. We are spending \$194 million more on health care in the province of Manitoba. We are seeing waiting lists come down significantly in Manitoba, whether it is for CT scans or ultrasound or other diagnostic testing. We are seeing more procedures done, whether it is hips, knees, cataracts or other procedures. We are seeing more services in the area of dialysis services, more mammograms, more numbers of

services across the entire spectrum of health care because it continues to be our No. 1 spending priority, \$2.1 billion, 35.5 percent of our budget, \$5.6 million each and every day. I am assuming, and I can only assume, Madam Speaker, that is one of the reasons that the Leader of the Opposition supported our 1999 budget.

* (1340)

**Physician Resources
Post-Graduate Residency—Salaries**

Mr. Dave Chomiak (Kildonan): Madam Speaker, what we are seeing in this period leading up to an election is more announcements by a desperate government, paying for more ads than any other time in the history of this government.

Like so much in health care, we see now the government seems to be in the position that they want to increase the enrollment of doctors at the medical college. After 11 years in office, the minister is musing about this possibility. I want to ask the minister: given the critical problem shortages of doctors, specialists and the like in many areas, is the minister aware that the graduating class, for example, and the residents that are presently practising in Manitoba are the lowest paid in the country? More than half the graduating class is leaving this year, and we have a crisis today that the minister ought to deal with as part of a so-called plan.

Hon. Eric Stefanson (Minister of Health): Again, the member for Kildonan makes a very general statement about compensation for physicians. The compensation levels will vary depending on the nature of the services being provided by the doctors and the physicians. The member knows we are currently in an arbitration process, agreed to by both parties, entered into by both parties, the Manitoba Medical Association and the employers along with the support from our government that is going through a very comprehensive process in terms of continuing to address that issue. But, in the meantime, we have continued to make adjustments in areas like family practice where we made adjustments in some of the tariffs.

Just recently we have adjusted some \$6.5 million in funding to adjust some of the key tariffs with the support of the Manitoba Medical Association, with the support of the doctors in those very important areas. So we continue to address the entire issue of compensation for doctors in Manitoba.

Mr. Chomiak: Is the minister not aware—and I am quite surprised—that the residents, the doctors in training, the people who are not full-fledged doctors yet, those who do all of the work at St. Boniface and Health Sciences Centre, who work 56 hours a week and the like, that those people are in negotiations and are the lowest paid in the country? More than half that class intends to leave because of the deplorable conditions in Manitoba. Has the minister even met with that organization and talked about it?

Mr. Stefanson: Yes, I have had a chance to meet with some of our medical students. Yes, I have had a chance to meet with the Faculty of Medicine, all the heads of all of the individual disciplines within the area. We continue to take a number of steps to address issues of retaining more of our graduates here in the province of Manitoba. We are making significant improvement in all of those areas. I have indicated for the member, when you look at our graduating nursing class of April of this year, there are some 40 nurses graduating from the Faculty of Nursing. I am told that 39 out of those 40 are staying right here in the province of Manitoba.

Having said that, we do have more work to do. I mean, our collective objective should be to ensure that the maximum number of graduates from our faculties, Faculty of Medicine, Faculty of Nursing, all of our faculties, stay right here in the province of Manitoba. There are opportunities for them in a whole range of sectors. The health sector is certainly one.

There are opportunities for our young people in many other sectors of the economy, and that is certainly a priority of our government, to make opportunities available and to ensure that the young people stay here in the province of Manitoba.

Recruitment/Retention Strategy

Mr. Dave Chomiak (Kildonan): How can this government spend three-quarters of a million dollars on ads saying they have a plan when the minister muses about having more medical graduates, when in fact he does not know that the medical graduates are the lowest in Canada, most are leaving? We are losing our best and brightest, and they clearly do not have a plan to deal with the medical shortage in Manitoba today.

Hon. Eric Stefanson (Minister of Health): When you look at the statistics in terms of our doctors, when it comes to the number of specialists per capita, we are the fourth highest in all of Canada. When it comes to the number of pediatricians in Canada, we have the highest ratio per capita in all of Canada, so I do not think in any way the member for Kildonan does justice to the quality medical services here in the province of Manitoba by trying to paint a picture of individuals not providing the services or not wanting to stay in the province of Manitoba.

There is no doubt that a good number of the graduates from all of our faculties want to stay in the province of Manitoba. We have introduced a number of programs for students in the Faculty of Medicine to undertake programs in rural Manitoba. They have opportunities to practice during their education, in rural Manitoba, so when they do stay here, they will also fill some of those needs. When you look at our overall physician count today, it is approximately the same as it has been over the last several years, just a little over 2,000.

The member saw today, through the media, that we have been in discussions with the Faculty of Medicine, the University of Manitoba, and we are committed to increasing the enrollment at the Faculty of Medicine which will again provide more doctors here in the province of Manitoba.

* (1345)

Labour Force Aboriginal Skills Training

Mr. Eric Robinson (Rupert's Land): The Caledon Institute report on employment and

aboriginal people states that there is probably no single important issue for the economic future of Manitoba than the advancement of its aboriginal human resources, and says that the development of urban ghetto slums must be stopped now before they become entrenched.

With that in mind, I have a question for the Minister responsible for Native Affairs. Winnipeg's aboriginal population's labour force is expected to exceed 16 percent of the total labour force in the next decade and the aboriginal unemployment rate has remained constant according to the most recent StatsCan studies. I would like to ask the minister if he will agree at this time that his government's 11-year record of cuts to Access, to students' social allowances and a series of pilot projects have been a failure.

Hon. David Newman (Minister responsible for Native Affairs): Madam Speaker, the record of this government over 11 years I think stands a comparative test of anywhere else in this country, which is very favourable. Looking back with the perfect vision of history of the passage of time, the achievement over the last 11 years will be a distinctive feature of the accomplishments of the Filmon government because what they chose to address was root causes and not symptoms.

The kinds of things that have been done with respect to treaty land entitlement settlements, Northern Flood Agreement settlements and North Central power development, Partners for Careers, all of these kinds of fundamental things that have been done over the last 11 years, the kinds of agreements that have been signed with First Nations allowing them to have a sharing of resources, whether from gaming or from gasoline taxes or from tobacco taxes. All of these things have been fundamental empowerment tools for the development of our First Nations communities on and off reserve.

Aboriginal Unemployment Rate Reduction Strategy

Mr. Eric Robinson (Rupert's Land): Further to the report, it says that—the Manitoba Bureau of Statistics—the male unemployment rate on reserves is 30 percent and the adjusted rate is at

least 50 to 60 percent. Why in 11 years has this government not worked with the national government to develop a comprehensive strategy to reduce unemployment in this province with relation to aboriginal people?

Hon. David Newman (Minister responsible for Native Affairs): Madam Speaker, this government has diligently worked to develop such a comprehensive strategy in relation to the federal government. I emphatically state that the federal government should have taken primary responsibility for this and have been pushed and pushed and pushed by this province. I might say that the Royal Commission report that came out has made a contribution to getting them off their duffs and getting into action to develop real concerted planned efforts to overcome this challenge over a generation.

I believe Manitoba is taking a lead in this and that the federal government, through the involvement particularly of Human Resources Development Canada and the aboriginal human resources development initiative, where I am a champion for this province through the Native Affairs Secretariat and my counterpart in Saskatchewan is doing the same thing in Saskatchewan, is one of those tools, Partners for Careers, again, a federal-provincial government partnership and several of our own departments, Education and Training and Northern and Native Affairs. These are the kinds of things, the long-term strategies that are making a difference, as will the urban aboriginal strategy.

Mr. Robinson: I would like to direct the minister's attention to paragraph 5 of the report that I am talking about this afternoon, Madam Speaker, where it says even a casual visitor to Winnipeg can easily spot the growth of concentrated poverty, deteriorating housing, gangs and all other signs marking the emergence of Canada's first U.S.-style slum. Again I revert back to my question and that is: where is the comprehensive strategy with the national and the city governments?

Mr. Newman: Madam Speaker, I will be very candid about one of the greatest frustrations of anyone serving as a Minister responsible for Northern and Native Affairs, probably federally and here, and probably in every other

jurisdiction in this country. It has been very difficult to get federal co-operation in ways that will induce empowerment of the very people who are in the greatest need of help. Another frustration is that the aboriginal political leadership, aided, abetted and encouraged by members opposite, rather than acting to the degree that they could to empower people, are far too often doing exactly the opposite. That is creating a grave difficulty.

Just, for example, what is happening with respect to Neeginan. You have one group that wants to move forward, and you have leaders of other groups that are doing everything they can to prevent success from occurring. So it is very, very difficult to deal with this, but we are dealing with it consistently, patiently, in good faith and with absolute determination over the next generation, with a vision toward 2025, which hopefully will see the aboriginal people of this province emerge as the pre-eminent people in this province because of their long history here in a multicultural community.

* (1350)

Gang Hotline Anonymity

Mr. Gord Mackintosh (St. Johns): To the Minister of Justice: on Tuesday, when I asked why this government let its gang hotline go cold after the last election while overseeing the serious and dangerous rise of gangs, the minister announced that he had a record of my calls to the line. The government assured Winnipeg youth and families with this pledge in the wallet card: Privacy. Your call is confidential. You do not have to give your name. No calls will be traced or displayed.

Again, Madam Speaker, it says no calls will be traced or displayed.

I ask the minister, Madam Speaker: why did this government baldly mislead Winnipeg youth and families all along? Calls were traced and displayed.

Hon. Vic Toews (Minister of Justice and Attorney General): Well, Madam Speaker, the member has indicated that the line is the

responsibility of the province. The province sent some money to the city in order to ensure that that line was there.

I understand that discussions have taken place between the City of Winnipeg and indeed representatives of my department to determine whether that is in fact the most appropriate utilization of that money. Those discussions are continuing, and we hope to resolve that issue one way or another shortly.

Mr. Mackintosh: Well, how will this government explain to Manitoba youth, to whom the former minister said on open radio that the youth asked for and got total anonymity with this line, this lack of ethics and trustworthiness? What kind of betrayal is this? You cannot trust these people.

Mr. Toews: I can assure the member that we have misled no youth or adults who are genuinely seeking help from that line. I think the member knows exactly what his role was. It was simply to politicize and to find fault where I think none was warranted.

As I have indicated, Madam Speaker, that particular program is under discussion. It is a program that is being administered by the City of Winnipeg, and the province and the City of Winnipeg are in fact having discussions as to whether or not that is the most appropriate way of dealing with this issue.

There are a number of other initiatives that I am pleased to report that it is indicated have overtaken the utility of that particular program. So we want to have further discussions with the city on this point.

Mr. Mackintosh: Would this minister, who is prepared to breach confidentiality—I have no concern about my own calls—tell us, other than using callers' names—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable member for St. Johns, to please pose his question.

Mr. Mackintosh: To the minister who thinks this is funny, this betrayal, Madam Speaker, who thinks this is funny—

Madam Speaker: Order, please.

Point of Order

Mr. Toews: Madam Speaker, I certainly do not think this issue is funny. What I find totally amazing is that this member would in fact admit that he is trying to disrupt a particular program.

Madam Speaker: Order, please. The honourable Minister of Justice did not have a point of order.

* * *

Madam Speaker: The honourable member for St. Johns, to please pose his question.

Mr. Mackintosh: Would this minister tell us, other than using callers' names for partisan political purposes, what was done with the traced names of youth seeking to get out of gangs, for example, families quietly to deal with their problems, informants' names? If a cabinet minister got the names, who else did? Were lives in danger?

Mr. Toews: Madam Speaker, I can advise the member that I know of no names of anyone who called. In fact, the admission by him that he in fact called is the first admission that I have had of anyone calling. [interjection] Yes. Well, he admitted it.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

*(1355)

Point of Order

Mr. Steve Ashton (Opposition House Leader): A point of order, Madam Speaker.

Beauchesne Citation 417 is very clear that answers to questions should be as brief as possible, deal with the matter raised, and should not provoke debate.

The member for St. Johns has asked three times about the fact that this minister in the House got up in this House and said that the member for St. Johns had placed calls, clearly indicating that that minister had information about people who called that line. It is a very serious matter, and this minister should be called to order and should answer that question. How did he get that information, and how many more calls were treated in a way that was not confidential, contrary to the purpose of this line?

Madam Speaker: The honourable Minister of Justice, on the same point of order.

Mr. Toews: Madam Speaker, the only confirmation that I have of the member making calls was his confirmation today.

Madam Speaker: Order, please. The honourable member for St. Johns, on the same point of order.

Mr. Mackintosh: Madam Speaker, it is as if Tuesday never happened with this minister. He got up in the House on Tuesday and said that I had called that line eight times without leaving a message. He put that on the record. He knew exactly the number. Where did he get that information? He got it by breaching confidentiality and by misleading youth and families of Manitoba.

Madam Speaker: Order, please. The honourable member for St. Johns did not speak to the point of order. There was no point of order.

Flooding Compensation for Farmers

Mr. Kevin Lamoureux (Inkster): Madam Speaker, in the flood of the century in 1997, the Red River Floodway, we had the federal government that came out with a custom seeding benefit program for our farmers, and this Premier (Mr. Filmon) could not act quickly enough in terms of opting out. Well, things have changed quite dramatically in the sense that they now have a Custom Seeding Program. The problem is the Premier does not realize the difference between a flood zone and the rolling hills that Manitoba has.

My question to the Premier is: why is the government not providing assistance to farmers who can plant on their own, and why is that, because it is very clear that there is a need for some flexibility in the program that this particular Premier is bringing in?

Hon. Harry Enns (Minister of Agriculture): Where Manitobans can plant on their own, they are doing that right now with every hour of sunshine that is out there, and I am very pleased to see that is happening. What the Custom Seeding Program helps is, because of the shortness of time, to bring additional equipment that otherwise would not be available to them into the area and help speed up that process.

Mr. Lamoureux: Madam Speaker, I look to the Minister of Agriculture and ask the Minister of Agriculture to acknowledge that, given the extreme situation that those farmers have been placed in, it is like farming in a patch-quilt area, that there is an additional cost as a result of it. Why does the Minister of Agriculture not see fit to come up with a program that has more flexibility, to allow those farmers to seed?

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Enns: Madam Speaker, I earnestly seek the honourable member's support and co-operation and that of his Leader to ensure that same concern that was shown for the farm difficulties in the 1997 flood in the Red River Valley that that same concern and compassion will be shown by his federal colleagues in Ottawa under these circumstances. We could not wait any longer, and I am very pleased and proud that my government supported me in allowing us to announce that program, but we certainly expect no less from Ottawa today under these circumstances than was provided in 1997.

Mr. Lamoureux: Madam Speaker, will in fact the Minister of Agriculture admit that more flexibility is needed with this seeding program so that farmers can be assisted in their own seeding and not only when they have to hire someone else?

Mr. Enns: Madam Speaker, considerably more is needed, and I am pleased to announce to the House that I have arranged for a call and a meeting via telephone with federal Minister Vanclief tomorrow at 1:30. I will further press the issue of the problems our farmers are facing in the hope that we can co-ordinate a comprehensive program of support.

* (1400)

MATTER OF PRIVILEGE

Justice Minister's Comments

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, I rise on a matter of privilege and it relates to the comments just made by the minister in this House, comments that indicate very clearly that the minister deliberately misled this House. I am rising at the first opportunity because I wanted to check Hansard. What the minister said in this House on June 15, and I want to point to Hansard, page 2778, in which the minister said: "Well, I know, Madam Speaker, in speaking with the relevant authorities, that his office has called at least eight times, never left a message, never left his name, simply hung up."

On Tuesday, it is very clear, from what was stated in this House, that this minister had information in terms of that; not only that, he documented eight times, not seven, not six, not nine, not 10 times. I note that the member for St. Johns (Mr. Mackintosh) never referenced having called eight times, never referenced having not left his name, that the minister knew.

Now what is interesting is in Question Period today, rather than answer the questions about the gang line, I want to read into the record why this is such an important issue for us in dealing with this, and I have with me the description of the program which states: Privacy. Your call is confidential. You do not have to give your name. No calls will be traced or displayed.

On Tuesday, this minister said that he could trace eight times in which the member for St. Johns had phoned, and yet the document that is handed out to the public, Madam Speaker, says

that no tracing will be done. It is obvious that there is not the confidentiality with that gang line, and it is obvious that this minister, who we know has been in difficulty before in this House, if one remembers the selection of judges, the process, in this case, on Tuesday, he said one thing and today he got up and denied it.

Let there be no doubt his comments in the House today were a completely different version, not a confusion, Madam Speaker, but it is very clear from his comments that, in fact, this minister was either not telling the truth on Tuesday or not telling the truth today. It was, I believe, of the point which is the essence of privilege. This is contempt of the House, and more importantly, this is contempt for the many people who take the assurances in this program that this is going to be private and confidential. It shows that this minister, for his own political games on Tuesday, was quite willing to violate what has been guaranteed to the people of Manitoba. To try and embarrass the member for St. Johns, that minister may feel it is appropriate to trace calls. The bottom line, this document here guaranteed privacy. This minister has violated that privacy, and today he did not tell the truth when he was confronted with that simple fact.

That is why, Madam Speaker, I move, seconded by the member for St. Johns (Mr. Mackintosh), that the deliberately misleading statements of the Justice minister be referred to the Standing Committee on Privileges and Elections.

Hon. Vic Toews (Minister of Justice and Attorney General): I think I need to read into the record the entire conversation. I do not deny that somebody told me that that in fact happened. I stated it in the House that: "in speaking with the relevant authorities, that his office has called at least eight times." There is no question about that. There was no confirmation of that particular point. Indeed, what did the member say in response to my question or in response to my answer? I should say, first of all, I am quoting from 2778:

"Mr. Toews: Madam Speaker, if he wants a return, all he has to do is leave his name and number.

"Some Honourable Members: Oh, oh.

"Madam Speaker: Order, please. The honourable member for St. Johns, with a new question?

"Point of Order

"Mr. Mackintosh: A point of order, Madam Speaker. I am sure the minister would not want to leave an untruth on the record. He should know full well that the call that was made was by people other than myself, no return phone call."

Today in the House, the member said he made the phone calls. So I stood up and said this is the first confirmation that I have had that he made the phone calls.

Mr. Gord Mackintosh (St. Johns): To the matter of privilege. It was two weeks ago on Tuesday when an intern with our caucus called the gang line to find out if in fact there was still anyone that was servicing that line.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. A matter of privilege is a very important matter, and the members who in turn speak to it are providing advice to the Chair. It is extremely important that I hear the comments that are being made. I would ask for the co-operation of all honourable members.

Mr. Mackintosh: As of two weeks following the date that the intern made the call, there had still been no return call to her, which coincides with the experiment or the experience of CBC television which a few weeks earlier had made a call and after two and a half weeks had received no call. I believe they had others make the same kind of call and had no return. So the gang hotline had gone stone cold. And that was, of course, the subject of the questions that were raised in this House on Tuesday.

The minister said that I had called at least eight times, which is interesting, Madam Speaker, because even I do not know how many times I have called, and I have called—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Mackintosh: This is a funny issue for the Conservatives, because they find that misleading statements are funny. That is what they derive their strength from. They are prepared to betray Manitobans, to go out with betrayals like this and put misleading comments before Manitoba youth, trying to gain their trust.

Calls have been made to the gang line, at first to expose and reveal that this government had on the other end of that phone line not a live body as initially promised but a little answering machine. Calls were then later made to find out if this gang line was even in existence, particularly given the rapid rise of criminal street gangs under the watch of this Premier (Mr. Filmon).

How many calls were made I am not sure, but one person does know. This Minister of Justice (Mr. Toews) got up in the House on Tuesday and he said that I have called "at least eight times, never left a message, never left his name, simply hung up." There is only one way that this minister could make that comment. There is only one source of that information, and that is call display or a trace, contrary to the assurances of the former Minister of Justice who assured total anonymity to Manitoba youth, who she said had asked for total anonymity, contrary to the releases of this government, of the Filmon government when it announced this gang hotline before the last election and before it went cold after the election, contrary to the wallet-size card that was distributed to Manitoba youth and families.

Today he comes in the House, and he said the first time that he knew that I had talked about this was now in the House. Madam Speaker, he said I had called at least eight times. I ask this minister, I ask that he come clean with Manitobans, that he table that information, that he advise where he got this information, why it was that this government has misled Manitoba youth and families in this way. When did he become aware of this information, and what has he done with this?

I am more than happy and I am proud that I have been monitoring this line, which has really served as just a token gesture by this government in the face of a very serious challenge to our safety. I am concerned for people who phoned that line. I suspect there are not great numbers, but I think that some people probably called that line, relying on the assurances by this government that this was a confidential line and actually believed it. I guess some people still believe this government when it says no calls will be traced or displayed, no calls traced or displayed. What happened to people informing of gang activity? What happened to people who were calling for help? This was advertised as a help line. What happened to families who were calling in because they wanted to work out their problems and needed assistance on a confidential basis?

Who has these names? Because we know that at least one cabinet minister does, and when he got up today, he deliberately misled the House just two days after he told this House that he knew that I had called eight times. Today he said he did not know. That inconsistency cannot be tolerated in this Legislature.

* (1410)

Hon. Darren Praznik (Government House Leader): Matters of privilege are always matters of great importance, particularly when they involve the bringing of information to this Assembly.

Before I get into the main portion of my remarks, the member for St. Johns says that there is only one way that the Attorney General could have known, but there is a second way, logically there is a second way. Very potentially that someone in their own caucus perhaps has been telling a lot of people as to what in fact the member for St. Johns or others have done. So there is another logical option.

Madam Speaker, the point of the matter is there is not only one logical way as the member for St. Johns has alleged. In the exchange of both members who have spoken on this matter, the honourable Attorney General (Mr. Toews) and the member for St. Johns (Mr. Mackintosh), there is a lot of back and forth about information

that they have brought to this House. From what I have heard, it is quite likely that the member for St. Johns may have in fact misled this House in information that he has brought. I think it is very important that the record of what was said be properly perused by yourself and by others, and if it should result in a clear indication that the member for St. Johns has in fact not been accurate, in fact misled this House in his comments in the course of questions, this side clearly reserves the right today, and I put it on the record, following your perusal, to move a motion of privilege on this matter censuring the member for St. Johns.

In the interim, Madam Speaker, we believe, given the fact that both members involved in this exchange have been quoting the record, in pieces of the record, that it is incumbent upon you as Speaker to peruse, and we would suggest to you that you peruse all of the relevant records and report back to the House. Should it be clear that the member for St. Johns has not accurately provided information to this House, has in fact misled the House in the course of his questions, this side will reserve the right to move a motion of privilege against that member.

Mr. Dave Chomiak (Kildonan): Madam Speaker, I, too, would like to speak to this matter of privilege, given very much the significance of this matter, and I just want to frame my comments to you by dealing with some of the significance of this.

Contrary to some of the comments that I have heard from members opposite, this is an extremely serious issue. For a government to advertise confidentiality of a gang line, given the terrible state of gangs arising in this province under the leadership of the member for Tuxedo (Mr. Filmon), given the government has broadcast the confidentiality of a gang line and a promise that no calls would be traced, the comments by the minister on Tuesday past were indeed significant in this Chamber. In fact, the comments of the minister on Tuesday were such that they should be subjected to investigation and review because on Tuesday, when the member for St. Johns asked specific questions about the functioning of the gang line, the minister stood up and stated, and I am quoting, Madam Speaker, from page 2778 of Hansard:

"Madam Speaker, in speaking with the relevant authorities, that his office has called at least eight times, never left a message, never left his name, simply hung up. I know that he is checking up on the gang hotline, and that is good to see that the member from the opposition does that."

Madam Speaker, you will note from the minister's comments—and I want to make certain that we isolate the issues. It is very clear from the minister's comments on Tuesday that they are breaching the confidentiality of that line. The minister clearly indicated that he had heard from relevant authorities that an individual or individuals, the member's office, had called the line. This in itself is an affront to members of this Chamber, and it is an affront to all of those citizens who relied on that gang line for confidentiality and nontraceability because that is the point of issue of ethics that has to be dealt with.

So it is clear from the minister's statements on Tuesday that that was breached. So that issue itself is so serious as to require us to investigate the function of that line, the effectiveness of that line, and the integrity of the Minister of Justice (Mr. Toews) who will put in place a line advertised, I might add, across the province, thousands and thousands of dollars, about a gang menace, and yet breach the confidentiality, and who knows how many times. We know at least eight times, according to the minister, a breach of confidentiality of that line.

So that is the first issue, Madam Speaker, that requires to be clarified. The second and related issue is the minister standing up in the House today and saying that the member for St. Johns (Mr. Mackintosh) had, in fact, phoned the line and confirmed that he phoned the line.

Now the minister has attempted to play, as we say, Philadelphia, P-H-I, Philadelphia, and the minister knows what that is, lawyers who play around with words and try to dance around with words and not deal with the issues. The minister attempted to stand up and obfuscate the issue by saying: Well, Madam Speaker, this was the first time that I confirmed that it was the member who called.

Let me read you the minister's statement from Tuesday. His office called at least—he never left his name. He never left his name. He did not say: He did not leave the staff's names. He said: He never left his name. So the minister can play words. He can try to play around with those words, but his own words have caught him in his own statement. He did not phone and say: Oh, your office called and someone left a message. He said—I am quoting from Hansard—his office called and he never left a message, never left his name.

So for the minister to stand up today and suggest: Well, this was the first time that I confirmed that he, the member for St. Johns, called is not true. It is not even accurate because the minister said—[interjection] You know, Madam Speaker, I would not talk, given the record of the Premier (Mr. Filmon), on the issue of ethics and the Monnin inquiry; I would sit silent, if I were the Premier, on this.

To continue. So, for the minister to have the gall and the minister to try to attempt to protect his position today by saying: Well, today was the first time that I confirmed a member—is not only irrelevant to the issue at hand, but it only confirms what the minister had said on Tuesday, which was, and I quote again: His office called. He never left his name—his name referring to the member for St. Johns. He was not referring to the Premier (Mr. Filmon); he was not referring to the member for Portage la Prairie (Mr. Fauschou); he was referring to the member for St. Johns (Mr. Mackintosh).

So, Madam Speaker, I suggest that this matter be reviewed, but I have a further suggestion. I think we can at least end the issue of the minister's integrity today by the minister simply standing up, admitting that he made a mistake today, that he misled the House, and that would resolve the issue. Although the larger issue of the government trying to take credit for confidentiality on a gang line, for not tracing calls and for then, in fact, breaching that confidentiality is a larger issue that we in this province and Chamber have to deal with.

But I think the proper course of action for the minister to do today would be to apologize for misleading the House today, for suggesting

that this was the first time that he confirmed that it was the member, when in fact the minister's own words said otherwise on Tuesday. The minister said otherwise on Tuesday, and no wordsmithing on the part of the minister can change what is written in Hansard and what the minister said today. The minister ought to do the right thing. He ought to apologize today, and then we can get on and deal with the larger issue and the very significant issue of why a government that has recently been won over to gangs and trying to fight gangs would breach the confidentiality of a gang line where they promised anonymity. Thank you, Madam Speaker.

* (1420)

Mr. Kevin Lamoureux (Inkster): Madam Speaker, as in the past when we recognize matters of privilege, we acknowledge that they are of a very serious nature. Having said that, I am sure that if we look at the issue that is before us and use a bit of our minds, we could probably come up with something that would justify a matter of privilege. I do not necessarily follow the exact arguments that have been put forward by the official opposition. In terms of a matter of privilege, generally speaking you are talking about how one's right as a member has been infringed upon. I think that if we would have had the focus of that matter of privilege on that—and I think that there is some merit—if we do some homework, maybe read through Hansard, find out actually what has transpired and so forth, that at some point there could be something that is there. I know myself I would have to give it more thought and have to go through it with more details.

Having said that, what has to—and you will listen to the arguments from both sides. There is a concern, a concern, Madam Speaker, that I would suggest to you is being talked about as a dispute over facts, a very interesting concern. It is a question of what it is that has actually taken place, a very serious allegation, an allegation that does need to be answered. If the province indicates that we have a confidential line that no one knows what is happening, that you should feel free to be able to call in to that line, the callers should be able to feel that if they place that call they are not going to be found out,

whoever they might be. I think that is a good point. I think that is an excellent point. If in fact that has been violated, I believe, whether it is by the Minister of Justice (Mr. Toews) or individuals from within the department, that that is an issue that is worthy of much debate inside this Chamber. I would argue that it is an issue worthy of many questions during Question Period.

At the end of the matter of privilege, I would love to pose that particular question to the government, but that issue in itself is definitely not a matter of privilege in the way in which you have pointed it out. If the member for St. Johns (Mr. Mackintosh) was meaning to try to say that because of what happened, the member feels threatened in some fashion in which he feels that the government is monitoring his actions, well, then you are getting very close. I would suggest to you that would in fact be a matter of privilege. That is why my advice to the member for St. Johns is to in fact review what has actually taken place and how he feels that this could potentially be a matter of privilege. But definitely with the arguments that have been talked about from all sides of this House, it does not appear to be a matter of privilege.

It does raise a valid point, something that is worthwhile in pursuing, in particular getting more information from the Minister of Justice as to the legitimacy of that line. Manitobans expect it to be in confidence, Madam Speaker. Now that is being called into question. The Department of Justice has a responsibility to come clean and clearly indicate and assure Manitobans that if there was a breach, that breach is going to be dealt with immediately; and if there was not a breach, to be able to justify the comments that have been put on the record.

Mr. Gary Doer (Leader of the Opposition): On June 15, speaking to the point of privilege, the minister said: "Well, I know, Madam Speaker, in speaking with the relevant authorities, that his office has called at least eight times." Today he said in the House, and I quote: "I can advise the member that I know of no names of anyone who called." In fact, the admission by him that he in fact called is the first admission that I had of anyone calling.

Madam Speaker, this minister deliberately misled the House. Last year you wrote a Speaker's Ruling about the minister again having inconsistent statements to this House between his statements on May 11 and May 7 in dealing with the issue of the judge's appointment. There are three issues of this issue of privilege: one is the issue of confidentiality. Ministers of the Crown have resigned in Saskatchewan, in Ontario and other provinces when it has become clear that the ministers have breached confidentiality. There are precedents for that.

The second issue is that it is a broken promise. Now I know members opposite do not care about their word anymore, as quoted on page 16, but it is in writing that your name will be held in a confidential way. That is the second issue.

The third issue is Rule 262 dealing with contempt of this Legislature and the right of all members to have honest answers to questions put. This is a point of privilege and regrettably the breach of confidentiality, in my view, has been worthy of other ministers with greater honour resigning, the issue of confidentiality for mothers with kids that are worried about gangs is a serious, serious issue on top of the issue of the contempt.

Madam Speaker: I thank all honourable member for their advice. I indeed will take the matter of privilege under advisement and bring a ruling back to this House after consulting Hansard and the authorities.

We will now continue Question Period.

Simplot Plant—Brandon Explosions

Mr. Leonard Evans (Brandon East): Madam Speaker, I had a question for the minister in charge of Workplace Safety and Health, who I saw a few minutes ago, so there may be an acting minister.

Madam Speaker: Order, please. I would remind the member that there is to be no reference made to the presence or absence of a member from this Chamber. Would the honourable member please pose his question?

Mr. L. Evans: To the Acting Minister of Labour, or maybe the Minister of Environment (Mrs. McIntosh) because she should be concerned about this. On Monday I asked the minister for a report on the safety situation at the Simplot plant in Brandon, given the fact that there had been three explosions in a nine-month period. The minister said he would look into the matter and report back to the House, and I am concerned, Madam Speaker, as are my constituents, as to just what is the situation. Has the minister received a report? Or perhaps the Minister of Environment, who I know should take an interest in this as well, perhaps has received some information back on that matter.

Hon. Darren Praznik (Minister of Highways and Transportation): Madam Speaker, I will take that question as notice on behalf of the Minister of Labour.

Mr. L. Evans: Madam Speaker, I wonder if the minister and the acting minister could also advise or take under advisement the report of a meeting that is to be convened by the city along with the staff of Workplace Safety and Health and the company officials on the matter of an independent study, an independent study which I understand that Simplot company welcomes and has called for. Unlike the views of the member for Brandon West (Mr. McCrae), the company wishes to have an independent review of this matter, so my question is—and there was to be a meeting convened by the city—

Point of Order

Hon. James McCrae (Minister of Education and Training): A point of order, Madam Speaker. If I heard the honourable member correctly, he attributed to me a certain view which I do not believe has been expressed by myself. I would ask the honourable member perhaps to withdraw what he said about my views. This is an important matter. The honourable member has raised it as an important matter, and I view it that way too, but I think he is attributing to me something which is incorrect.

Madam Speaker: Order, please. The honourable Minister of Education and Training did not have a point of order.

I would ask the honourable member, however, to please pose his question now. He was recognized for a supplementary question to which there should be no preamble.

* * *

Mr. L. Evans: Well, can the minister confirm that the company itself has called for an independent review by an outside group of experts and to be funded not by the company but by others than the company so that there be every assurance that this was a completely independent review?

Mr. Praznik: I thank the honourable member for the supplementary question. I will take it as notice, on behalf of the minister.

Mr. L. Evans: Madam Speaker, I would like to ask the minister, regarding the matter of reviewing the Simplot situation where there have been serious explosions over the past nine months, whether the Province of Manitoba is prepared to fund an independent inquiry of experts, a team of chemical engineers, given the fact that the Manitoba government, the Province of Manitoba, has a responsibility for environment and has a responsibility for Workplace Safety and Health, and given the fact that the Simplot company itself has asked for an independent review, should not fund itself for obvious reasons.

Hon. Mike Radcliffe (Minister of Labour): Madam Speaker, in response to my honourable colleague's question, these are very serious questions. I can advise my colleagues in the Chamber that the matter is under investigation by Workplace Safety and Health at this point in time. Until we have received the preliminary reports and let due process takes its course, it is premature to go charging off suggesting that we have independent inquiries on this, that or the other thing. I have undertaken on a previous occasion to furnish my honourable colleague with a copy of the report when it is forthcoming, and I repeat that undertaking here today. Until we receive the preliminary report, any other course of action, I would suggest with the greatest respect, would be premature.

*(1430)

Community Colleges Five-Year Review

Ms. Jean Friesen (Wolseley): My question is for the Minister of Education. Over the last decade one of the most serious failures of the Filmon government has been their inability to enable a significant growth in community colleges. The absence of government leadership that the Roblin report noted and the cuts to funding over 11 years have resulted in growing waiting lists for young people. I would like to ask the minister to confirm that the five-year review of colleges, required by legislation in 1991, has not yet been completed by his department. Could he tell us whether this is an indication of the significance that this government attaches to community colleges?

Hon. James McCrae (Minister of Education and Training): Madam Speaker, I think, with due respect, the honourable member has got it backwards. It is the previous government that had no particular interest in post-secondary education in general or community colleges in particular. It was this administration that struck the Roblin commission which produced a report called Doing Things Differently, and goodness knows, I think it is time that people did things a little differently from what was in effect before this government came along.

The fact that the honourable member and her colleagues stood to their feet to vote for the budget brought forward by the honourable Minister of Finance (Mr. Gilleshammer) is proof positive that they very much support what is happening in our community college sector, especially this year when we have the \$4-million colleges' fund, we have the \$1.3-million strategic fund so that we can put another thousand students to work learning trades and getting an education so that they can take advantage of the future that this particular government has had a lot to do with building in terms of its potential.

Ms. Friesen: Could the minister, who has been part of a government for 11 years, tell us why the review of colleges required, after five years, in legislation published in 1991 has not yet been completed? That was the question I asked the minister. I would like an answer.

Mr. McCrae: Again I refer to the fact that the New Democratic Party is supporting the \$4-million colleges' growth fund which will increase enrollment by 1,000 in this coming academic year.

I guess imitation is the highest form of flattery, and we are seeing it over and over again, but we know what the real thing is. I mean we see the Leader of the Opposition (Mr. Doer) in his three-piece pinstripe suits now. We see Tory-blue billboard signs. We see the Leader of the Opposition trying to make us believe that he really supports balanced budgets, and he is trying to imitate the Premier of Manitoba as if he might be one some day. I just remind him of what Yogi Berra said. He said, "If you can't imitate him, don't copy him."

Ms. Friesen: Would the minister, who I think is perhaps seeing a little darkly through his many sweaters, tell us when those reviews, required by legislation in 1991, are going to be completed, and will he make a commitment to this House to make those reviews public?

Mr. McCrae: I say touché to the honourable member. I do not have my sweater on today because I do not think they allow sweaters in the Legislature.

The honourable member and I just went through, I think, nearly 30 hours of a fairly detailed examination of the Estimates of Expenditure for the Department of Education and Training. I think the honourable member would be the first one to admit that I have tried to be as open and forthcoming with information as I possibly can, and I will continue to be that way with the honourable member and this House because I believe that that is the best way for us to get the message out about the truth of what is going on in health and in education and all those areas of public endeavour that are so important to Manitobans. So that any information that is left outstanding that I ought to be providing to the honourable member, I make that undertaking to make that available at the earliest opportunity.

Winnipeg Stadium Funding—Renovations

Mr. Eric Robinson (Rupert's Land): I have a couple of questions for a couple of different

ministers but on a related matter. Firstly, I would like to ask the Minister responsible for Sport whether or not he could explain to us why more than \$8 million in tax money was spent making the seats at the Blue Bomber stadium three inches shorter than they were previously.

Hon. Eric Stefanson (Minister responsible for Sport): I think that most of us know the Winnipeg Stadium is undergoing a major renovation with contributions from Winnipeg Enterprises, the federal government, the provincial government. We are seeing the changes outside of the stadium, we are seeing the changes inside of the stadium, and for the first time, seats in the lower levels of the stadium are actually going to have backs on them. So when the member refers to the changes, I mean, I think anybody who has attended the stadium for a football game or another event knows that the old format used to be sitting on these aluminum-type benches. These are going to be individual seats with their backs.

As to the sizing and the leg room and the whole body fit, I know the member for Rupert's Land is a fairly big man, and there are many big individuals who attend events at the stadium. I will certainly undertake to look into what the structure is and what the improvements are at Winnipeg Stadium.

Pan Am Games Funding—Aboriginal Component

Mr. Eric Robinson (Rupert's Land): Along the same line, Madam Speaker. This is very serious. If this government has so much money to do this renovation at the Winnipeg Stadium with respect to the seats—and that is not a real issue with me—I would like to ask the Minister responsible for Native Affairs: when this province made a commitment of \$400,000 to match the federal commitment made to the aboriginal component of the Pan Am Games, why is it that the provincial government had a shortfall of \$200,000 of its original commitment to the aboriginal component?

Hon. David Newman (Minister responsible for Native Affairs): I have no knowledge of a \$400,000 commitment of the province in this particular respect, but that is an issue not directly

within my area of responsibility as Minister responsible for Native Affairs. However, I do know that the province of Manitoba has offered and in fact paid \$200,000 towards the aboriginal component of the games, in particular a tribal journey by canoe, York boat, to the Games, which is underway now, and to an entertainment site promoting aboriginal culture and talents at The Forks site on federal property.

The provincial contribution, which was sought I might say at the last minute, was gathered together and supported on condition the federal government contribute at least \$450,000 toward that same initiative. Both commitments were fulfilled, the monies, I gather, have been exchanged, and a business plan has been put together to make this happen. We would expect applause given the last-minute nature of this, rather than criticism.

Mr. Robinson: I have no criticism for the efforts being put forth by the aboriginal component. The aboriginal office in fact was created in June of 1997. Now the original funding needs for both the aboriginal—

Madam Speaker: Order, please.

Mr. Robinson: A new question, Madam Speaker.

Madam Speaker: I assume this is a supplementary question.

Mr. Robinson: No, this is a new question.

Madam Speaker: New question? Thank you. The honourable member, with a new question.

* (1440)

Mr. Robinson: Madam Speaker, If I may continue, the original funding needs of both the aboriginal village and the tribal journey was estimated at \$1.1 million. This amount was decided on by both Canada and the Province of Manitoba to be dollar for dollar. Canada came up with \$450,000; the province was asked to come up with the same amount. In fact, they came up short when they came up with \$200,000.

Madam Speaker, I need not tell you about the importance that aboriginal people have played in the development of this province, the fur trade, the war effort, and our participation in all parts of Canada's daily life. To do anything less by not having the full commitment originally made by the Province of Manitoba would be an injustice towards aboriginal people.

Simply, my question is: will the Province of Manitoba provide the \$400,000 it originally committed itself to?

Hon. Eric Stefanson (Minister responsible for Sport): Well, Madam Speaker, the Minister of Northern Affairs (Mr. Newman) has already outlined in a great deal of detail the funding arrangements for the undertakings that are taking place with the aboriginal community, both at The Forks and in terms of a journey to The Forks. I am certainly told that the roughly \$650,000 approximately are appropriate resources to accomplish all of the undertakings that have been put forward.

The member talks about previous commitments. I would encourage him to provide us with details of what his source is for that, what evidence he has of that. I know discussions were ongoing, and certainly the information we have is that, as the Minister of Northern Affairs has indicated, the province is contributing \$200,000 and the federal government is contributing in the range of \$400,000 to \$450,000, and those resources will accomplish the undertakings that everybody has been working on at The Forks.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Winnipeg Beach Early/Middle Years School

Mr. Edward Helwer (Gimli): Madam Speaker, yesterday afternoon I had the pleasure of attending a sod-turning ceremony for a new addition being constructed at the Winnipeg Beach elementary school. This new addition to the school will house a kindergarten, science classroom, a resource guidance office, grooming

room, as well as four early year classrooms and two other classrooms.

The town of Winnipeg Beach has been growing steadily in recent years, and this addition will ensure that the school continues to meet the needs of the community for many, many years to come. The addition is also certain to make the school an even better place to learn and teach. An investment in a school is an investment in the children's future and will help to expand their knowledge, skills and horizons so that they are able to take part in shaping the future of our communities and our province.

I would just like to express my thanks to the chairperson, the members of the Evergreen School Division and their staff for their work on this important project and to the people of Winnipeg Beach for their support. Thank you.

Community Colleges

Ms. Jean Friesen (Wolseley): Madam Speaker, one of the most serious failures during the past decade of the Filmon government has been the failure to expand the capacity of the community colleges. It is a failure which has affected the future of many young Manitobans and has undermined the ability of the city of Winnipeg, in particular, to grow in the high-scale, high-wage sector. When other provinces, particularly New Brunswick and Alberta, have been investing in and expanding their community colleges, attracting young people from elsewhere and equipping their own people to enter a diverse range of work, why has Manitoba not made the significant changes in this area that are necessary?

It is not because they have not been warned. In 1988 the Mauro report detailed the needs and the gaps in Manitoba's system. In 1993 the Roblin commission made this its focus, and I quote: It is our view that a concerted and determined effort is required to increase the capacity of community colleges to develop a broader range of diploma programs. This is particularly significant because former Premier Roblin was not asked to look at community colleges, but he recognized that, for the whole sector, this was the crucial area. He made many significant recommendations.

Report after report has told us of the impact of the skills shortage in Winnipeg and Manitoba. In 1995, of course, the government yet again made election promises in this area, but what has been the real story? It is that on two occasions there have been serious and deep cuts to the community college funding over the last 10 years. There has been no growth in sequential students, and this, I think, is one of the most significant areas of neglect of this government, and overall the waiting lists, particularly at Red River Community College, are growing. The economic and social impact of this government's failure over 11 years will have a lasting impact on the future of Manitoba.

Power Up Initiative

Mrs. Myrna Driedger (Charleswood): It gives me great pleasure to rise in the House and speak about the success of our government's Power Up computer training initiative. Yesterday 78 Manitoba women graduated from this program armed with knowledge and skills to help expand their career options. The Power Up initiative is a two-year, \$300,000 computer training program that provides free computer training to women around the province.

The Women's Directorate, in partnership with Manitoba Education and Training, developed the Power Up program. Employment Projects for Women Inc., a community-based employment centre for immigrant women and women re-entering the workforce, developed the course curriculum. Since the Power Up training program was announced on International Women's Day on March 8, more than 1,200 women have registered for this important initiative. These first graduates were from Winnipeg, but similar training projects are underway in Selkirk, Rossburn, Swan River and Ashern. Courses are also being arranged in more than 30 additional communities throughout Manitoba.

Madam Speaker, this is a tremendous initiative. We are all aware of the importance of computer literacy in today's world, and one's ability to move ahead in the workforce is now largely contingent on familiarity with computers and related technology. The Power Up graduates have taken advantage of training that

builds self-confidence and improves career prospects. This government wants to give all Manitobans a chance to succeed, and we are committed to helping Manitoba women seize the incredible opportunities present due to our economic growth. This training will help give them a competitive edge.

Thank you, Madam Speaker.

Susan Mah

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, I wish to congratulate Susan Mah, a student graduating from Joseph H. Kerr School in Snow Lake, for being selected as one of the two Canadian students who will be representing Canada in Japan. Susan, a student of high academic standing, will be participating in a two-week science symposium at the International Science School in Tokyo, Japan. Students from other Pacific Rim countries will also be attending the symposium.

As a former teacher, I found it particularly interesting that Susan Mah, in a radio interview, said that it was the enthusiasm of her biology teacher that first awakened her interest in biology and neuroscience. So thank you, Dwayne Hanson, for being that inspirational teacher. As well, a big thank you goes out to Susan's other teachers, her parents and friends. I know that she will represent us very competently at the science symposium in Japan. So have a great trip to Japan, Susan. We are proud of you.

* (1450)

Pan Am Games

Mr. Gary Kowalski (The Maples): Madam Speaker, recently I took a trip to Madison, Wisconsin, and some of the reflections while driving there, an eight-hour drive—on a number of stops along the way in Minneapolis, I was amazed at how few people were aware of our Pan American Games, and gas stops, truck stops, gift shops, I was asking what advertising, and I am disappointed that there is not a better knowledge of our Pan American Games throughout midwest North America. At the wedding there were people from all over the midwest, and I was wearing my Pan Am lapel

pin, and most of the people had not heard about it.

The other reflection that I have from that trip is you could tell when you had hit the Canadian border on the way back because of the conditions of the highways. There was no doubt. And I will readily admit, because I stand for Manitobans first, that the federal government should be putting more emphasis on spending on our highways. It is to me almost a source of shame that travelling on the interstates, going to the rest stops, they are beautiful, they are clean, and then you hit the Canadian border. I think anything that we could do as Manitoba legislators to encourage the federal government to include our Department of Highways with the resources they do have to try to get even near the condition of highways we have from our neighbours to the south is a goal that we should try to at least aim to achieve. Thank you.

ORDERS OF THE DAY

House Business

Hon. Darren Praznik (Government House Leader): Madam Speaker, if you could bear with me, we have a fair number of announcements about House business today. It is a rather complex set of activities that we will be calling upon the House to undergo.

Madam Speaker, there have been discussions between House leaders respecting the afternoon's House business. I will be calling certain bills to be followed by Interim Supply in the House and two sections of the Committee of Supply meeting concurrently outside of the Chamber. In this connection, I believe, if you were to canvass the House, you would find there is unanimous consent for the following, and I will go through each point.

Firstly, to waive private members' hour for today, so I ask that first.

Madam Speaker: Is there unanimous consent of the House to waive private members' hour for today? [agreed]

Mr. Praznik: Secondly, Madam Speaker, if you could canvass the House for unanimous

consent for two sections of the Committee of Supply to meet in the committee rooms while the House is sitting to consider the Estimates of the Department of Energy and Mines to be followed by Family Services in Room 254 and the Estimates of Consumer and—pardon me, there is an error here. We are asking for two sections of the Committee of Supply to meet in the committee rooms, while the House sits to consider Interim Supply, to be followed by the Department of Highways and Transportation, also sitting in Committee of Supply. If Madam Speaker would just give me a moment—my apologies to the House.

We are asking for two sections of the Committee of Supply to meet in the committee rooms, one of them being the Department of Energy and Mines to be followed by Family Services in Room 254 and the other to be the continuation of Consumer and Corporate Affairs in Room 255. This is to occur while the House will continue to sit for the consideration of Interim Supply.

Madam Speaker: Is there unanimous consent of the House for two sections of the Committee of Supply to meet in the committee rooms while the House is sitting to consider the Estimates of the Department of Energy and Mines to be followed by Family Services in Room 254 and the Estimates of Consumer and Corporate Affairs in Room 255? [agreed]

Mr. Praznik: Madam Speaker, we would also ask for unanimous consent for the motion for the House to resolve itself into the Committee of Supply to be moved a second time to enable a section of the Committee of Supply to meet in the Chamber to consider the Estimates of the Department of Highways and Transportation following the completion of Interim Supply.

Madam Speaker: Is there unanimous consent of the House for the motion for the House to resolve itself into Committee of Supply to be moved a second time to enable a section of the Committee of Supply to meet in the Chamber to consider the Estimates for the Department of Highways and Transportation? [agreed]

Mr. Praznik: Madam Speaker, we would also seek unanimous consent that any formal votes

requested in the sections of the Committee of Supply meeting outside the Chamber will be deferred until the next meeting of all sections of the Committee of Supply in the Chamber. This is to ensure that, quite frankly, in order to do this, we cannot conduct votes in those two Committees of Supply while we are continuing to meet in the Chamber.

Madam Speaker: Is there unanimous consent of the House that if there are any formal votes requested in either section of the Committee of Supply meeting outside the Chamber that those votes be deferred until the next meeting of all sections of the Committee of Supply in the Chamber? Agreed? [agreed]

Mr. Praznik: Madam Speaker, I look for guidance, but at this time, if I could then move that this House resolve itself into two committees—

An Honourable Member: Second readings.

Mr. Praznik: Yes, but I want to move—oh, yes, pardon me, Madam Speaker, yes.

I would ask, then, Madam Speaker, at this time if you could please call for debate on second reading the following: Bills 33, 4, 11, 12, 18, 5, 6 and 13. Following that, I will be moving the motion for the first two sections of Committee of Supply to begin their work.

DEBATE ON SECOND READINGS

Bill 33—The Special Payment to Certain Dependent Spouses of Deceased Workers Act

Madam Speaker: On the proposed motion of the honourable Minister of Labour (Mr. Radcliffe), Bill 33, The Special Payment to Certain Dependent Spouses of Deceased Workers Act (Loi sur le paiement spécial destiné à certains conjoints à charge de travailleurs décédés), standing in the name of the honourable member for Transcona.

Mr. Daryl Reid (Transcona): Madam Speaker, it is my pleasure to rise to add my comments to Bill 33, which I think should more appropriately be referred to as the restoration of the Workers Compensation widows' pensions legislation.

Thank God for provincial general elections. Had it not been for a provincial general election that was just around the corner here, and perhaps we would have been very close e-day at this particular time, this issue probably would not have seen the light of day.

I say that with much caution with respect to my comments here, not wanting to be harsh or critical, knowing that there were several governments that were involved, but I want to reference the very fact that this issue was raised back in 1996 when the widows first came to the Province of Manitoba, to the Manitoba Workers Compensation Board, and asked that the Compensation Board of Manitoba indicate or at least investigate the possibility of restoration of widows' pensions that have been terminated by cause of remarriage by that particular surviving spouse.

I know at that time that the Compensation Board had said, if I can recall correctly some of the comments, that they would consider the matter, that it was complex, constitutional and there were statutory interpretations and that the Compensation Board would be reviewing them in conjunction with the Manitoba legislation.

* (1500)

Well, 1996 was the first time that this matter was brought to the attention of the Workers Compensation Board by the aggrieved widows. Now I am sure that the widows and widowers that had been affected as individuals, upon the demise of their spouse, would have taken some exception with the Compensation Board and the legislation at that time that took away their benefits when they remarried.

Madam Speaker, I have had the opportunity to meet with many of these surviving widows, because all of them that I met with were widows, even though I am told that there was one widower who is affected. The widows themselves felt very much aggrieved by the legislation that was in place at the time.

Now, I do note, in fairness to the government opposite, that it was another government prior to this government's term of office that had legislation in place that had been

long-standing and that, when the Canadian Charter of Rights and Freedoms came into being in the province of Manitoba in April of 1985, the government at that time implemented changes to recognize that the Charter took some precedence in matters involving that current legislation of that day and that the legislation for the Workers Compensation Act needed to be revised.

At that time, it was revised to put in place a dependency test to recognize that where widows remarried, there would be a cessation of any wage loss or survivor benefits to the widow. Now it is my understanding that if there were dependent children that were involved, the dependent children continued to receive their allowance, if I understand the legislation of that day correctly.

Since that time, of course, going back to 1996, I noticed that the widows themselves have communicated with the Compensation Board, but the Compensation Board refused to deal with that matter at that time. In fact, I look at information that came to my attention that the Workers Compensation Board was reviewing the legislation, and the widows would be hearing back shortly. That was in November of 1996. Here we are, in June 1999, debating legislation that would restore benefits to the precharter group of widows.

If I look also at the fact that the Province of British Columbia had at that time implemented changes to recognize that there was an entitlement on the part of a group of their widows to pension benefits in the death of the spouse, and the Province of British Columbia implemented those changes to their act, I believe it was in 1997, it is my understanding that that particular British Columbia situation, the legislation was passed and that the widows in the post-Charter of Rights group had their benefits restored. The widows prior to that particular period of time, 1985, did not have restorational benefits, challenged that decision subsequently in court and were successful in having the courts restore benefits to the widows in the pre-Charter era in the province of British Columbia. So all of the widows of the province of British Columbia had their pension benefits restored back in 1997.

What did Manitoba do? Manitoba sat on the issue and continued to study it. At least that is what they tell us. In June of 1997, the letter that goes back from the Manitoba Workers Compensation Board to the widows indicates that they did not recommend any changes in any of the decisions for the pre-1992 group. Now that tells me that the Workers Compensation Board here failed to recognize that there was a responsibility, a legal and moral responsibility, I believe, in the group from April of 1985 till January 1, 1992, but the Compensation Board continued to duck and shirk their responsibility, and for that particular action at that time, I say, shame on the Compensation Board here in Manitoba.

One of the most bothersome aspects of the actions of both the Manitoba government and the Workers Compensation Board here in this province is that the widows were treated like a ping-pong ball. They were bounced back and forth between the Workers Compensation Board and the Ministry of Labour.

The Ministry of Labour says that it is not an issue, and I know it was not the current Minister of Labour (Mr. Radcliffe) so I will not point fingers at him. It was his predecessor that was involved and had one meeting with the widows, but that particular minister did not want to deal with the issue. He bounced the widows back to the Workers Compensation Board.

Point of Order

Hon. Mike Radcliffe (Minister of Labour): Point of order, Madam Speaker. I have sat here on my bench and I have exercised incredible patience listening to the aspersions of the member opposite, first of all, trying to allege motive of this government, that the impending election was the reason for the presentation of this bill. Now he is casting reflections upon my predecessor alleging further motive that that minister did not want to deal with this issue. This is supposition and hypothesis on his part, which was totally groundless and against our rules of order by trying to allege motive and improper motives in this Chamber.

Madam Speaker: Order, please. The honourable Minister of Labour did not have a

point of order relative to imputing motives. However, I would remind the honourable member for Transcona that in debate on second reading, our rules are very clear that the debate should be relevant to the principles of the bill.

* * *

Mr. Reid: I recognize that you may not have the history of involvement with this particular legislation as we do on this side, Madam Speaker, but I do reference for your information and for members of this House, that this legislation took away the pensions of widows. I am trying to put into historical perspective the events that have occurred as they relate to the legislation under which we are debating here today, so I want to put that historical perspective on the record, so members of the House will have some history on which to base the decision with respect to the legislation.

Yes, I fully agree that, yes, there were two different governments that were involved. I have said that on the record in my opening comments, but I do recognize, too, that the widows had approached the government and the Workers Compensation Board here in Manitoba back in 1996. It was not until this year, 1999, over three years later, that the government has decided in election year to make some changes to the pensions for the widows that previous governments have taken away, that both governments have taken away from widows. That is the point that I am raising here, the historical perspective of the issue as it has been related to me and as my research has been able to determine. I do it at no disrespect for the current Minister of Labour (Mr. Radcliffe). I have said that on the record that it was his predecessor that did not want to act on it at that time. It was not this current Minister of Labour, so with greatest respect to the current minister, yes, he has taken some action on this, and I respect him for taking that action at this time, even though it is an election year.

Madam Speaker, going back to my comments with respect to the historical fact relating to this issue, it is interesting to note that the widows were treated like a ping-pong ball bounced back and forth between the Workers Compensation Board, who said that it requires a

legislative change, and the Ministry of Labour in this province, the previous minister saying, no, it was an issue involving the board of directors at the Workers Compensation Board. So those widows were bounced back and forth in this like a ping-pong ball. What I am saying here is that they were shown no respect for the difficulties that they were encountering, both emotionally and financially, as a result of decisions that were made by two different governments in the province of Manitoba involving The Workers Compensation Act of Manitoba.

I think that the dependency test that was brought in by the previous government was not appropriate for that particular day and time. That was their decision at that time. I do not support or condone in any way the actions that they had taken at that time. I cannot second-guess the reasons. I was not here at the time, but they made the decision perhaps on the best evidence available at that time.

I do know, Madam Speaker, that in 1987 the King commission report came back to this Manitoba Legislative Assembly and made a report on changes to The Workers Compensation Act here in the province of Manitoba. It is interesting to note if one is to read Recommendation 132 of the King commission report, and I know the previous, previous, previous Minister of Labour, now Minister of Highways (Mr. Praznik), did not act on this recommendation either when he was Minister of Labour.

Recommendation 132 states: "The committee believes that the system of benefits currently paid in Manitoba to surviving spouses and dependent children needs improvement. Models used in other jurisdictions are unacceptable for a variety of reasons, including age discrimination. Therefore, we recommend that the following benefits for survivors be adopted in all fatal injuries occurring on or after a date to be specified in legislation, and (a) a sum of \$175,000 be paid to the surviving spouse either in a lump sum or a pension."

*(1510)

That was the recommendation of the King commission report. There is another section in

here dealing with also survivor benefits and the effect that the Canadian Charter of Rights and Freedoms has on it. I reference that for minister's attention, Recommendation 133. I am sure his office has copies of the King commission report to which he can reference quite freely and openly. So at that time the previous government in the committee that they had struck, the commission they had struck, recognized that there were deficiencies in The Workers Compensation Act, and that widows who had had their benefits terminated by reason of remarriage should have had restoration of those benefits and that a lump sum of \$175,000 was the reasonable amount of money to be paid to the surviving spouses to compensate them for loss as a result of decisions of the act. At that time the government, unfortunately, fell and did not have a chance to implement these recommendations, but the successive government, the current government, came into office and chose to ignore those recommendations in your legislation, Bill 59 of 1991.

I do note that the current Minister of Highways, in reference to Bill 33 and the activities of the board, indicated that the board was in some financial difficulty. It is interesting to note that the same person that was sitting in on the King commission report is the same person that that Minister of Highways, when Minister of Labour, and the current Minister of Labour (Mr. Radcliffe) and his predecessors are relying on now for their Deputy Minister of Labour. So Madam Speaker, I have to expect that the Deputy Minister of Labour, who was unanimous in this recommendation, had some knowledge of what was decent and fair with respect to restoration of widows' pensions in this province. Now, I trust that the deputy minister was acting in good faith, but this was a unanimous recommendation, and the government at that time refused to act on it.

With respect to the issue of the Charter, Madam Speaker, we had issued that the Canadian Charter of Rights prohibits discrimination on the basis of marital status. We also know that the Manitoba Human Rights Code also provides provisions in the code, and I will reference Part II: Prohibited Conduct and Special Programs. It talks about it in the

equality rights section when it references them at 9(1)(b) differential treatment of an individual on the basis of any of the characteristics referred to in subsection (2), and if you go to subsection 2 it references marital or family status.

So, Madam Speaker, there was a responsibility on the part of the provincial governments, two of them that were involved, to recognize that the Manitoba Human Rights Code should take precedence in this case, as well, and that there should have been no discrimination on the basis of marital or family status. Unfortunately, that legislation did and has not been corrected until much later.

Now, going back to the issue of dependency tests, and I want to draw to the members of the House how this dependency test was applied, or not applied as is the more appropriate case. The previous provincial government had put in place, in recognition of the Canadian Charter of Rights and Freedoms, a provision that said that where widows remarry, because it was widows in most of the cases, that there would be a dependency test applied to see whether or not they needed or were reliant on the monies.

Now, the interesting part about that dependency test was that it was never applied. Not one of the widows whom I had talked to had ever taken part in the dependency test. Not one of them was ever consulted about the dependency test and whether or not they required that pension to survive. [interjection] Exactly. The test was backwards, and I thank the minister for raising that to my attention.

The dependency test at that time, in 1985, indicated that if you were a surviving spouse and you remarried, the test would be if you could prove that your pension income was greater than the income of the new spouse on remarriage, that you would get to keep your pension, but if your new spouse on remarriage was making more money than what your pension was, you lost your pension. Now, if that is not foolish logic, I do not know what is, and I cannot in good conscience condone a policy that would use logic to put in place such a policy.

An Honourable Member: Ask your Leader. He was around then.

Mr. Reid: I cannot defend why that decision was made. I was not here at the time, so I will not attempt to defend that particular logic. But I think because the dependency test was the government's answer to the Charter of Rights and Freedoms' changes, that it was not applied fairly and the Compensation Board, to their credit today, has indicated that it was not applied fairly and consistently, and they recognize that they are in error in that. Therefore they have to take some steps to rectify what has happened with respect to the widows' pensions that were lost.

Now, it is interesting to note, too, that the other part of that hardship, financial and emotional hardship, that the widows had to undergo was that if the second marriage dissolved, there was no basis for the restoration of that particular pension for those widows. In other words, once you remarried your pension was forever gone as a result of that remarriage.

I talked to many of the widows here for several years now, Madam Speaker. They have told me of their extreme emotional stress at the loss of a spouse. I can only reference the cases that come to my attention when the widows would tell me that they would wake up in the morning with their families all cheerful to start the day. They would see their spouse off to work, out the door of the house. Several hours later they would have a police officer or an RCMP officer knocking on their door indicating that perhaps they should come to the hospital with the police because there has been a serious accident. The widows have indicated to me, when that happened, their lives were forever unalterably changed as a result of those events that were beyond their control.

To add insult to injury, many of them, unfortunately, after the loss of their first spouse, were involved in marriages that subsequently went bad and ended up in divorce or separation. The widows had no recourse to any source of income as a result of loss of pension through remarriage.

One of the interesting parts that the members of the House may not be aware of is that during the time that the widows were, after the loss, after their first spouse was deceased, the

Compensation Board had a practice of investigating whether or not there were any males visiting the house or the homes of the widows that were involved or involved in the sense of loss of spouse.

In other words, they were told, and I recollect this as if they are standing here talking to me today, because this is one of the major frustrations that the widows have with respect to the way the Compensation Board conducted themselves in prior years, if a male, whether it be a cousin, a father, a brother, an uncle came to stay at their home, they risked losing their pension benefits as a result of that person staying in that home. They could be staying there with other people, but as long as the Compensation Board investigators were watching, no male could ever come and stay at that place. In fact those widows were not free to date, because they feared losing their pension benefits if they were found to be dating someone.

I would think that that would be an intrusion into a person's life that would not in any way be accepted by today's society. I say on those earlier Compensation Boards, shame on you for taking such actions and for involving yourself so personally in the lives of widows that were at the most vulnerable points of their own personal lives.

Now, with respect to this legislation that we have before us, I do thank the Minister of Labour (Mr. Radcliffe) for recognizing that there is an injustice in this province with respect to the widows' pensions and that you have taken steps to correct, at least in part, the injustices that have gone on for a number of years. I feel quite fortunate that I had the honour and the privilege to work with these widows since early in 1997. It has taken over two years to bring it to this point. If there is one thing that I can point to with some degree of honour and privilege, it is being able to work with the widows. For all of the attempts that we make in this Legislative Assembly to effect some change that will affect people in a positive way, this is one of those issues that has given myself personally the opportunity to see that speck of light in that great black void of being able to effect some positive change as it affects the people of our province. So I take great pride and satisfaction in being

able to work with the widows for a number of years to bring about changes, to restore some sense of justice and fairness for widows' pensions.

* (1520)

I do note that there are several other provinces in Canada that have brought about changes to the legislation. It is interesting to note that the Province of British Columbia brought in their changes some time ago. Ontario, New Brunswick, British Columbia, Nova Scotia, PEI and Saskatchewan have put in place changes to the Workers Compensation system and have restored to some degree some of the financial monies that were lost through widows' pensions that were taken away by reason of remarriage.

Now, it is my understanding that British Columbia was one of the first, if not the first, to restore those widows' pensions and that the other provinces followed suit after that. Varying degrees of reinstatement of pensions have occurred or in some cases just financial settlements in lieu of restoration of pensions. The Province of Ontario, from my understanding, has gone even further than Manitoba has. I am sure it is no secret to the members opposite that the Ontario compensation system is in serious financial difficulties. The minister likes to talk about the difficulties that are here in Manitoba. Well, the Ontario workers compensation board, which is now a changed name, is also in serious financial difficulties, but they themselves have put in place a plan that would restore the widows' pensions in addition to a cash settlement.

The Province of British Columbia have restored widows' pensions back to the date of remarriage. The widows' pensions in Newfoundland, for example, they have reinstated the pensions upon application. In P.E.I. they have reinstated the pensions effective January 1, 1998, but no retroactivity. So there is a variety of changes that have occurred in the way pensions have been restored for widows in the various provinces across Canada. Unfortunately the Province of Alberta is, I believe, probably going to end up in court as a result of their inaction in restoring the widows'

pensions, because they refuse to recognize that they have a legal responsibility I believe, if not a moral responsibility to restore those pensions. The Province of Saskatchewan has offered \$80,000 as a lump sum to the widows who have had their pensions cut off by reason of remarriage, and that has been advertised widely in the newspapers here, even in our province.

The interesting part, and this is one of the questions I am going to be asking of the Minister of Labour (Mr. Radcliffe) when this bill moves through to committee, because it is my understanding that the widows in this province received a lump sum settlement of I think it is \$3,600 when their pension was terminated at remarriage time. I have papers here that indicate that perhaps that amount of money is going to be deducted from the \$83,000 that is being offered to the widows, because that is what I read into one of the sections of the papers that the minister has provided for my information. So if I am inaccurate or incorrect on that, I am sure the minister will correct me in that regard, because I would not want to see the widows lose any more of their money to which I believe that they are fully entitled.

The unfortunate part is, Madam Speaker, that the Province of Manitoba has opted for \$83,000 when, if you did even the rough calculations, that money would have been considerably higher for a number of the widows that have been cut off for a great number of years and that the province for some reason has indicated that they want to have \$83,000 as a figure. So we will be asking the questions in committee with respect to how the government arrived at the \$83,000 figure, because I think it is important for the public, the widows, to know how that particular figure was arrived at.

We would also want to ask a number of other questions with respect to the legislation that is in effect here in Manitoba with respect to how the government arrived at some of the changes or the clauses that are in the legislation itself with respect to Bill 33. This legislation of course goes part way, from what I hear from some of the widows.

I am not sure if the minister has heard this or not, but not all the widows are satisfied that they

are receiving full justice as a result of the acts of the Compensation Board in years past. Some of them are dissatisfied at the level of compensation that has been offered, and we may hear that at the committee hearings. Time will tell if those widows register and appear before the committee.

I do note that there are others that think that this matter is long past its time in being resolved, and they would like to have this matter dealt with and that this legislation for them will bring an end or a closure to the way this matter has been dealt with over a number of years. We would hope that we will be able to have answers for them when this matter goes through to committee.

They have asked us a number of questions for which we have no answers and that we will be asking the minister and his staff. We do hope that there will be members of the Compensation Board that will be in attendance at the committee hearings perhaps as early as next week.

If we find that there is consensus on this particular piece of legislation, I would also indicate if it is possible to have Royal Assent to this matter as soon as possible so that we would be able to put the money into the hands of those widows and widowers to reflect that there would be a need to recognize that we do not want this to drag on any longer than it is already occurring, if that can occur, if there is consensus at the committee, I would think that that would be an appropriate step to take to address these matters.

With that, I look forward to this bill going through to committee and giving members of the public, including the widows, the opportunity to come out and to share their stories with us. Thank you for the opportunity to add my comments on this bill.

Madam Speaker: Is the House ready for the question? The question before the House is second reading, Bill 33, The Special Payment to Certain Dependent Spouses of Deceased Workers Act. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Committee Change

Mr. George Hickett (Point Douglas): I move, seconded by the member for Broadway (Mr. Santos), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: Transcona (Mr. Reid) for Selkirk (Mr. Dewar) for Tuesday, June 22, 1999, for 10 a.m.

Motion agreed to.

Bill 4—The Law Fees Amendment and Consequential Amendments Act

Madam Speaker: To resume adjourned debate on Bill 4 (The Law Fees Amendment and Consequential Amendments Act; Loi modifiant la Loi sur les frais judiciaires et modifications corrélatives), on the proposed motion of the honourable Minister of Justice (Mr. Toews), standing in the name of the honourable member for Thompson (Mr. Ashton).

Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: No.

Mr. Gord Mackintosh (St. Johns): This bill simply confirms Manitoba's existing schedule of probate fees, which may be in doubt following the Supreme Court of Canada's decision in 1998 about Ontario's probate fee regulation, which was found to be unconstitutional because it was not simply an administrative fee but was charged on a graduating scale that did not match the administrative costs. Because that was not an act of or subject or set forth by an act of the Legislature but by regulation, it was struck down. This will just confirm the validity of Manitoba's probate fees. We are prepared to see it go to committee.

* (1530)

Mr. Gary Kowalski (The Maples): There was a Supreme Court ruling regarding an Ontario

regulation of October 22, 1998, that ruled that the Ontario legislation was out of order and unconstitutional. This had to do with the placement of the fees in the regulations. Although this court decision referred to the Ontario legislation, it has ramification on many other provinces who have since brought their legislation up to date with this court decision. This bill, the government is responding directly to the uncertainties that have been caused by the decision of the Supreme Court of Canada.

Although Manitoba's fees are lower than those in Ontario, we still have the same graduated structure for the fees. This was in part one of the reasons why the Supreme Court of Canada ruled it unconstitutional. So although this bill will have no impact on actual probate charges being collected, which will continue at exactly the same level as under the existing fees structure, it will make them constitutional. So we look forward to this bill proceeding to committee and anxious to hear if there are any concerns from the legal community in regard to this matter.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 4, The Law Fees Amendment and Consequential Amendments Act. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Bill 11—The Statute Law Amendment (Nunavut) Act, 1999

Madam Speaker: To resume adjourned debate on second reading, Bill 11, on the proposed motion of the honourable Minister of Justice (Mr. Toews), The Statute Law Amendment (Nunavut) Act, 1999 (Loi de 1999 modifiant diverses dispositions législatives (Nunavut), standing in the name of the honourable member for Interlake (Mr. C. Evans). Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: No. Leave has been denied.

Mr. George Hickes (Point Douglas): [Inuktitut spoken]

What I said, Madam Speaker, in my first language, which is Inuktitut, was: As an Inuit person, I am very happy and proud that the Inuit people now have our own land and hopefully that will give the opportunity to all our children in Nunavut to be able to stay home and work and find employment opportunities in Nunavut.

It was an extremely proud moment when Nunavut was formed and was undertaken by a lot of individuals, the vision of our elders and the people of Nunavut to push forward to create a territory which now we say as Nunavut instead of Northwest Territories. The reason a lot of the Inuit people wanted to create our own territory was because, under the previous NWT in the western Arctic under the government system that was in place, a lot of the funding and dollars that were available went more to the western Arctic than to the eastern Arctic. For example, the highways budget was really put in place for highway development and infrastructure of roads in a lot of the western communities because in Nunavut there is only about 20 kilometres of road throughout the whole territory.

I want to, first of all, congratulate the 19 MLAs who were elected to the new territory of Nunavut. It was a very historical election because they will go down as a record as being the first MLAs ever elected to the new territory of Nunavut. After the elections, the MLAs got together and elected a Premier and cabinet ministers, and I would like to, first of all, congratulate the first Premier of Nunavut, Paul Okalik, who was elected to Iqaluit West. He was the first ever Inuit attorney at law. He had been called to the bar four days prior to being elected as an MLA. I know that he will represent our people in the best possible way that he can, and he will do us all proud as Inuit people.

Okalik has become a beacon to others, especially young people who look to the energetic young lawyer and perhaps see themselves. People will be looking at that and saying: If Paul can do it so can I. Those words were spoken by Jose Kusagok, who is my

relative and also the president for Nunavut Tunngavik. Paul Okalik brings a lot of diversity from his past and his upbringing to represent the people of Nunavut, and we as Inuit people are very proud of some of the barriers and obstacles that he has had to overcome.

As a teenager, losing a battle with alcohol, a young and despondent Okalik dropped out of high school in Iqaluit, his burning desire to one day practise law dying in an ember. He eventually returned to school in Fort Smith to earn a welder's degree and his high school equivalency. Paul spent the first two years of his working life underground in an Nanisivik Mine, a job he found dirty and tiresome. In 1985, Paul set his foot upon a path that would lead him to an Iqaluit courtroom where in front of a supreme court judge he would swear an oath no Inuk from Nunavut ever had. That was the year he began working on negotiating the Nunavut land claims agreement, yet heavy drinking in the late 1980s landed him repeatedly in jail.

In 1991, he signed himself into a 28-day alcohol treatment program. That fall he made plans to attend Carleton University to pursue an undergraduate degree in political science and Canadian studies. He completed his bachelor's degree during the summer of 1993 and was accepted into the University of Ottawa's law program in September. Last year he graduated with a law degree.

Madam Speaker, that says a lot of why we as governments, we as people must never abandon anyone or any individual that is facing hardships. Whatever the reasons are when individuals veer off the path, we cannot give up on them. Paul will always be a true role model for the young Inuit people and all citizens of Nunavut as, if I can do it, you can do it. The barriers he overcame, the problems he overcame, and I will bet you if you had talked to any individual or even himself at that time when he was facing those barriers and said: Paul, one day you will be a premier, he probably would have laughed in your face. But he turned his life around, and you must give him all the credit in the world. It shows that, with support and commitment of individuals, one can overcome the barriers that are put in our lives.

I am proud to see Paul as the first Premier of Nunavut, and another individual that was elected that same evening was Hunter Tootoo. Hunter Tootoo was elected in Iqaluit Centre. Hunter is my nephew. That is my brother Baptiste's boy. He is 35 years old, and he, along the same lines as Paul, faced hardship and barriers, and I am very proud to say of my nephew he turned his life around. He went to treatment centres—it took him a lot of self-struggle—and worked with individuals that loved him and cared for him, and he turned his life around from a despair of alcoholism, now to be a member of the Legislative Assembly of Nunavut. Not only myself and my family, but I am sure all citizens of Nunavut are very honoured and very proud of what he is trying to accomplish.

In some of his speeches, what he has said is that we have to make Nunavut and Iqaluit an attractive place to live and work for all citizens of Nunavut, and I will try my hardest to accomplish those goals. I know from speaking to family members and friends who live in Nunavut and read the papers that are out there and see Hunter on a continual basis, they are saying that he is working extremely hard, and they say that we should be and we must be very proud of what he is trying to accomplish. I know that he will do very well because he has a good heart, and I think that one of the best things and the strongest points in achieving good things for other people is having the willingness and the heart to assist other people when they need the assistance.

* (1540)

So, Madam Speaker, Paul and Hunter and also James Arvaluk, who is my cousin, was also elected that same evening, and our family is also extremely proud of and honoured for James. Uriash Puqiqnak, who was elected in Nattilik is a carver and a traditional Inuit elder. It is very important of what he said the evening he was elected. Uriash was born on the land south of Cambridge Bay, raised by his mother. Puqiqnak said his interest in sitting as an MLA is grounded in his love of Inuit culture and language. A renowned soapstone carver, a father of five, grandfather of four, he said his fellow MLAs can expect him to be a vocal supporter of better education for Nunavut's young, particularly as it

affects the quality of Inuktitut. As a Nunavut people we are going to have to use our language, he says. We are a nation and a nation has to have its own language, a first language. That is something that we really have to work through closely to try to get more educated Inuktitut languages. This is an elder that is making these statements, and rightfully so, because Madam Speaker, when an individual does not know who they are, how can we expect that person to know others? It is so important to know oneself to know others, and appreciate the difference in our cultures, in our languages, and we have to appreciate our differences and that is what he is saying.

Throughout history, Inuit people, we have always been a proud people. We have sustained our lifestyle through hunting and fishing and trapping the old traditional ways. If you look at my own birth certificate, I was born in Pork's Point, Northwest Territories. When I needed my birth certificate I had to phone Yellowknife, and when I phoned Yellowknife they had my record of birth and everything there and the person I was speaking with said where is Pork's Point? You are the only person that has ever been registered to have been born in Pork's Point.

Well, Madam Speaker, when I was a baby and when I was a youth growing up, we did not have the traditional houses that people live in today. My family followed the food chain and we happened to be—I was born in June 1946—and we happened to be in Pork's Point which is about 40 miles north of Rankin Inlet and is just a point where my family was catching Arctic char for food the day I was born. In the summertime when I was young we lived in a tent, and in the wintertime we lived in igloos. My family just followed the caribou and went and hunted seals until settlement started being developed in various communities and the people were put into houses.

Madam Speaker, that is why my birth certificate, where I was born, I am the only one registered there to StatsCanada's records and that is what this elder was talking about, that the youth cannot lose that, and we as parents and grandparents and the elders, they want to and they must pass that knowledge on to our children. Yes, technology is evolving and, yes,

our youth has to keep up with the times, but they still have to know who they are first above anything.

Madam Speaker, I will speak a little more on that later, but I also want to acknowledge Jack Anawak and Maniotok Thompson, who some of the members here when they were on that trade mission had the opportunity to meet and spend some time with. They were elected in the community of Rankin Inlet. There is only one sad note for me when I look back at the 19 MLAs that were elected to the new territory of Nunavut is that Maniotok Thompson was the only woman that was elected.

I hope in the future that will change and we will have a more balanced representation between men and women, and I am sure that will happen. Maniotok was a sitting MLA prior to Nunavut, and she has worked extremely hard for the people and that is why she was re-elected in Rankin Inlet. Jack Anawak, you know, was a sitting Liberal member of Parliament for the Territories under the Liberal government and he too was elected. I congratulate both of them, but I would like to take this opportunity to congratulate all of the people in Nunavut who went out and cast their votes.

You know, Madam Speaker, it was an historical moment, but it had to be a very, very proud moment for all Inuit people. I could not go at that time to celebrate the new territory, but all my family went. My sister even flew up there from Vancouver. My mother was there, and they relayed the celebrations and the pride of the people.

But, Madam Speaker, when I congratulate the citizens of Nunavut, there were 71 candidates that filed their name forward to seek the nomination for 19 seats, and the turnout that day of voters was 88 percent, 88 percent throughout the whole new territory of Nunavut. So that showed that the hard work and the efforts of the individuals to form Nunavut was greatly appreciated, and the vision of the individuals and my friends and family who live in Nunavut, the vision of a brighter future for our children and all the children in Nunavut had to be there for that to happen.

Madam Speaker, when we look back at history and what the elder was talking about, in the school system in Nunavut, Inuktitut is taught in the classrooms, because if it was not taught in the classrooms, a lot of the youth would have a difficult time communicating with the elders, their grandparents and even some of their own parents, because the dominant language in any Inuit community is Inuktitut, and the children have to have a good understanding of the language. But, also, the children have to be taught the traditional way of life in Nunavut, because you can ask any of the sitting government members who were fortunate enough to go on that trade mission and had the opportunity to visit some of those communities—I know the member for Charleswood (Mrs. Driedger) was up there, and the member for Pembina (Mr. Dyck) was also up there, and they met some of my family members.

I am sure that they spent some time in some of the stores in those communities. When you look at the price of goods, there are not too many families that could exist without hunting and fishing and the sustainability of a lifestyle that depends on meat, because if you walk into any of those stores and you look at the price of pork and beef and chicken and stuff, for a lot of individuals it is unaffordable. So the hunting skills have to be passed on to the children, so when they have families and they have children, they will be able to feed and look after their families through hunting. Hunting amongst the Inuit people, Madam Speaker, I have never, ever seen it to be a sport. It has always been to sustain your family and to put food on the table.

* (1550)

So, Madam Speaker, in the education system in Nunavut, they teach that right in the education system in the schools. Elders take the children out and they teach them how to hunt, how to fish and how to dress the animal to make sure that nothing is wasted, because someday their hunting skills will either mean their family goes hungry or their family goes to bed that evening with a full stomach. So it is not for sport; it is to sustain the family.

One thing I was really pleased with was when this government struck the trade mission

with the people of Kivalliq and what used to be the Keewatin region and invited the people from Nunavut to participate in the trade shows and talked with business people and with government members. I attended many of the functions, and it was well organized. I congratulate the government on their role in welcoming the participants from Nunavut and also taking the opportunity to go to Nunavut and to bring business people and individuals. Hopefully we will be able to share and assist the Inuit people in starting up businesses and opening up education opportunities for the youth in Nunavut, as we in Manitoba benefit greatly, and we could and we probably will benefit to a greater extent the possibility of trades and exchanges with the new territory of Nunavut.

For an example, we only have to look at our health care system. A lot of the Inuit people now, when they are seriously ill or need operations and stuff, they come to Winnipeg. There is a transient centre here in Winnipeg to deal with the housing and the lodging, and our hospitals provide the doctors and the specialists for operations for patients that come from Northwest Territories.

Madam Speaker, when we talk about opportunities, I hope that is one opportunity that will be kept open with the residents of Nunavut. I do not say this in a mean way. I say this in a suggestive way to the government. When you are looking at implementing frozen food to the St. Boniface Hospital and to the Health Sciences Centre, try and keep in mind or have avenues for Inuit people, and I guess other aboriginal people throughout Manitoba, an opportunity to be treated, to eat traditional foods, because sometimes our elders are flown to Winnipeg and are in a hospital until they are flown back for their own funeral, and that is a reality.

Their last days of their lives should be treated with dignity and respect, and hopefully will be provided whatever opportunities governments have to ensure that they have access to their traditional foods and meats that their relatives or families bring to them. I know many times I have had relatives at the hospital, and my mother and myself, we went visiting many times and we brought food. They said that the transient centre had brought at the hospital

and they cooked caribou meat and they had seal meat and muktuk, and we have to ensure that the people from Nunavut continue to have those opportunities.

When we congratulate the new development of Nunavut as a territory, the key to success of our new territory is going to be training, because in the past, if you looked at the employment opportunities either through the public sector or private sector, when you get into the middle management and the management and the higher level positions of governments, private or the public sector, those positions were usually filled by non-Inuit and non-Nunavut individuals who would come up to the territories, stay for a few years and gain the experience, advance in their careers, and then they would leave the community. Then a new individual would be flown in, and that was always repeated over and over and over. A lot of our youth, as they were growing up, saw that, and a lot of our youth did not really see an opportunity for themselves in the employment area.

But with the creation of Nunavut, the youth today have to realize and must see the tremendous opportunities that lie before them and in their future. The employment opportunities that are going to be there, whether it is in the private sector or in the public sector, are going to be an opportunity that Inuit youth have never, ever had that opportunity in the past.

I am sure that our leaders and our elders will stress to the children and make sure that the children understand that the opportunity is tremendously great for you today if you stay in school and finish your education, get the education, have a purpose to stay in school to progress into a career of your choosing and an opportunity for your family, your children, to make a better life for you and your family. The opportunity is there.

The only way that it is going to be accomplished, I feel, is through training opportunities, and, Madam Speaker, when I talk about training, this is going to be a whole new and different way of training than we have ever seen in the past to this magnitude, because one of the objectives of the new government of Nunavut is decentralization.

Madam Speaker, when they talk about decentralization, the capital is Iqaluit, but a lot of the government positions will be in various communities throughout Nunavut. Some of those communities are not that large. To me, that is a wise choice because Nunavut is a vastly huge territory with low population. There are about 25,000 individuals who live in the new territory of Nunavut, but the communities are so spread apart and it is so hard to get from one area to another area because, as I mentioned earlier, there is only about 20 kilometres of highway in all of Nunavut. So the mode of transportation is usually through the airlines, and anyone who has flown up North knows the cost.

The costs are very, very high to fly from one community to another, but, Madam Speaker, on top of that, you have harsh weather conditions. It is not surprising for individuals who have experience in the North to know that one day you could be scheduled to fly out, and for two or three days you could have a whiteout and you are stranded.

* (1600)

So those education opportunities, Madam Speaker, are going to have to be delivered through modern technology. It is going to be amazing. It is going to be amazing to see 10 years, 20 years down the road where Nunavut is at that stage. You will see where classrooms, adult education programs, a lot of it will have to be through teleconferencing, through video, modern technology. It is going to be tremendous to see how much each community will depend on the information highway, as we know it, and how we will know it in 10 to 20 years, because that is the only way I can see, without resorting to bringing all the youth out of the communities, in order for the youth to get the training that will be needed in order for Nunavut to achieve their goals of higher employment opportunities for Inuit people. It is going to be amazing to see the progress when the programs are set up in the computer age.

Madam Speaker, one of the things that the new government has acted on which is going to be increased partnerships with businesses and partnerships and mentoring with nonaboriginal individuals is the whole contract system with

governments, because the government of Nunavut will be awarding contracts on the basis of preferential contracts to companies that are at least 65 percent Inuit owned.

I know it seems drastic measures, Madam Speaker, for some individuals, but otherwise how will the goal of increasing employment opportunities in Nunavut ever be accomplished. Right now, there are so many people that are unemployed and have no access to employment opportunities either because of lack of training or lack of determination on one's own part. I think some of that is because of a lack of vision and the foresight to see business or job opportunities being there for the individuals, which I said earlier. I am sure that you will see more youth staying in the education system and more of our adolescents and our teens and young adults going into career courses and pushing for the opportunity to further their chosen careers and a life that, I am sure, will benefit Inuit people throughout the territories.

I just wanted to say a few words because, as an Inuit person, I am extremely proud of what was accomplished. I am very optimistic that it will give a greater opportunity and a greater future for our youth and for all citizens of Nunavut. Someday, Madam Speaker, I probably will return and live back in Nunavut in some future years.

I want to just congratulate Jose Kusugak, who is the president of Nunavut-Tunngavik, for all his hard work and for his understanding and respect to the elders and the patience for his great undertaking and for the accomplishments.

Madam Speaker, John Amagoalik, who was one of the spearheads of accomplishing the goal of the Inuit people to create the territory of Nunavut, had this to say, and I would just like to say this in closing. John Amagoalik, who did much to make Nunavut a reality, once described the new territory as one that will respect individual and collective rights as defined in the Canadian Charter of Rights and Freedoms. It will be a government that respects and reflects Canada's political traditions and institutions. It will be a territory that remains firmly entrenched within the bounds of Canadian federation.

So as an Inuit person, I convey, I am sure on behalf of all of us here in the Chamber, our congratulations and our thanks to everyone who was involved in bringing about the dream of Nunavut to becoming a reality. Madam Speaker, matnamarialuk. That means thank you very much.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, in this particular bill the member for Point Douglas (Mr. Hickes) is a hard member to follow. Having said that, you know, the member for Point Douglas talks very eloquently about the new province of Nunavut. I think for most of us how we relate to it is more so from documentaries or from our Discovery-type channels. We gain a better appreciation with the comments from the member for Point Douglas on this particular bill and appreciate that.

In dealing with the bill itself, it does attempt to bring in line a number of acts that we have here in the province. Our Crown Lands Act, The Income Tax Act, The Real Property Act, The Registry Act, and The Water Rights Act, Madam Speaker, as examples that will bring it as opposed to the Northwest Territories over to Nunavut. We understand in fact the legislation that was in essence at least in most part being duplicated that the Northwest Territories had into laws in Nunavut.

So it is a fairly standard piece of legislation in the sense it is an acknowledgement of the new territory in which all members recognize the benefits by, and with those few words we would love to see the bill go into committee.

Madam Speaker: Is the House ready for the question? The question before the House is second reading Bill 11, The Statute Law Amendment (Nunavut) Act, 1999.

Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Bill 12—The Statute Law Amendment Act, 1999

Madam Speaker: To resume adjourned debate on second reading on the proposed motion, the honourable Minister of Justice (Mr. Toews), Bill 12, The Statute Law Amendment Act, 1999 (Loi de 1999 modifiant diverses dispositions législatives), standing in the name of the honourable member for Wellington (Ms. Barrett).

Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: No. Leave has been denied.

Mr. Gary Kowalski (The Maples): As has been said about this bill, it is a bill that corrects a number of typographical numbering errors and other editing errors in English and French. Although they are minor in nature, they concern some bills.

Legislation is very important to people's lives in Manitoba, including The Crown Corporations Public Review and Accountability Act which reflects the practice in the House of distributing copies of reports. It causes change to The Legislative Assembly Act being amended to maintain the current state of the law with regard to Legislative Assembly records. It also makes amendments to The Manitoba Public Insurance Corporations Act and corrects some translation errors in the French version dealing with death benefits payable to nondependent survivors of deceased automobile accident victims. And it concerns The Real Property Act.

We support this bill going to committee to making sure that there are no concerns brought forth from the public or anyone else. Thank you, Madam Speaker.

Mr. Daryl Reid (Transcona): On Bill 12, we are prepared to pass this bill through to committee and have further consideration of the bill at that time.

Madam Speaker: Is the House ready for the question? The question before the House is

second reading Bill 12, The Statute Law Amendment Act, 1999. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Bill 18—The Correctional Services Amendment Act

Madam Speaker: To resume adjourned debate on second reading Bill 18 on the proposed motion, the honourable Minister of Justice (Mr. Toews), The Correctional Services Amendment Act (Loi modifiant la Loi sur les services correctionnels), standing in the name of the honourable member for St. Johns.

Mr. Gord Mackintosh (St. Johns): The amendments to this act, Madam Speaker, come one year after the legislation was introduced and passed by this Legislature. These are housekeeping amendments, which certainly raise the question as to why the government did not do its job in the first place, get the bill right when it introduced it to the House, but we will move this forward to committee.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, it does reminisce in terms of other legislation that the government has brought forward through Justice, which as the member for St. Johns accurately points out, is a follow-up to make amendments. There are a number of them in order to fix up a bill that the government has brought forward, just previously, and obviously have no problem with it also going to committee.

Madam Speaker: Is the House ready for the question? The question before the House is second reading, Bill 18, The Correctional Services Amendment Act. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

* (1610)

Madam Speaker: Agreed? Agreed and so ordered.

Bill 5—The Highway Traffic Amendment, Off-Road Vehicles Amendment and Consequential Amendments Act

Madam Speaker: To resume adjourned debate on second reading on the proposed motion the honourable Minister of Highways, Bill 5, The Highway Traffic Amendment, Off-Road Vehicles Amendment and Consequential Amendments Act, standing in the name of the honourable member for Selkirk. Is there leave to permit the bill to remain standing?

An Honourable Member: No.

Madam Speaker: No? Leave has been denied.

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, I rise today to put a few words on the record regarding Bill 5, The Highway Traffic Amendment, Off-Road Vehicles Amendment and Consequential Amendments Act.

We on this side of the House support this bill. In a nutshell, there are three facets or aspects of this bill: namely, drinking and driving and driving while disqualified countermeasure provisions for operators of off-road vehicles; secondly, exemptions of off-road maintenance vehicles from registration which would be of particular interest to the snowmobile clubs; and, thirdly, exempting the minister from liability in off-road vehicle accidents.

All of us lament the increasing number of snowmobile fatalities. In fact, recently there was a snowmobile fatality again in Flin Flon, Madam Speaker, just this past winter, and that was devastating to the family and to the friends and acquaintances of the person involved. The previous minister indeed deserves a lot of credit for initiating the formation of a working group of stakeholders which examined the problem of off-road vehicle safety. I know it has been a major concern of Snoman, the umbrella group representing snowmobile clubs all across Manitoba.

The first part of this bill then is an outgrowth of the recommendation made by that working group, Madam Speaker. We understand that 65 percent of off-road vehicle collisions are alcohol-related, or alcohol is

involved. Since off-road vehicle use, specifically snowmobile use, is escalating at a dramatic rate, we can expect a lot more problems unless we intervene, and that is exactly what Snoman is advocating. I also would like to point out that the machines that we are dealing with nowadays are much faster and much more powerful than the machines of an earlier generation, so stronger legislative sanctions in the first part of this bill are welcome, and we do support them.

The second part of the bill recognizes off-road maintenance machines such as snow trail groomers as a separate category of off-road vehicles in order to exempt these machines from registration, and this will save the snowmobile clubs some money. However, such nonprofit clubs could probably save even more money if the government would enable snow-grooming machinery to use cheaper gasoline.

A number of people from the Snoman organizations have contacted me and have suggested that this makes sense and that we should urge the minister to pursue this idea. Since there are tremendous economic spin-offs from the excellent work done by snowmobile clubs and Snoman in general, we should make this endeavour work as smoothly as possible. It would be a win-win situation for everybody.

The third aspect of Bill 5 is merely a housekeeping item to protect the Minister of Highways from undue liability as a result of municipal approval for off-road vehicle by-laws. As well, proposed amendments limit the requirement for ministerial approval of off-road vehicle by-laws to those roads and highways directly under provincial jurisdiction. This, of course, then, would extend greater authority to municipalities for roads under their jurisdiction.

At the very end of Bill 5, one could raise some eyebrows, I suppose. This section, Part 3, makes reference to the stalking prevention act of 1998 which is still not proclaimed, and that, of course, makes us wonder, for a government that is supposedly tough on crime why that act has not been proclaimed yet.

Other than that, Madam Speaker, the bill is not controversial and, in fact, I think is most timely not only because it addresses some

serious issues that needed to be addressed but also because it puts Manitoba in sync with other provincial jurisdictions.

I look forward, Madam Speaker, to moving this on to committee stage. Thank you.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, it was only a couple of weeks ago when I met with a representative from within the snowmobiling industry. I think the potential of that industry in providing a standard of life for many in terms of enhancement to the industry or economic benefits is just overwhelming and tremendous, as we have miles and miles every year of additional snowmobile tracks being added.

Out of this excitement of growth and the need to ensure that there is an element of safety for our snowmobilers, Madam Speaker, I think that this legislation is definitely in need to bring in the whole issue of drinking and driving for off-road vehicles and is a step in the right direction. Also in recognizing the need for off-road maintenance machines and the role that they play is also important, say that we get more and more miles of tracks that are being brought into service for our snowmobiles.

The third point, which the member for Flin Flon (Mr. Jennissen) makes reference to, is the question of liability, and one would have expected that having said those few words, we are prepared to see the bill go to committee.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 5, The Highway Traffic Amendment, Off-Road Vehicles Amendment and Consequential Amendments Act (Loi modifiant le Code de la route et la Loi sur les véhicules à caractère non routier et modifications corrélatives). Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed and so ordered.

Bill 6—The Highway Traffic Amendment Act

Madam Speaker: To resume adjourned debate on second reading on the proposed motion, the

honourable Minister of Highways and Transportation, Bill 6, The Highway Traffic Amendment Act (Loi modifiant le Code de la route), standing in the name of the honourable member for Selkirk. Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: Leave has been denied.

Mr. Gary Kowalski (The Maples): This is to say two bills are being introduced affecting The Highway Traffic Act. It addresses a variety of housekeeping amendments, and it deals in seven areas. I will not necessarily comment on all of them because it is going to committee where we will review it clause by clause, but some of the areas that are of keen interest is the first one in that it allows the use of farm trucks by emergency medical responders. I believe this amendment is being proposed through this act to allow farm trucks to be used by a farmer in the course of his or her duties as a volunteer firefighter or emergency medical responder and receive compensation for that use. I think this, on the face of it, appears to be a very good idea.

Currently farm trucks are not permitted to be used for emergency response activities as they are not recognized as permitted use under The Highway Traffic Act for a farm vehicle, and with this amendment it would be.

The second area that this bill amends increases the speed of operation of tractors. The amendments posed here are being made at the request of the farm community to increase the maximum speed of operation of farm tractors on the highway. My father, being a former employee of John Deere for almost 20 years, I know that the advances in the tractors of today are greater than what they were in the past, and the capabilities of these tractors and the safety of these tractors would warrant an increase in the speed.

The third area of the amendment to this act will expand the range of radio frequency identified by police use or emergency response. The Winnipeg Police Service has installed a new trunk radio system. The frequency bands of this system are now currently identified in The

Highway Traffic Act. The Highway Traffic Act prohibits equipping a vehicle with a radio capable of receiving police emergency response transmissions within a specified range, and I think this is very important. I could remember, when I first started the job, we were always on the lookout for people with scanners in their vehicles.

The fourth area of the amendment is the authority by the minister to waive fees. This, of course, would be delegated down to department administrators. I am looking forward to this going to committee to get further explanation on that section because I would like to question the minister as to the reason for this.

* (1620)

The fifth area is the minister may choose to address a variety of motor carrier issues, and the sixth area is for co-drivers and hours of service logbook requirements. I think this is very important now with trucking a growing industry and right now, because of this shortage of truck drivers in Manitoba, a lot of the people being trained will be new people on the road. I think it is very important that these requirements be looked at and this be amended, so we welcome this proceeding to committee for further discussion.

Mr. Gerard Jennissen (Flin Flon): As with the previous bill, I would like to say a few words about Bill 6, The Highway Traffic Amendment Act. As the minister stated when he introduced the bill on April 27 of this year, the seven main amendments contained in this bill are of a housekeeping nature, and they are intended to modernize, streamline and to make more flexible The Highway Traffic Act.

The first amendment allows farm trucks to be used for emergency response activities. Thus rural volunteer firefighters and rural emergency medical responders will be enabled to legally use farm trucks and be compensated for such usage. This is only right, Madam Speaker, so this amendment rightly removes barriers that may have prevented some rural people from volunteering in the past.

The second amendment sets the maximum speed of tractors at 70 kilometres per hour. This is up from, I believe, 40 kilometres per hour before. Formerly, such speeds as 70 kilometres per hour were not necessary because basically tractors did not move that fast, but now with the modern tractors, specifically the European tractors, their road gear easily allows tractors to reach a speed of 70 kilometres per hour, which is the designated maximum speed limit.

The third amendment gives the province the power to confiscate the prohibited radio receiving sets in vehicles. The present act prohibits the putting in a vehicle of a radio capable of picking up police emergency response transmissions within specified ranges. We have no difficulty with this amendment, Madam Speaker.

The fourth area of amendment makes provisions for the minister to be able to waive fees at his or her discretion. This would come into play in an emergency situation such as a flood and in fact did come into play during the 1997 flood. It could also be considered in the case of replacing a driver's licence for a victim of crime.

The fifth amendment clarifies sanctions imposed by the Motor Transport Board. As well, new provisions are being proposed which allow motor carriers to appeal show-cause decisions to the Motor Transport Board and also provide an independent review of the department's sanctioning of motor carriers.

The sixth amendment flows from a court ruling and clarifies the obligations of co-drivers of public service vehicles and commercial trucks regarding hours-of-service log books. I think this is overdue.

The seventh and last amendment relates to the restructuring of the department and gives the minister the needed flexibility to delegate motor carrier record keeping and show-cause hearings to appropriate officials. It allows for more responsive, flexible and efficient restructuring and organizing within the department. In fact, I hope the minister will clarify that a little bit more during the Estimates process.

So with those few words, Madam Speaker, we express our support for the bill and look forward to moving it forward to the next committee stage.

Madam Speaker: Is the House ready for the question? The question before the House is second reading Bill 6, The Highway Traffic Amendment Act. Is it the will of the House to adopt the motion? Agreed?

Some Honourable Members: Agreed.

Madam Speaker: Agreed and so ordered.

Bill 13—The University of Manitoba Amendment Act

Madam Speaker: To resume adjourned debate on second reading, on the proposed motion of the honourable Minister of Education and Training (Mr. McCrae), Bill 13, The University of Manitoba Amendment Act (Loi modifiant la Loi sur l'Université du Manitoba), standing in the name of the honourable member for Osborne.

An Honourable Member: Stand.

Madam Speaker: Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: No, leave has been denied.

Ms. MaryAnn Mihychuk (St. James): This bill, Bill 13, deals with two clauses. The first one deals with the ability of the university to deal with investment funds and puts them in line with other institutions; and the second part of the bill deals with the ability of University of Manitoba to collect parking fines, which had effectively been circumvented by certain young or perhaps older legal students, so we can probably anticipate that a new batch of law students will have the ability to find any and all loopholes. So we are pleased to support the bill which closes those loopholes and the university is able to effectively administer its parking fees. Thank you, Madam Speaker.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, actually, the other day on the parking issue, it was often referred that the number of people that want to be able to acquire those prime parking spots at the University of Manitoba are akin to the number of people that want to go to a popular concert as they line up in order to try to get it.

Actually the bill really clarifies in terms of who owns those parking spots and who has the right to give those tickets, but I am sure there is always the chance of up-and-coming lawyers trying to find something which they might be able to change. At which point in time— [interjection] No, that might have been a secret, so I will not say that. In that particular one, it is a positive amendment, but a cautionary note of just recognizing the importance of parking spots, whether it is at the Legislature or at the University of Manitoba, that a lot is put into those parking spots.

There is, of course, the making sure of having annual elections for the three senate spots for the governors on an annual basis. The other part is in terms of financial prudence in terms of investments which brings it in line with the other universities from what we understand, even though there is no doubt some room to have some caution. We do not have any problems seeing this bill go to committee. Thank you.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 13, The University of Manitoba Amendment Act. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Hon. Darren Praznik (Government House Leader): Madam Speaker, I believe that completes the list of bills that were agreed to be called. The first step in passing Interim Supply is, I believe, to move into the Committee of Supply. I am looking to the advice of the Clerk.

At this time, I should be making the motion, I believe, to move into Committee of Supply in

which case as previously agreed two sections will continue with Estimates. The Chamber will deal with Interim Supply. Following completion of the necessary parts there, we will return to the House, but the remaining two committees sitting in committee rooms will continue in Committee of Supply. Right?

I would 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.

* (1630)

COMMITTEE OF SUPPLY (Concurrent Sections)

ENERGY AND MINES

Mr. Chairperson (Gerry McAlpine): Order, please. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 254 will resume consideration of the Estimates of the Department of Energy and Mines.

When the committee last sat, it had been considering item 23.2. Energy and Mineral Resources (d) Geological Services (1) Salaries and Employee Benefits on page 59 of the Main Estimates book. Shall the item pass?

Ms. MaryAnn Mihychuk (St. James): I would like to ask a series of questions on orphan mine sites. We had some questions coming forward from the member for Flin Flon (Mr. Jennissen) which raised additional questions, obviously, about the number of orphan mine sites that we have in Manitoba. Perhaps the minister can clarify how many orphan mine sites there are in Manitoba and what the government is proposing to do to rehabilitate Manitoba's landscape.

Mr. Peter Dyck, Acting Chairperson, in the Chair

Hon. David Newman (Minister of Energy and Mines): The Manitoba orphan mine sites

rehabilitation program identified four orphan sites as requiring rehabilitation and a further number of site engineering studies at other locations. Funding of those sites, rehabilitation and the studies was estimated at \$1.61 million. The program was seen to be a three-year program. Required resources to staff the program would include one full-time employee and an operating budget of \$10,000 per annum. This is an item that we will attempt to secure support for through the Estimates process until we get the necessary funding support for this initiative.

Ms. Mihychuk: The minister just indicated that we are attempting to get funding. Is this program or this personnel identified in this Estimates book, or are you suggesting the year following? Or are we looking for an additional allocation to Energy and Mines to cover this program?

Mr. Newman: The total program would require approval, either through future fiscal year Estimates, budgetary processes, or on a step-by-step basis toward the ultimate objective on another mutually agreeable basis, to the extent funding permits from whatever source we can get the funding.

Ms. Mihychuk: Can the minister tell us what an orphan mine is? Four orphaned sites must be a specific definition of what an orphan site is, because there must be many, many more than four abandoned mine sites. I have had the opportunity, and I usually look forward to it, to rummaging through old mine sites, because it becomes kind of a collector's haven for geologists. There are some serious consequences to abandoned mines, so I am wondering what the minister means by "orphaned" versus "abandoned." Are we somehow making a definition, and what is that definition?

Mr. Newman: I dealt with this at some length with the honourable member for Flin Flon. However, the definition used for the purpose of the program that I describe defines the term as situations were abandoned mine sites in need of rehabilitation, where ownership had reverted to the Crown and where the mining company, or mining companies, responsible for the pollution

and the contamination no longer exist as a viable entity against which effective recourse could be achieved.

Ms. Mihychuk: Can the minister then tell us how many abandoned mine sites there are beyond those that have now been turned over back to Crown lands? Do we have an inventory of how many abandoned mine sites there are in Manitoba?

* (1640)

Mr. Newman: Our department's inventory includes those that have been restored to the Crown or the Crown's responsibility because of the situation I described. We do not have that complete list of mining sites in need of rehabilitation, but presumably those would be sites identified and monitored by the Department of Environment.

Ms. Mihychuk: Is the minister satisfied that his Department of Mines does not know where the previous mining sites were? What I am trying to say here is surely the Department of Mines knows where extraction occurred in the metallic mineral industry. These are sites that people have worked there. There has been an economic spin-off. There has been all kind activity. It would be extremely important, I would assume, that the department know clearly where those mine sites are, whether they are on private land or on Crown land.

Mr. Newman: Of course we are concerned about any mining operations, inactive or active, that are contributing to contamination or are potentially orphaned contaminated sites, but there are different departmental responsibilities depending on the nature of the site in question. Where we have assumed leadership for strategic rehabilitation is where the Crown has assumed responsibility, because there is no one else to have recourse against. There is a public interest in having rehabilitation done as soon as possible, and a very specific interest by the Department of Energy and Mines to ensure that the image and reputation of the mining industry encourages investment in mining rather than discourages it.

It is a big question in these kinds of circumstances: who should pick up the costs of

rehabilitation? It is the kind of thing which this government takes very seriously, and which the NDP government did not take very seriously, for example, in relation to Manfor and the environmental degradation that was allowed to prevail there for a long period of time and had to be cleaned up after government changed.

Ms. Mihychuk: My question to the minister was: does the Mines Branch know where the old mine sites were? That is a very specific question. I am not talking only or specifically about the environmental hazards, which are a serious concern, but old mine sites are also particularly important to prospectors, to the industry, to give a signal to those people that mining economic activity occurred there. They often occur in mineral belts. It is an important record to have, and it would be, needless to say, completely unsatisfactory that the Province of Manitoba would not know where every single mining site was and presumably know to some degree the status of those sites.

Mr. Newman: The answer is that the Energy and Mines department does have the capacity to list in whatever way is desired, desired reasonably and practically, sites that are mining sites or have been known mining sites in the province, active, inactive, orphan or nonorphan.

Ms. Mihychuk: Would the minister be prepared to provide that information?

Mr. Newman: Absolutely.

Ms. Mihychuk: Do the claim maps or the base maps that the department is now producing include information like former mine sites?

Mr. Newman: The claim maps do not show that. No.

Ms. Mihychuk: One of the things that I have heard about the new maps is that in fact they are missing a number of significant geological features that make it very difficult to use the maps in the field. So one of those things, particularly for people that use them, I guess, to stake claims in particular, would be the old mine sites, but I also understand that not necessarily all swamps are illustrated and other historic information that has been traditionally on

topographic maps. Can the minister indicate what geological or physical features are now put on the maps that are produced by the Mines Branch?

Mr. Newman: I am assured by my staff that the kind of information you have expressed is available, but not all available on a claims map. From other maps, that information can be ascertained. If you were suggesting that there are complaints about this, you should have raised them with me or the department when you first heard them. It is the first I have heard about any of these issues, and my staff expresses to me it has not been an issue with the MELC committee either, which is the industry liaison committee.

Ms. Mihychuk: This was the earliest opportunity. I did not feel it was necessarily a subject that was worthy of Question Period, and sometimes you get comments from prospectors and others that are fairly broad ranging. This was one of the concerns that the maps did not include the detail that they had had previously. It takes some checking into, and I am sure the department will either confirm or not. I did not go and do an investigation of the map, so that is why the question came here to the minister.

It would seem to me to be vitally important to ensure that the claim maps do have all mining sites located accurately on the claim maps. I would ask the minister to make that assurance because of all the different significant aspects of old mining sites; they are particularly significant to those interested in claim maps and need to be accurately positioned on those maps.

* (1650)

Mr. Newman: I hear what you say. That is your opinion; that is what you are suggesting. We will take that under advisement, see whether it is practical, sensible, necessary and desired by the industry. Some individuals have not kept up to date with the technological advances made in the department. They may very well not find it as convenient as everybody else to access the different information that is available readily through that means.

Judgments are made by people in the department day after day in this

micromanagement kind of way that you are dealing. They will make judgments as to what is practical and desirable to have in particular maps. They have made a decision about this. Other ideas and views are welcome, and there are processes to advance those views. You do not have to do it in Question Period unless you want the theatre of Question Period.

If you want results, then obviously the members of the industry or whoever comes to you can, through a letter or suggestion, raise these things with the department, and they are entitled to an informed answer. If the answer is not reasonable or informed, then ultimately the course should be brought to the attention of senior people in department; failing appropriate action, ultimately to me. That is the way the process should work in the public interest unless there is a desire simply to make politics out of things on a public stage rather than to get results.

Ms. Mihychuk: Can the minister indicate if a mine site like Herb Lake—Herb Lake is on the shores of Snow Lake and now, I think, should be an historic site. It is quite a wonderful place to go to. You access it by boat. There is a ghost town left standing, and there is a fairly significant stockpile of waste material. I did not find the shaft, but I am assuming it has been rehabilitated in some sense. Would the minister indicate: is the Herb Lake site one that would be considered an orphan site, or is that still under a jurisdiction of a mining company?

Mr. Newman: I am advised that the site you are describing is an example of the kind of site where probably there is not liability on anyone because standards have changed over the years.

There are issues of aesthetics and effective use of that site which are a matter of discussion between our department and Culture, Heritage and Citizenship because of the history of this site with a view to determining whether it should be declared an historic site and the subject matter of investment in improving it for the sake of showing greater respect for the history and providing tourism and public enjoyment opportunities in the area.

Ms. Mihychuk: So in the case of Herb Lake, has the department done some water sampling,

or is there some assurance that there is not leachates from that stockpile? How do we know that that site has no environmental or other implications?

Mr. Newman: This would be something within the purview and mandate of the Department of Environment.

Ms. Mihychuk: What type of relationship occurs between the Mines Branch and the Department of Environment to identify all these old mine sites?

There must be a process developed, because if it is now the responsibility of the Department of Environment to go and test all these old mine sites, they have to know where they are. I am wondering what type of committee or liaison there is because it will have to be a very close relationship, I would think, between the Mines Branch and Environment.

Mr. Newman: There are two ways that that happens. One, there is an ongoing relationship between the Department of Environment and Mines department. Also, wherever there are communities that are the responsibility of Northern Affairs, there is water monitoring that goes on because that water is the drinking water for those communities in many cases.

So through the relationship and through sharing of information and through the concerns of the mayor and councils that have a responsibility for local government in those communities to be aware of these kinds of things, to the extent they do not get satisfaction as mayor and council, the Minister of Northern Affairs and the whole hierarchy under that minister have the ultimate responsibility for the well-being of those communities.

Ms. Mihychuk: Can the minister tell us where the four orphan sites that were identified are? He has a number of other sites he said that were on the list. Is there some sort of information that he can provide as to which sites are being declared as orphaned or being examined for that purpose?

* (1700)

Mr. Newman: The four orphan sites can be described as Sherlett Creek-Sheridon, that is,

Sherlett Creek and Sherridon mine site; Baker Patton; Snow Lake; Gods Lake; and Lynn Lake.

Ms. Mihychuk: When the minister talked about orphan sites, he indicated that there were four identified sites and a number of others under consideration. Can the minister explain what he means by that?

Mr. Newman: The old Sherritt Gordon site is the one that I was alluding to in that comment. In that particular case, the successor owner is being pursued and discussions are taking place with that successor owner.

Ms. Mihychuk: Just to conclude on Geological Services, there is the MELC committee, Mineral Exploration Liaison Committee. Can the minister indicate who are the representatives on that committee?

Mr. Newman: The committee structure is as follows: five representatives from the Mining Association of Manitoba, chosen by them; two representatives from the Manitoba Prospectors & Developers, chosen by them; two representatives from the Manitoba-Saskatchewan Prospectors & Developers, chosen by them; one representative of the Prospectors & Developers Association of Canada, chosen by them; one ex officio member from the University of Manitoba Geology, Geography departments; and one ex officio member representing the Geological Survey of Canada provincial liaison.

The nonvoting members include the directors of the Mines Branch, Geological Services Branch and the Marketing Branch.

Ms. Mihychuk: Would the minister be prepared to table the individuals who represent those organizations?

Mr. Newman: Yes. As a matter of fact, I can give it to you right now if you want.

Ms. Mihychuk: Can the minister tell us how often this committee meets?

Mr. Newman: The terms of reference for the mineral exploration liaison committee provide that meetings shall be scheduled twice annually.

That is regarded as a minimum. This past year they have met four times.

Ms. Mihychuk: I just have two other areas I want to conclude, and I do not think it will take very long. I do want to ask a few questions on the Mining Reserve Fund and some questions on Industry Support Programs.

Mr. Newman: Maybe just to keep this in order, by the way, if you want to leave me time before the day is out, I could give you the responses to the undertakings we have made so far so that you can have a complete set of answers. With respect to the composition of the committee, Jamie Robertson is the chair; Ed Huebert, Ed Yarrow, Steve Masson, Rick Somerville, our representative of the Mining Association, Bill Burbidge and Ed Sawitzky of Manitoba-Saskatchewan Prospectors and Developers Association, and John Lee and Doug Fogwill of the MPDA.

Ms. Mihychuk: In terms of the Mining Reserve Fund, I do not intend to go through the same debate that we had last year; we have a fundamental difference of opinion on this one. I would like to ask the minister how much we have in the fund at this time and how much we have expended over the past year.

Mr. Newman: The uncommitted balance is, in rough figures, \$18,700,000. The second answer is paid out of the fund in the last fiscal year, \$1,248,366.70.

Ms. Mihychuk: Can the minister tell us what plans are being established for this fiscal year? Are we looking at projects where we are going to be using the Mining Reserve Fund?

Mr. Newman: The five-year projected cash flow shows that the projected revenue for the current fiscal year of 1999-2000 is \$750,000. The expenditures out of the fund over the fiscal year projected to include the education support levy, \$130,000; the Prospectors Assistance Program, \$125,000; the Sherridon tailings rehabilitation, \$8,300 for the Sherridon tailings; the transfer to support the MEAP program, \$2 million; and \$14,400 supporting the trailer subdivision in the community of Bissett; the support for the Economic Development officer

position in the town of Lynn Lake, \$65,000; and other undefined projects, projected \$200,000; and for total projected expenditures of \$2,542,700.

Ms. Mihychuk: Can the minister clarify: is there an onus on the department to report where the funds are coming from in the Estimates book? Because when we look at industry support programs there is no indication here that \$2 million is coming from the Mining Reserve Fund for the MEAP out of the 2.75 that is allocated, and that the 125,000 allocated for the Prospectors Program is also coming from the Mining Reserve Fund.

Mr. Newman: The accountant at the table says it is recorded as revenue.

Ms. Mihychuk: That is the trouble, obviously not an expert in accounting, so it is recorded as revenue in the budget, I guess, where it is identified as money being transferred from the Mining Reserve Fund. I would assume that is how it goes, and since Estimates is the detailed expenditures, revenue is not identified. Is that correct?

Mr. Newman: That is correct.

Ms. Mihychuk: The industry support programs, I see that there is a considerable drop in the amount being allocated for these programs. One is because of the petroleum, which I fully endorse, and it did not come soon enough, in my opinion, but we also see that the Exploration Assistance Program is down somewhat. Is that related to the take-up, or are we looking at a reduction in the amount of support for the MEAP program?

Mr. Newman: The differential showing between the last fiscal year and this fiscal year is reflected by the creation of the Specialty Minerals Incentive Program where \$250,000 was allocated for that initiative.

Ms. Mihychuk: The specialty minerals. There was an indication earlier in the Estimates process that aggregate material would be eligible for this program. Is that correct?

Mr. Newman: If I gave that impression, I did not intend to. That is not correct.

Ms. Mihychuk: What specialty minerals are identified as qualifying under this program?

* (1720)

Mr. Newman: On the exclusion basis, it is not base or precious metals, it is not aggregate, but it includes, but is not limited to, peat—I am never sure whether Agriculture might claim that for their jurisdiction—dimensional stone, titanium, magnesium, chromite.

Ms. Mihychuk: Can the minister tell us what programs he has established, or what policies, to deal with the assurance that government money is being spent, taxpayer money is being spent, appropriately? I think there was a reference in the minister's comments that inspections were done. Can the minister elaborate as to what types of accountability there is for the assistance programs that are administrated by this department?

Mr. Newman: To ensure the accountability and integrity of the MEAP program, the Department of Energy and Mines, along with the Department of Finance, Internal Audit, developed audit procedures. A 100 percent review of the company's application for payment, including the review of receipts and invoices and the report of work prior to issuing payment of assistance funds is undertaken for all projects.

Internal Audit conducts company office audits on randomly selected projects, totalling 20 percent of the assistance dollars paid during the fiscal year. To date, a total of 10 audits have been completed with the internal auditor from the Department of Finance, representing over \$1.1 million or 27 percent of \$4.3 million of assistance paid. Audits for the '98-99 fiscal year will be scheduled in December 1999.

With respect to inspections to ensure the accountability and integrity of the program, the department has dedicated a geologist to conduct onsite inspections. Inspections are conducted on randomly selected projects totalling 30 percent of the approved assistance or upon request by a company or individual. To date, a total of 33

project inspections have been conducted, representing over \$2.5 million or 37 percent of \$6.9 million of assistance paid. For the fiscal year '98-99, 21 projects, representing over \$1.7 million of the over \$4.4 million allocated assistance were inspected.

Ms. Mihychuk: The Exploration Assistance Program was created to spur on additional exploration. Can the minister indicate what projections look like for the '99 field season? I know most industry exploration has actually been completed by now. Are we seeing industry take up the program? Are we seeing an increase in the amount of exploration?

The actual amount of exploration in Manitoba has not significantly increased, and we have not hit our heyday of the past, even though we are providing incentives. The minister knows that I have been basically supportive of the incentive program, have some concerns about accountability, and I see that the department has made some adjustments to that.

Can the minister just give us an overview of the exploration trends in Manitoba, what we have seen last year and what we are seeing, like I say, we probably have an indication of this year already, and what we see as the future for Manitoba?

* (1730)

Mr. Newman: The 1997 expenditures were on exploration \$40,279,000. The 1998, not yet final but still treated as estimated figures, are \$29,969,000, and the 1999 forecast is \$28,347,000. That means there was a reduction '97 to '98, subject to those figures not being final, of 25.6 percent as compared to a reduction in New Brunswick of 29 percent; Ontario, 29.5 percent; British Columbia, a reduction of 48.5 percent; Yukon, a reduction of 62 percent; a reduction in Northwest Territories of 25 percent; and a total Canada reduction of 26 percent.

The percent of the Canadian total in Manitoba was 4.91 percent in 1997, in 1998 that increased marginally to 4.98 percent, and projections for 1999 would show that Manitoba's percentage, as against all of the similarly forecasted expenditures in the other

jurisdictions, would be 5.8 percent of the Canadian total. So what that tells us is that we are relative to other jurisdictions more than maintaining, we are increasing the proportion of investment dollars that are spent in Canada and we would give credit to MEAP as being a significant factor in inducing that expenditure level.

Ms. Mihychuk: I am sure that the minister did not deliberately omit our other western provinces. We know that B.C. has, I would say, some improvements it could do in the mining sector, and I would be working to change the climate in B.C. But I am interested in finding out also about Alberta and Saskatchewan. I know Saskatchewan has initiated many programs and their last budget was very mining friendly, and they introduced a number of tax incentives and other programs so I would be interested in knowing some of the other jurisdictions and would ask the minister to table that information if that is possible to give us that information.

Mr. Newman: Certainly I am prepared to share with you the complete list, if you wish, but specifically in Saskatchewan in 1997, given particularly the potash and uranium resources in Saskatchewan. Expenditure 1997 in Saskatchewan was \$49,933,000; estimated for 1998 \$48,879,000; and projected for 1999 \$28,702,000, a reduction of 41.28 percent in Saskatchewan. The explanation for that in the briefing note that I have prepared as of June 8, 1999, is amongst other things that Saskatchewan has been impacted by significant cutbacks in the exploration and development expenditures by the uranium sector.

With respect to Alberta in 1997 \$20,470,000; estimated 1998 \$24,763,000; and 1999 forecasted \$21,961,000, for a reduction of 11.32 percent. The comment about the various changes is that companies focusing on gold and diamond exploration have been hit harder than their counterparts in the base metal segment of the industry. I have already commented in the uranium sector, but it is all related to the current depressed base and precious metal prices, weak market demand, particularly from Asia, and the flight of investment and speculative dollars from the commodities markets.

Exploration and mining companies are having difficulty raising or allocating monies for their exploration projects. Total Canadian exploration expenditures for the '98-99 period are forecast to drop by over 40.4 percent from the 1997 levels. The impact on the various jurisdictions depends on the mix of minerals that are being explored for and whether exploration is driven by junior companies that are currently having the greatest difficulty raising exploration capital or senior companies that are currently staying away from going to the marketplace for any equity financing.

Ms. Mihychuk: I want to just conclude by thanking the staff for coming out and being patient and co-operating and providing as many answers as possible and thank the minister for allowing a free-ranging discussion on the Estimates and wish to just conclude the Energy and Mines Estimates.

The Acting Chairperson (Mr. Dyck): 23.2. Energy and Mineral Resources (d) Geological Services (1) Salaries and Employee Benefits \$2,726,200—pass; (2) Other Expenditures \$1,250,300—pass.

Resolution 23.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,493,400 for Energy and Mines, Energy and Mineral Resources, for the fiscal year ending the 31st day of March, 2000.

23.3. Industry Support Programs (a) Mineral Exploration Assistance Program \$2,750,000—pass; (b) Petroleum Exploration Assistance Program, no dollars; (c) Manitoba Potash Project \$175,600—pass; (d) Acid Rain Abatement Program - Flin Flon \$262,500—pass; (e) Specialty Minerals Incentive Program \$250,000—pass; (f) Prospectors' Assistance Program \$125,000—pass.

Resolution 23.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,563,100 for Energy and Mines, Industry Support Programs, for the fiscal year ending the 31st of March, 2000.

Resolution 23.4: RESOLVED that there be granted to Her Majesty a sum not exceeding

\$224,100 for Energy and Mines, Amortization of Capital Assets.

The last item to consider for the Estimates of the Department of Energy and Mines is item 23.1 Administration and Finance (a) Minister's Salary \$13,500.

Mr. Newman: Is this the appropriate time to provide the answers to those undertakings? I will do it as quickly as I can.

How much did the mining convention cost in staff time and dollars? The expenditures for the conference were \$127,357; the revenue was \$118,000. So Energy and Mines contributed \$9,357 because of that shortfall. There were sponsorship dollars and so forth, as well as registrations. The total staff days were 585.58, which is the equivalent of 2.25 staff years. An approximate salary value to that was \$110,000. The convention working group consisted of eight members.

* (1740)

The department's activities regarding mining, geology and public school curriculum: There was rocks, minerals and mining, teachers resource package produced by Manitoba Energy and Mines and by Energy and Mines and Resources Canada under the Canada-Manitoba Partnership Agreement on Mineral Development. This educational package—classroom rock and mineral display unit, 10 student rock and mineral workshop sets and a teacher's manual—was supplied to all Manitoba schools as curriculum support material for the Grade 7 level. It is still being used in the classroom, and the contact person providing this information, who has more information on the program, is Aileen Najduch, science consultant, Education and Training.

In October 1998, permission was granted to Education and Training to adapt material from rocks, minerals and mining to include in a new educational support document entitled The Prairie Tour, a Grade 5 integrated unit for teachers. Provisions for the material requested for adaptation were provided by Energy and Mines. The publication is slated for release this fall. The contact person is Susan Letkemann,

publication editor of Program Development Branch, Education and Training.

Science curriculum, Education and Training. The new science curriculum will be completed by the spring of 2000 where geology and mining are incorporated in a new science curriculum. Grade 4 rocks and minerals unit is complete; Grade 7, mining and geology, with the focus on a Manitoba mining and sustainable development unit to be completed by fall of 1999. Education and Training is looking at providing references to related support materials developed by other government or government-related organizations as part of the curriculum package. It is anticipated that these materials could be referenced as additional resources without going through the formal review process. Relevant materials developed by Energy and Mines could be included. There is also the opportunity to update rocks, minerals and mining to fit with the new Grade 7 science curriculum. Energy and Mines would be receiving a copy of the new unit this fall.

So that is the current status of mining-geology components for the public school curriculum.

Next question, did the department hold any energy workshops in northern Manitoba in the 1999 Home Energy Saver Workshop? There was a workshop at the ANAF Hall in Thompson and one in the Kikiwak Inn which is, of course, on the OCN First Nations reserve.

In the 1999 New Home Workshop, there was a workshop at the Victoria Inn in Flin Flon, and the Kikiwak Inn, again OCN First Nations, The Pas, and in Swan River region.

What was the Energy Branch staff level in 1988? It was 24 full-time employees, and it was that same number for 1989-90. It increased to 27 in 1990-91 and went back to 24 in 91-92, and then in successive years went down: 16 in '92-93; in '93-94, 16; '94-95, 15; '95-96, 15; '96-97, 9; '97-98, 9; '98-99, 11. That is the number for this next year.

How many R-2000 homes are there in Manitoba, and the locations in northern Manitoba? Prior to 1995, that is before Energy

and Mines administered the program, there were 19 R-2000 homes built. All were Manitoba Hydro homes in Gillam. Since 1995, the R-2000 Home Program, delivered by Energy and Mines, 38 homes were built. Homes are located in the following communities: The Pas, 8; Gillam, 23; Swan River, 14; Thompson, 11; South Indian Lake, 1. Total R-2000 homes built and registered in northern Manitoba, 57.

Next question: what royalty revenues were generated by quarry minerals in the last fiscal year? Casual permit royalties, '98-99, \$166,500; quarry lease royalties, '98-99, \$289,200. So the total royalties in '98-99, casual permit and quarry lease, were \$455,700, which I might say as compared to '96-97, \$552,600; '97-98, \$469,200; and estimated '99-2000, \$482,000.

Where will the aboriginal students hired as field assistants be deployed within the province this summer? Geological Services Branch has hired four aboriginal students for geological assistance this summer who are scheduled to have two students in the Thompson Nickel Belt. One of these students will be carrying out a mapping project that will form the basis for his Bachelor of Science thesis at Brandon University. One student will be working primarily in the Mafeking area. One student will be working in Winnipeg, assisting with sample preparation procedures.

Pits and quarries in Manitoba. An active pit is a Crown or private pit quarry where industrial minerals are removed on a regular basis and based on consumer demand. An inactive pit is a Crown or private pit quarry with an undepleted supply of industrial minerals, and removal occurs sporadically over many years. There are approximately 5,000 Crown and private pit and quarries in Manitoba. Approximately 10 percent, that is 500-plus, are located in northern Manitoba north of the 53rd parallel. Approximately 28 percent or 1400 pit quarry locations are in operation during the Manitoba construction season in a year. Approximately 75 pit quarry locations are in the Capital Region of Manitoba.

Correcting a response given yesterday regarding the number of geologist staff years that will be applied to work in various regions of

the province: Southern Manitoba should have been 5.9 staff years rather than 8.8. The breakdown of staff years by region: Flin Flon-Snow Lake, 5.2 staff years; Thompson Nickel Belt, 4.5 staff years; Lynn Lake, Leaf Rapids, 1.65 staff years; southeastern Manitoba, 0.83 staff years; Northern Superior province, 4.5 staff years; Southern Manitoba, 5.9, rather than 8.8 staff years, for a total of 22.58 staff years.

That answers, I believe, all the undertakings.

The Acting Chairperson (Mr. Dyck): I thank the minister for that.

Then, again, the last item to be considered for the Estimates of the Department of Energy and Mines is item 23.1. Administration and Finance (a) Minister's Salary \$13,500. I believe the staff is in the process of leaving. Shall the item pass? The item is accordingly passed.

Resolution 23.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,349,500 for Energy and Mines, Administration and Finance, for the fiscal year ending the 31st day of March, 2000.

This concludes the Estimates of the Department of Energy and Mines.

We will now be proceeding with Family Services. We will be taking a short recess in order to get the members present at the table.

The committee recessed at 5:49 p.m.

After Recess

The committee resumed at 5:53 p.m.

FAMILY SERVICES

The Acting Chairperson (Mr. Dyck): Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Family Services.

Does the honourable Minister of Family Services have an opening statement?

Hon. Bonnie Mitchelson (Minister of Family Services): I am pleased to present the 1999-2000 expenditure Estimates for the Department of Family Services to this committee. I look forward to a constructive discussion on our programs and policies with members of the opposition and all committee members. I know from past experience that I think we have had good dialogue and good discussion around the issues that present themselves in the Department of Family Services.

I strongly believe that Manitoba is one of the very best places in Canada in which to live and to raise a family. Today Manitoba enjoys an economic climate that has many Manitobans participating in the workforce and earning income to support their families rather than being dependent on government assistance.

I believe that our government's steady course to promote economic prosperity has laid the foundation needed to ensure the protection of essential social services for future generations. A strong economy is necessary to generate the resources needed to ensure the availability of high-quality services such as health care, education, and social services. I believe that investing early in the lives of children will help them to become healthy and productive adults and prevent costly intervention in the long term. Children are the future of our society and of our province's economic life.

I also believe in the value of a partnership approach to addressing shared challenges. As a result, the community has been actively involved with the department in defining and implementing solutions to help Manitobans in need.

I am very pleased to say that we have been able to increase the funding for Manitoba Family Services in 1999-2000 by 5.5 percent or \$36.6 million. Of particular note is an \$8.7-million increase for the Adult Services area of the Community Living division. Additionally, there will be an \$8.8-million increase for the maintenance of children and external agencies in the Child, Family and Community Development area, and a \$5.3-million increase to Child Day Care services, both in the Child and Family Services division.

I will provide more detailed information on the division later, but first I would like to say a few words about the department as a whole. The Department of Family Services exists in order to help Manitoba families to be strong and responsible and to help adults to be self-sufficient. The department provides a broad range of social services and is responsible for encouraging individual, family, and community responsibility, independence and self-sufficiency, while assisting Manitobans in need, keeping children safe and protected, and supporting adults living with a mental disability to safely live and participate in the community.

The department has four main operating divisions: Administration and Finance, Employment and Income Assistance, Community Living, and Child and Family Services. The department has two internal service providers: Human Resource Services, and Policy and Planning. The Social Services Advisory Committee and appeal body reports directly to me.

The agenda for my department for 1999-2000 is an ambitious and exciting one. We intend to continue to reform Manitoba's welfare system by working actively in partnership with the community to assist more clients to gain independence, implement the expansion of the Child Day Care program to support more parents, continue to implement the regulations, policies, standards, and guidelines associated with the new Adoption Act and the amendments to The Child and Family Services Act, continue to implement and expand initiatives designed to identify problems early, and provide supports to help families better meet the needs of their children, expand and enhance community-based support services for adults with a mental disability, and work with the federal government and with other provinces and territories on the further development of the National Child Benefit system.

I am also pleased to advise that the department is playing an active role in helping to redesign how the public interacts with government. As part of the Better Systems Initiative, my department is a partner in the Integrated Case Management Project. Under this project, we are working to achieve a more

integrated and client-centred approach to the delivery of human services through process modernization, organizational redesign, and technological development. We hope to streamline the way the department serves our clients and gathers and keeps client information. We will reduce the number of times clients must provide the same information to different programs. We are also looking at how best to use technology to provide the public with better ways to get the information they need in order to access the most appropriate services.

The Employment and Income Assistance Division provides employment support and financial assistance to Manitobans in need, and field resources to deliver employment and income assistance in income supplement programs. As part of our Employment First approach to welfare reform, numerous partnerships have been developed with businesses, local governments and community organizations to create job opportunities for clients. We are proud to say that we have the lowest unemployment rate in Canada and the second lowest percentage of its population in Canada on welfare.

Although our previous reforms have been successful, more can and must be done. We know that Manitobans want to work, and we are taking additional steps to help them achieve their goals. Government assistance is a last resort. It should not be easier to get welfare than work. While we believe in providing for those in need, we also believe in mutual responsibility. You only take out if you put in.

Our economy is witnessing unprecedented growth, which gives us a greater opportunity to match people with jobs. When job opportunities exist for people and supports are provided to increase skills, there is a mutual responsibility for people to accept jobs. Every month, some 500 people walk through the door looking for welfare assistance. We want to connect these individuals with the jobs that are available because we all know that a lifetime on welfare is a commitment to a lifetime of poverty.

Since our government began reforming the welfare system in 1996, the caseload for clients

participating in welfare reform has dropped by 9,900.

The Acting Chairperson (Mr. Dyck): Order, please. The hour being six o'clock, committee rise.

CONSUMER AND CORPORATE AFFAIRS

Mr. Chairperson (Ben Sveinson): 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 for the Department of Consumer and Corporate Affairs. As had been previously agreed, questioning for this department will follow in a global manner, with all line items to be passed once the questioning has been completed. The floor will be open for questioning.

Mr. Jim Maloway (Elmwood): I would like to ask whether a member of the Consumers' Bureau would be in attendance today.

Hon. Shirley Render (Minister of Consumer and Corporate Affairs): Unfortunately, we were not able to get Marjorie.

Mr. Maloway: Perhaps then the minister and the deputy could answer the questions I have that would actually pertain to the Consumers' Bureau. The minister should be, I would think, aware of the issue that I wanted to talk about.

The member is aware that a multilevel marketing scheme has been operating in the province for some time now referred to as the Community Party, which is a multilevel, home-based political party. Based on the information that we have, it would appear that this concept is probably borrowed from similar schemes in the United States. Some of the documents seem to indicate that the money for the party has to come in U.S. dollars, U.S. funds. Nevertheless, a group of people I believe based in Ste. Anne, Manitoba, has been advertising on CJOB now for some months and has been having meetings at the Travelodge for some months now in an effort to sign people up to a party.

Basically it appears to me as though it is probably a pyramid marketing scheme. In fact,

in its documentation it has two types of membership. One option is that you could join for \$30 a month. That allows you, I believe, just to be a member of this party. You would receive, I think, \$3 for every member you sign up. Option two, this one is the big one, is \$50 a month. That one gives the option of being a candidate. You can actually run for the party and you get \$5 a member.

* (1640)

Now, I know this party has been advertising for a leader. They do not have a leader at this point, so they are looking for leadership material. Anyway, page 13 of their documentation indicates they have got a down line here of seven generations. The potential, if you were to sign up I guess just \$2 or \$3 members, would be to make a million dollars a month if all went well. If you sign people up as option two, the \$50 a month, you could make \$5 a member or you could make \$1.6 million a month by joining this scheme.

This party has some policies. It has a separate brochure on some of its policies. In some ways it is a bit of a populous approach. I will not get into the policies of the party, because the reality is that this is really probably a get-rich scheme similar to others we have seen in the province over the years involving the sale of gold coins or any other product. The difference, though, I think, with this one is that in the case of the gold coins and others, the documentation was technically and legally correct in the sense that they had gone to a lawyer in advance and got the thing to be legally and technically correct on paper, and the illegalities occurred when they attempted to sell the idea at the International Inn or whatever hotel they were working through at the time.

In this case, this particular party plan is, I believe, in question from the beginning. I would like to ask the minister what the current status of things is because I would like to know the number of members that they have signed up, how many candidates they have, whether they have a leader yet. I would like to know just where the investigation is going. I understand that last night there were charges laid against three of the participants. I understand that they

are to appear in court in August. They are charged under Section 206 (1)(e) of the Criminal Code, which, I believe, could be serious enough that they could be given two-year jail sentences. Clearly, there has been some progress made in this case, but I am concerned about the number of Manitobans who may have in fact lost money in this scheme and whether or not there may be some copycat operations operating in the province that could be putting Manitobans at risk.

Could the minister give us an update as to what her department has done in this whole area and just where we will go from here?

Mrs. Render: I think the member answered part of the question himself when he referred to the fact that this was a possible pyramid scheme which makes it illegal as such. This office, the bureau, referred the matter to the City of Winnipeg Police Vice Division for possible action.

Mr. Maloway: Can the minister tell us then how many members were signed up, how much money was raised, how many candidates do they have, do they have a leader? Can the minister answer those questions?

Mrs. Render: No. This matter, as I say, has been referred to the City of Winnipeg Police Vice Division, and, as a matter of interest, it was also referred to Industry Canada Competition Bureau for their review under the Competition Act. So that information, if it is available, they would have it.

Mr. Maloway: Could the minister then release to me a copy of the letter from Industry Canada to the department indicating that this scheme is illegal?

Mrs. Render: Actually, did you just say a letter from Industry Canada?

Mr. Maloway: There is a letter from Industry Canada. The matter was referred from the Consumers' Bureau to Industry Canada for an opinion. Industry Canada sent back a letter to the Consumers' Bureau, indicating their opinion that this was illegal under a section of, I believe, the Criminal Code. The charges are under 206

(1)(e), so I am assuming that that is the section they were referring to. There was another section they were concerned with under the Competition Act. What I was looking for was a copy of the letter from Industry Canada to the Consumers' Bureau that would indicate which sections they were dealing with and how they based their opinion that this was in fact a pyramid scheme.

Mrs. Render: We will check and see whether we can release the letter. It may possibly be that, if the matter is under investigation we are not allowed to, so this is something we will have to check into.

Mr. Maloway: I do not really see why there should be a problem, because I think it is just basically a technical letter from Industry Canada simply reviewing the documentation and expressing an opinion as to the legality of this scheme according to a section of the Criminal Code and a section of The Competition Act. I guess I already know what the letter says. I just do not actually have a physical copy of it. That is what I am looking for.

Mrs. Render: Certainly, as I said, if there does not seem to be a problem, if we can, we will certainly get you a copy.

Mr. Maloway: How soon could the minister endeavour to do that?

Mrs. Render: We will check into it as quickly as we can.

Mr. Maloway: I would like to ask the minister then whether there are any other ongoing investigations involving similar schemes of this type currently ongoing in her department?

Mrs. Render: Are you talking about pyramid schemes. Can you be a little more specific?

Mr. Maloway: Mr. Chairperson, I think what I am talking about here is the multilevel marketing plans, because just last week when we dealt with this issue dealing with the long distance telephone scheme, that is considered and approved by the department in January. The department has licensed, given direct sellers licences to, I do not know, probably several

hundred people. So that one is viewed as being okay.

This one is not being viewed as okay for different reasons, but the point is, in the mind of the public, there are all kind of similar, right? They are multilevel marketing. So the question is: what differentiates one from the other? What sort of characteristics would the minister say are peculiar to one over another?

Mrs. Render: I am sorry. Would the member repeat his question, please.

* (1650)

Mr. Maloway: I am looking for the characteristics of what constitutes an actionable plan by the law versus one that is approved by her department and sanctioned as being okay to proceed. We have seen a variety of these things over the years. We have seen different multilevel marketing plans involving sales of coins or other plans that were once again, as I said, technically correct because people were smart enough to go to a lawyer and get the lawyer to draft it all, but it is only when they tried to sell it that they committed the illegal acts. So on paper Industry Canada gave the approval for some of these and said, your paper is okay, you can proceed. The illegal acts were committed when they were selling the product.

So in this case, of course, Industry Canada is saying, no, even your paperwork does not conform to proper specifications. So I wonder what the characteristics are of one that is approved versus one that is not approved. At the end of the day, they basically end up with the same result.

Mrs. Render: As the member knows, the Consumers' Bureau does license vendors who are direct selling their goods or services to consumers. A number of these vendors market their goods or services by means of a multilevel marketing plan. When a vendor selling in this particular way applies for a licence the bureau looks at the multilevel marketing plan. It does review the plan. Sometimes an advisory opinion from Industry Canada is sought to ensure that the plan is not a pyramid scheme. If a pyramid scheme is identified, then these of course are

referred to the appropriate enforcement authorities for investigation but, obviously, as the member knows, you can file something on paper, but then if you go and do something different, that is where the difficulties arise. It would be at that point then that the bureau would go out and investigate.

Mr. Maloway: The question then is: what is the mechanism for ensuring compliance with the plan because, once again, if you have knowledgeable people involved in these things they will take it to a lawyer? The lawyer will draw it up so that technically it is not illegal on paper and it gets them by the law, but the reality is that you know that in practice when you strip away the veils at the end of the day it is just a pyramid system. You can call it whatever shade you want. You can call it something different and dress it up differently, but when you strip away the veils, it is still a pyramid scheme.

The question is that when you get these schemes, unless you have somebody looking at how they market the actual plan, then how do you know what you are approving is in fact what the end result turns out to be?

Mrs. Render: Again I can only repeat that the bureau does review the plans. I do not think there is any 100 percent way that you can guarantee anything, whether it is this kind of a factor or something in any other area that we might want to speak about. If information comes back to us from whatever source that makes us suspect that there is a legal action being taken, then the bureau will investigate, but if a plan is on file and it has been reviewed, that is the first step that the bureau does.

Mr. Maloway: In this case the bureau did not vet this plan. This plan was not submitted to the bureau for vetting purposes at all.

Mrs. Render: Obviously, at some point, somebody reported this scheme, whatever you want to call it, and the bureau did step in, but it was then referred to the city police. That may be just another point. Whether you file a plan or not, once information comes back to the bureau, the bureau is prepared to step in and investigate. In this case, as I say, it was felt that it was a possible pyramid scheme and therefore referred

the matter to the City of Winnipeg Police Services Vice Division.

Mr. Maloway: Mr. Chairman, well, if the bureau is waiting for plans, the plans may never show up. They may show up when it is too late. I mean, the basis upon which this scheme works and the basis upon which the person will make his million six per month, I think, is very rapid growth.

It seems to me that the information that I have had over the years about these schemes is they are like tornadoes. They touch down in an area; they are very hot for two or three weeks, and then they are gone. When you run out of people to sell the plan to, then the plan basically dies because the people at the beginning are the ones that make all the money and the ones at the end are the ones that end up losing all the money. So potentially this operation could have set down shop in Manitoba, run its course, left town, and the minister still would not even know about it. That is the potential.

So, unless the bureau and the minister are vigilant and are keeping track of these things and watching out for these things and being proactive in investigating them the moment they find that an operation like this is in business and take steps to try to close them down—unless that happens very quickly, then potentially you could have numerous people out lots of money.

Mrs. Render: Again, the member said exactly what I was going to say. The bureau is proactive. I do not think the member is suggesting that the bureau be out spot-checking every house and going into every house and invading every house. If somebody does not come as a direct seller and get its plan or its party, whatever it is that they are doing, licensed, what business does the bureau have in going out and checking Mrs. ABC Smith to see whether or not Mrs. ABC Smith is operating an illegal pyramid scheme?

In this particular instance, as soon as information came to the bureau, the bureau very quickly responded, and action was taken. So I would totally disagree with the member that the bureau is not proactive, and I totally disagree that the bureau should be intruding into the

privacy of people's homes to see whether they might be doing something illegal.

Mr. Maloway: Well, I know that action finally got taken at the end of the day, but it was by no means swift and decisive by any stretch. I mean, this operation, had it been more aggressive, could have left thousands of people out thousands of dollars in money, and we do not know at this point, I do not know, how many members. I asked the minister now twice. I would like to ask her a third time: how many members did this organization sign up to its plan?

Mrs. Render: Okay, I realize the member has asked me twice, and I will repeat for the third time: this is not a bureau matter. This is a City of Winnipeg Police matter. So, if the member wants specific answers to specific questions, go to the authority that has been investigating.

Mr. Maloway: Well, it was the minister's own department that referred to the matter to Industry Canada—

Mrs. Render: Because it was not the minister's department that was responsible.

Mr. Maloway: The minister's department referred the matter to Industry Canada, got an opinion, then came back and sent it to the City of Winnipeg Police department. Now it seems to me that the road comes back to the minister because the minister should have up-to-date information about the status of the investigation and should be able to provide the type of answers I am looking for right now.

* (1700)

Mrs. Render: I believe that the matter was referred concurrently, at the same time, to both the police and Industry Canada. Once the matter is referred to another jurisdiction, that is where the information lies. I disagree with the member.

Mr. Maloway: Can the minister confirm that her department conducts joint investigations and joint activities with all these different bodies that she is now claiming to have no association with, that in fact they are really very intertwined

together and they do co-operate in a very close fashion?

Mrs. Render: In some cases, the bureau does conduct joint investigations when there is uncertainty as to whether the particular activity is a criminal activity or not. In this case, it seemed clear that it was likely a criminal activity so, as I say, it was referred to the city police. There has been co-operation between the bureau and the police. It depends upon the particular incident as to whether it is joint or whether it comes back to the bureau or whether it goes over to the police. As I say, if there is a criminal component to it, it goes to the police.

Mr. Maloway: Can the minister then find out as to how many Manitobans lost money in this pyramid scam over the last few months?

Mrs. Render: I would suggest that, if the member wishes these kinds of answers, he direct his questions to the Winnipeg police.

Mr. Maloway: Is the minister saying then that, if she were to ask the police for a report on this matter, they would not respond to her request?

Mrs. Render: If the city police had felt that this was our matter, they would have come back to us. Since it has not come back to us, to my knowledge, the matter is a City of Winnipeg Police matter and they are not under an obligation to report back to us, and our staff are busy doing other things. This is not a matter that we would keep a record of, because it does not fall under our jurisdiction. We would have, to my knowledge, no reason to ask for a report back, because it does not fall under the jurisdiction of this department. So, again, I suggest to the member that if he has specific questions that he would like to have answered, he should go to the police and obtain those answers.

Mr. Maloway: I think it is time for the minister to be brave here and to try to get to the bottom of what the status of this investigation is right now. I think we would like to know how many Manitobans have lost money in this scheme and how long this organization has been operating and are there any other similar ones operating in the province. It is quite conceivable that if there

is one of these operating, there is another one operating, so surely the minister should be interested in this matter, interested enough to try to get on top of the investigation and find out just where it sits right now and give us a progress report as to where it is.

We know that, as of last night, three people were arrested. They were released on appearance notices; their court dates are in August; and they are being charged under Section 206(1)(e) of the Criminal Code. So we know that it has gone that far, but what we do not know is how many members this organization has, how many people it has signed up, how much money it has taken in, and whether the people that have given money have any reasonable hope of recovering their what may be now lost funds.

Mrs. Render: I am not too sure whether the member is suggesting a duplication of services here. I come back to my answer that I have been giving. Obviously, the member already has a lot of the information that he is asking me. He obviously can get it. I do not think that the police would look too kindly at us looking over their shoulder. They have, to my knowledge, no obligation to report back to us. It is not our jurisdictional problem, and I am sure the member is not asking us to duplicate the efforts of the police. I am sure that he would wish the bureau to be spending the time on matters that pertain to the bureau, not trying to walk along beside the police and be asking questions about something that does not fall within the bureau's jurisdiction.

Mr. Maloway: The investigation is already a joint effort. I understand these departments co-operate quite closely, so it makes sense to me that the department, if it is not, should be updated as to how this investigation is going with the possibility that, in fact, there may be more of these schemes operating. Clearly if there is one operating, there may be two, and so the minister should want to be interested in this and want to be updated as to how big an operation this was.

We may find that this organization was getting nowhere, that it had no members, that it had no money. We know it had a few meetings,

but maybe it had not got rolling yet. We do not know that, so it could be a minor problem or it could be a major problem. We have no way of knowing. The minister is the Minister of Consumer Affairs in this province and should be defending the rights of consumers, defending consumers, and should be, I think, taking a proactive stand and trying to find out as much as possible about this investigation so that we can keep on top of the issue.

Mrs. Render: I do not know that the member is correct when he says that it was a joint investigation. I am not saying that he is incorrect, and I am not saying he is correct. It is my understanding that it was investigated by the police. In this instance, it was felt that it was a possible illegal pyramid scheme. It was, therefore, referred to two other authorities.

The member talks about the Consumers' Bureau being on top of things. This is a police matter, and if the police, at some point in time, wish to release information, and they do this many times whether it is something like this or other matters that affect Winnipeg residents, they will put a notification out.

Once again, the member talked about the possibility of people losing money. The courts can order restitution if that is the route that is going to be taken, but, as I say, this is a police matter and the police also have their methods of making information available to the public and also alerting the public to these kinds of possible schemes.

* (1710)

Mr. Maloway: Is the minister saying that her department has not had any involvement whatsoever in the investigation of this pyramid scheme? Is she saying they have had no involvement whatsoever?

Mrs. Render: Obviously the bureau had some involvement at the very beginning, because they referred the matter to the police and to Industry Canada.

Mr. Maloway: Did any members of her department attend any of the Community Party

meetings with members of the Winnipeg police force?

Mrs. Render: Not to my knowledge.

Mr. Maloway: Has the minister referred this matter to Elections Manitoba for their opinion as to whether there are any violations of The Elections Act?

Mrs. Render: The answer is no.

Mr. Maloway: And why not?

Mrs. Render: Perhaps the member would share with us what he thinks might be a potential breach of The Elections Act that would cause the department to refer this to Elections Manitoba.

Mr. Maloway: If for no other reason, I think they would like to know about it. I think any organization, in this case this party has an organization structure, has policies, has candidates, I believe have one or two, three candidates running in the provincial election coming up. They are looking for a leader. Maybe they have found one. They may be fundraising and promising people tax credits. I do not know. There are any number. Elections Manitoba has rules as to what political parties can and cannot do, what constitutes a political party, how a political party gets registered. It seems to me that it is just basically another facet of the overall problem here that you have a political party that is organizing but is not registered in the province of Manitoba as a political party. I think that should concern the minister and the minister would be wanting to refer this whole matter over to Elections Manitoba for their opinion as to whether or not there is any intention on the part of this party to get registered or whether it is planning to follow the rules concerning registration in Manitoba.

Mrs. Render: I guess I would hope that if the member, as an elected member himself, thinks that there has been a possible breach or something wrong, he might have taken the initiative and referred the matter to Elections Manitoba, but certainly listening to his comments, I will suggest that the bureau look at the information on file and refer this to Elections Manitoba.

It appears that the member has a lot of information, so it might be very useful to Elections Manitoba if the member, depending upon the information he has, also refers this to Elections Manitoba.

Mr. Maloway: I would think that I probably have less information than the minister has on this file, and it seems to me that this party, when interviewed on CJOB a month or two ago, did indicate at the time that I believe they had three candidates ready to run in the election. They were looking for a leader at the time, and they were ready to operate in this election. At that time, we were assuming an election would be held on June 15, which is—what?—yesterday. I do not even know what day it is right now—[interjection] That is right. So we were assuming the election would be held.

So would that not be a very unfortunate situation if the government had called the election and here we have this party declaring, well, three candidates that were running and Elections Manitoba was totally unaware of it? So I would think it would be incumbent upon the minister to refer this matter to Elections Manitoba immediately for their opinion as to what they think any possible breaches of Manitoba Elections laws might be and give the people some guidance.

You know, the minister talks about trying to solve problems before they get out of hand. Well, here you have three people, possibly, without great ill-intent, have now been charged under the Criminal Code and face two-year jail terms when perhaps all that needed to be done was the minister could have referred this to Elections Manitoba when her department was first notified of this some months ago. Elections Manitoba, perhaps, may have contacted the party in question and called them in and told them what the rules were and explained the facts of life to them, and they might not be in the big mess they are right now if that had been done. Now, what does the minister have to say about that?

Mrs. Render: Again, I will just suggest that the member has a lot of information at his finger tips, and if he felt that there might have been a breach of The Elections Act, I would hope that

he would take the step of referring it. I do not know enough about The Elections Act, but I rather doubt that this so-called party could have got on the ballot papers without Elections Manitoba doing some investigation to make sure that this particular party complied with all the rules and regulations of Elections Manitoba.

So the member has suggested that, if this government had not taken a step and an election had been called, certain negative things might have happened. I think that is incorrect because Elections Manitoba also has a responsibility to check into the parties that are running candidates.

* (1720)

Mr. Maloway: Well, the government's position going back through the long succession of ministers under the current government, going back to ministers under the previous NDP government, I am sure, they have all had a consistent pattern wherever possible that, when irregularities are found, rather than using, as the Conservatives like to say, the heavy arm of the state, even the Securities Commission represented here makes attempts, when they find some breaches, if they do not see evil intent upon the people involved in the breach, they attempt to get the people to voluntarily comply with the law. Most people, when they found they have made a mistake, will do what is necessary to comply and will not face trouble with the authorities and charges and so on.

It may well come out that these people in this party and this little scheme here may have been a little greedy perhaps, but may not have been professional and may have just basically wandered into this situation sort of unknowingly. Now, when there was plenty of time for the government to take action and solve the problem before it became a real problem, and I am not talking about how many members they have signed up now, I am talking about themselves, these people are now charged with charges under the Criminal Code.

Back two or three months ago, had the minister's department simply referred this to Elections Manitoba, or got involved that way, then these people could have been approached.

They could have been spared all the legal fees and the loss of reputation and all the grief that they are going to get as a result of these charges being laid. I always thought it was the intention of the minister to be proactive wherever possible and save people, sometimes I guess save them from themselves in this case, but to have basically called them in and got them straightened out before things got to this level, to the point where they may have to spend two years in jail under these charges.

Mrs. Render: I am unsure just where the member is coming from. He spoke quite at length earlier about the—well, I will say the bad practices of this particular group and how Manitobans could have been fleeced, et cetera, and why the bureau was not doing this and why the bureau was not doing that. Now he seems to have switched to another course and possibly is suggesting that the bureau should be advising fledgling political parties in what to do.

I wonder if the bureau had suggested to this group that they go to Elections Manitoba and then if something was found wrong, if the member would then be sitting here asking me why did we not report this matter to the City of Winnipeg police, so I am really fairly confused just where the member is coming from.

They themselves, if they are going to set themselves up as a true political party, there is nothing stopping them from going to Elections Manitoba. That seems to me to be a first step.

Mr. Maloway: I am certainly not suggesting that the police not be notified. In fact, that was the correct course of action for the department to do exactly what they did, refer the matter to Industry Canada, get an opinion, then send it to the police and then work with the police, which they often do, involved in their joint investigations whereby one of their officers attends with undercover police officers, which in the past, I believe, has happened on a regular basis. At the same time, the department has always said that they do believe in solving the problem as soon as possible, and if it means simply phoning the people and saying, you are doing something wrong here, quit doing it, oftentimes that is all it takes. But in any event, they did the right thing. They referred it to the

police department, but the question is: why, at the time, was it not referred, because there was an impending election possibility at that point? Why was this not referred to Elections Manitoba by the minister for action at that point? The minister has to recognize that this investigation, you know, I do not think is all that complicated. It did not probably have to take as long as it did to come up with a solution. Several months have gone by here, and so I am not in any way suggesting that the department did the wrong thing. They did the right thing. I am just saying that maybe it could have been done a lot quicker and that it should have been referred. I mean, it is okay now to say: well, you know, nothing happened because there was no election.

Well, that is all well and good right now in hindsight. But we could have been into an election. That could well have happened, so I do not know why the minister would not have taken the bull by the horns here and sent this off to Elections Manitoba for a quick opinion, fired it off to the police, got her own people involved in it, and closed this thing down right away. This organization had several meetings, and it could have been all done in one meeting. Instead, it dragged and dragged to the point where finally, as of last night, we have charges.

Mrs. Render: To my knowledge, this group did not come to us to be licensed so, in the first place, we were not aware of them. It was not until we received information. The bureau acted quickly. It referred the matter to the City of Winnipeg police. I do not know that the bureau knew that it was a potential political party which is likely why it did not refer it to Elections Manitoba. Certainly, if the City of Winnipeg police felt that it was a potential political party, they, too, might have referred it to Elections Manitoba, but I suspect the police were looking at it from the nonlegal position of a pyramid scheme, and we are looking at it from that particular fashion.

Again, I hearken back that it appears that the member has a lot of information at his fingertips. This is something that any elected member, for that matter I am sure, any resident of the province, would be able to refer, ask questions, phone Elections Manitoba themselves. I take the member's comments. Certainly on hindsight it

may very well be that that might have been a step of the bureau, but as I say, we took the action that we did, and obviously the member has placed on record that there have been some convictions, so obviously there were charges. It appears that there were some criminal activities.

Mr. Maloway: The minister indicated that the bureau did not know it was a political party. Well, Mr. Chairman, the front page of their documentation starts out in very large print. It says: Community Party multilevel home-based political party. They talk about program for communities, members, candidates and sensible government which, I guess, would be a good thing to have, and the marketing plan. That is the entire assembly. The whole thing is all about a political party, so that is pretty obvious. It had to be obvious to anybody who read it, and some of the first people to read it were her department people.

Mrs. Render: I am answering questions without the director here. I do not know what information the director had in front of her, so it may very well be that my response was not correct. I think I said I do not know why, and I said it may be because we did not know. At any rate, your comments have been taken. We will follow up and see what results from that.

*(1730)

Mr. Maloway: What I was hoping to get from the minister today because the arrest and charges were just as a result of the meeting last night so it is rather recent, but I would have thought that the minister would have some sort of an idea by now as to how many people were affected by this and would have expected that she would have had it, if for no other reason, perhaps, than for Question Period today. So I assume that there was some sort of a briefing note that she has got that gives her an update on this situation. Is that not the case?

Mrs. Render: This is a police matter. It is no longer a bureau matter.

Mr. Maloway: Well, would the minister then endeavour to find out for us as to how many people lost money, if any, in this Community Party scheme?

Mrs. Render: I am sounding like a stuck record, but, as I have said quite a few times already, this is not a matter of this department. To my knowledge, the police do not have a responsibility to report back to us. There may be something in the media at some point.

I would like to remind the member that we do have a couple of staff people here. It would be nice to try to clear off a couple more areas.

Mr. Maloway: The minister actually read my mind. I was planning to move on here. Before we do, though, I wanted to know whether she would be referring this matter to Elections Manitoba tomorrow, then, for their opinion, and also to try to get me as much of an update as she can regarding the police investigation and what she finds out from Elections Manitoba. If she could do that, then when we meet on Monday we could pursue this a little further if necessary.

Mrs. Render: I have stated that we will review the matter and consider the member's request as to whether or not it goes to Elections Manitoba.

Mr. Maloway: I am sorry, I did not hear the minister's response.

Mrs. Render: We will consider reviewing the matter as to whether or not we send it off to Elections Manitoba. I am not too sure how quickly that will happen. Certainly I cannot promise an answer by Monday.

Mr. Maloway: In keeping with timely investigations, I did have a number of questions of the Securities Commission, but I am going to jump over some of them and go to a real estate industry scam that was of fairly major proportions in Manitoba from 1994 that actually was quite comprehensive. I am interested in knowing what the status of the file is and whether or not there are other house-flipping organizations operating. I have always believed there were at least three separate ones at the time. In fact the police investigation of this really only focused on the one big one. I do not know, once again I am quite disappointed in how long these things took.

I have a file here prepared for me at the time by the person who was the major push behind

this investigation. His name is Mark McGrath. He used to live at 438 Kent Road. I do not know whether he is still there, but on October 12, 1994, I just want to give you a flavour of what this was all about, because there were probably about a hundred transactions, a hundred houses flipped in this manner. The loss of money is probably, I think, I could be wrong, in the \$2-million or \$3-million range. The principal in this scandal, scam, was charged and, I believe, has been convicted, although I am not exactly sure. While these people were being taken advantage of, the principal was living a few miles outside of town with a whole range of exotic animals, llamas and all sorts of other things, and was running a pretty good business. He could not do this without the complicity of respected members of the community in Manitoba, I mean by that, the real estate agent, a mortgage appraiser, a lawyer. He needed all these elements to make this scheme work.

What I want to do is read for you his letter to Bill Biluk, October 12, 1994, from Mark McGrath. He said: My wife and I were interested in purchasing a starter home to occupy for a few years and possibly rent out. We noticed an ad in the Winnipeg Free Press—or in a Winnipeg newspaper, pardon me, but I believe it was the Free Press—which advertised a home for sale with a 7.5 percent mortgage rate. When we answered the ad, we were shown the property at 438 Kent Road by Cecil Epp of Re/Max Realty. We had planned to use our income tax refunds toward the down payment in order to purchase the property.

With this in mind he paid \$500 to Re/Max Real Estate as a deposit on the offer to purchase.

When the offer to purchase was accepted, we met with Vernon Barnes of the CIBC bank. Mr. Barnes told us we could not use our income tax refunds toward our down payment until we had the actual cheques in hand. He went on to say that as long as we provided him with a stamped bank balance receipt showing that we had adequate funds to cover our down payment, we could get the mortgage. We met with Mr. Epp again. This time we told him we could not purchase 438 Kent Road until we received our income tax refunds. Cecil went on to indicate that he could arrange for the Roselli Group,

which is Leonard Tysowski, to lend us the \$2,000, the down payment needed. He also stated that we would not have to pay any legal fees or any land transfer taxes.

* (1740)

So we also have here the question that I asked a number of years ago about what the effect was, and the minister might want to make a note of this, on the land transfer tax as questioned. You know, to this day nobody from that department has got back to me with these answers. I asked them five years ago—that is how long it takes to get some answers out of this government—as to what the effect on the revenue was from the Land Titles Office, which is now the public registry, for the lost revenues when the houses were flipped and the land transfer tax was not collected. So that is a question right there that we are asking now for an answer to as well.

After discussing the situation with my wife, this appeared to be a good idea. As we knew that we were going to have the down payment shortly, Cecil arranged for me to meet with the Roselli Group, Leonard and Sharon Tysowski, at which time they gave me a money order for \$2,000. This money order was deposited into my chequing account at the Royal Bank. I received from the bank a stamped bank balance showing the adequate funds for the down payment for use by the CBIC. This \$2,000 was repaid to Leonard the next day by a cheque made payable to Homes Unlimited as per Leonard's directions.

Now, what was happening here? Let me explain to you what was happening. Mr. Tysowski would put an ad in the paper, and he was basically selling real estate with no money down. So he was dealing with people who were least able to afford to buy a house. These were people who could not afford a down payment. What he was doing was giving them the cash so that they could put the money into their account overnight to show that they had money in their account. That is what he was doing. I had testimony from quite a number of the hundred-plus people that we interviewed in this matter. A good number of them told me stories about how they had never seen so much money in their

lives. When they had to go, husband and wife, they put the money in the glove compartment, \$6,000 in cash, and they drove it across the city to put in the bank account, and then the next day they had to put the same amount of money in a glove compartment and drive across the city again and return the money from where it came in the first place.

There were all sorts of other inducements and incentives to operate this. In some cases, whatever it took to settle the deal, these people would do it. They would give free washing machines, free furniture. In fact, we had one case where the purchaser was in jail, had just come out of jail. If you have been in jail and you come out of jail, you have no work history, no job, the chances are you will not be able to buy a house, right?

So what they did was they came up with phony employment records to be able to show the mortgage lender and CMHC that in fact the person had a job. It was not a real company; it was not a real job. And so you can see I am trying to explain how people got into this, that if you came out of jail and you were given an offer that you could move into a house that you were the owner of, the down payment was paid, you got some free appliances, I mean, what a deal, what a terrific deal.

Now, on the other side, what was happening was that these houses were being bought fairly cheap. They were being flipped by Mr. Tysowski to these young people at very high, inflated prices. That kind of completes the circle.

So he then took the stamped bank balance to the home of Vernon Barnes, the CIBC mortgage department. He had a suspicion. I picked this up through a lot of these people, that they were a little nervous and suspicious, but they were first-time buyers. In many ways they thought this was a little too good to be true, but a lot of them knew that they were kind of complicit in this, that there was something not quite right about it, but they thought they were dealing with a reputable lawyer and a reputable real estate agent and a reputable bank and an appraiser. The appraisal came out, and it showed the figures that Mr. Tysowski wanted it to show.

So he, Mr. McGrath, had a suspicion that Vernon Barnes was very familiar with the way the transaction was handled, as he did not inquire as to how we got the money so quickly. The mortgage was approved, an appointment was made with Cecil Epp to meet and sign the purchase papers. During the meeting Cecil explained that CIBC had an interest rate of 8.5 percent, not 7.5 percent interest rate that was advertised for the mortgage. He stated that the Roselli Group would be willing to pay us the \$2,500 on top of their paying all legal fees and land transfer taxes. Now, is that not a great deal? We would all love to be in a situation where we get a free lawyer, we get our down payment paid, our land transfer taxes paid, right? So they accepted the offer.

Also, during the meeting, Cecil referred us to Mr. Richard Stefanyshyn of the law firm of Wolch Pinx Tapper to use as a real estate lawyer. When they met with Richard, he advised us that he does about a hundred transactions a week and not to be nervous.

He went on to say that he thought that we had a great deal. One interesting point that came up was that he mentioned that we only paid \$45,000 for the house. When the lawyer mentioned the \$45,000 and these people thought that was kind of funny, but that was what the original person sold the house for, right, so it started at 45 and without taking possession of the house, these guys would flip it for a profit of maybe \$20,000.

When we questioned him on this figure, he caught his error and said it was a secretary who must have retyped the figure, and then changed the subject. As Cecil had promised, our statement of adjustment showed that all lawyer fees, land transfer tax had been paid, also showed that our 1993 taxes of \$1,663.37 had been paid by the Roselli Group. I have never repaid these amounts. The Roselli Group paid Richard Stefanyshyn the \$2,500 owed for the difference between the mortgage interest rates and then Richard must have then used the money for our down payment, as he has never requested the money from us.

I am almost finished here.

I thought that something might be wrong when I moved into the house and immediately

had problems with the furnace. He contacted his lawyer, Richard Stefanyshyn, who filed a small claims suit against Peter and Elizabeth Bartel for the cost of a new furnace. I had no previous dealings with the Bartels. I informed Richard of this and suggested that we should have been suing the Roselli Group. He advised me to let him handle it. When the matter came before a small claims judge, I was informed to sue the Roselli Group, who in turn could sue the Bartels. At this time Walter Bartel informed me that Richard Stefanyshyn was also the lawyer who represented the Roselli Group in their real estate transactions. So the lawyer was representing more than one side. That was common, by the way, in most of these deals, not all, but a lot of them.

Before this matter went any further Richard Stefanyshyn suggested that I settle outside of court for \$550 as I probably would not receive much more by a judge. Hesitantly I thought it over, accepted his advice, not realizing there could be a conflict of interest on behalf of Mr. Stefanyshyn.

So that was the letter that started this whole thing, okay, and shortly after he wrote the letter, this was October '94, shortly after that he came to my office with this story. I have to admit, when I first heard it, I thought, you know, a lot of times you get complaints from constituents and you go around and do some investigating, and so on, and you find that the story is not exactly as they have painted it to be, but this was one of those occasions where in fact not only did it turn out to be correct, but it turned out to be even more involved and complicated than any of us thought was possible.

So we started chasing this around. At the end of the day, after a year or more, we had a huge chart with most of the names, and a lot of people had in fact gone bankrupt. In fact the houses were repossessed by CMHC, and in fact the people were not there. So we were going around to see empty houses. Of course this person is in my area and a lot of these houses were in the Elmwood area, but they were all over the place. I think the largest one was about a \$21,000 gain. I believe it was on Scotland Avenue here in south Winnipeg. So a lot of

them were in the Fort Rouge area, Crescentwood area as well.

The point is, why did it take from October 24, 1994, until 1999? I still have some people in my area that I see periodically, and this is still not solved for them. They have bought a house, \$10,000, \$15,000, \$20,000 over value at the time. They will never, never, never sell their houses for anywhere near what they paid for them. So they are going to lose the money. This has been an absolute nightmare for these people. I have admitted right up front that in a few cases some of them did think this was too good to be true, and obviously it was.

What I would like to know is just what this department has been doing to sort this thing out and to speed this process up, because this has been a horrendous experience for these people and the nightmare is still not over for them. So would you give me an update please as to where we sit with this scandal basically five years later?

Mrs. Render: Mr. Chair, the Securities Commission referred it right away to the RCMP. This is a criminal matter. As the member himself has been putting on the record, by the magnitude of the transactions, you can tell that it is a very complex matter, and those kinds of things are not done quickly.

* (1750)

Mr. Maloway: Mr. Chairman, I would like a little bit longer answer than that because I would like to know just where things are. Let me give you a few examples here. I would like to know what happened eventually with Cecil Epp. He is your responsibility. What did you do with him at the end of the day? Where is he? What is he doing today? I mean, what is he doing as far as the Securities Commission is today?

Mrs. Render: Mr. Chair, Cecil Epp had to give up his registration, and as the member I am sure no doubt knows, criminal charges of fraud of over \$5,000 were laid against him in September 1998. He pleaded guilty to the charge in March of this year and received an 18-month conditional sentence.

Mr. Maloway: Mr. Chairman, then that raises some questions. Was he in a position or was he required to reimburse any money personally as a result of this settlement? And if not, why not?

Mrs. Render: Mr. Chair, the Securities Commission deals with the licensing aspect, not the restitution aspect. The clients were advised to seek legal assistance in that area.

Mr. Maloway: Well, can the minister tell us then how much money collectively was lost as a result of Mr. Epp's actions?

Mrs. Render: Mr. Chair, that question would have to be directed to the RCMP.

Mr. Maloway: Could the minister find out what the total quantum of the losses were? The reason I am asking the question is because the minister has just told us that this person got a conditional discharge, I believe.

Mrs. Render: Cecil Epp received an 18-month conditional sentence.

Mr. Maloway: Can you explain what a conditional sentence is?

Mrs. Render: My understanding is that means that you do not have to spend the full time in jail.

Mr. Maloway: So does that mean that he had to spend any time in jail?

Mrs. Render: Mr. Chair, I cannot answer that, but I believe that he was likely confined to his home. I do not know whether there would be hours limitations put on or not. We do not have that information. Again, that is a matter that, if you want the detailed information, you would have to ask the RCMP.

Mr. Maloway: Mr. Chairman, I do not think this is that common a happening, at least I hope not, so in this case I would be very pleased to have the Securities Commission or the minister's office or whoever try to determine just what the amount of money involved here was and exactly what the punishment was for this. I would like to get a kind of a sense as to whether the punishment fit the crime in this case because

how much money was lost, and did this person get a slap on the wrist or was this person given a very solid punishment for the activity he was involved in?

Mrs. Render: Mr. Chair, it is not up to the Securities Commission to deal with the punishment. That is up to the judge. As for finding out how much money was lost, there would be hundreds and hundreds of transactions that would have to be gone through to get that information, and the Securities Commission cannot do that, and it would not help. There were be no purpose in that; it would not help the individuals who lost money.

Mr. Maloway: I am sorry, I wonder if the minister could repeat that answer.

Mrs. Render: I am glad to see that the member opposite also has memory problems or hearing problems.

An Honourable Member: Over 40.

Mrs. Render: Over-40 problems, right. I think he asked about the sentence and whether or not it was a harsh sentence or, I guess the song from *The Mikado*, did the punishment fit the crime. The punishment, if you want to use that word, was set by the judge. It is up to the judge to deliver that kind of a sentence. It is not up to the Securities Commission to determine whether or not the punishment is suitable. The judge determines whether or not the punishment is suitable.

In response to the member's question about finding out how much money was lost, that would entail going through hundreds and hundreds of transactions, and that would not serve a useful purpose. It would not help the individuals get back their money.

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

COMMITTEE OF SUPPLY

Interim Supply

Mr. Chairperson (Marcel Laurendeau): The Committee of Supply will come to order. We

have before us for our consideration two resolutions respecting the Interim Supply bill. The first resolution reads as follows:

RESOLVED that a sum not exceeding \$1,942,548,615, being 35 percent of the total amount to be voted as set forth in Part A of the Estimates, be granted to Her Majesty for the fiscal year ending the 31st of March, 2000.

Shall the resolution pass?

Mr. Kevin Lamoureux (Inkster): I would just seek your advice. I do have a couple of questions. Here are probably a few questions I would like to put forward to the Minister of Education (Mr. McCrae). Could you indicate to me as to when the most appropriate time would be to place those questions?

Mr. Chairperson: Yes, this would be the appropriate time.

Mr. Lamoureux: I had chosen to wait until Interim Supply, and I did that for a reason. A number of days ago during the Estimates when Education was up, I had raised a really important issue in regard to what was happening on the standard exams. I had raised it because a constituent of mine had brought the issue to me, and I had made a commitment to raise it during the Estimates. A lot has happened since then, and, as a result of that, I had posed a couple of questions during Question Period but quickly realizing that I was getting very little headway. I thought I would wait until the Interim Supply where I could maybe take my time in posing the questions, and we would not necessary get as much posturing on the issue from all sides of the House. I think what is happening is that, because it is such a strong issue of a political nature, the motivation seems to be one of party politics as opposed to what we had raised a number of months ago, and that is the reason why.

I ask the House to indulge with me while I get on the record some of the concerns that I have in hopes to somehow convince the Minister of Education to see the merits of what it was that I was asking the Minister of Education to do.

In going through the Estimates, at no point in time, I believe, did I make reference to The Maples high school. At no point in time did I make reference to Brian O'Leary as the principal. I do not know if the name Jim Treller has been raised, Mr. Chairperson. If it has not, then this will be the first time that Jim Treller's name is being raised. I do that because I do believe very much so that we have gotten to a stage in which there are a number of injustices that are taking place. First and foremost, the integrity of a provincial directive—not only a standard exam but a provincial directive. The province and ministers of cabinet will often invoke directives to different levels of government, different levels of administration. They have full expectations that those directives will, in fact, be followed. Well, we have that very serious issue, a serious violation or a breach in this particular case of security of one of those directives. That is the one issue.

The second issue is very much a human story. You have an individual, and perception is very important because the perception is really what has caused the harm. That is the reason why it was important for this government to have taken action and the school division to have taken action months ago. We have an individual math teacher who has been teaching for a number of years, Mr. Chairperson, who did what he was supposed to do and reported a breach. As a result of reporting that breach, the perception is that this particular individual now is teaching computer. I believe it is computer or he was—I do not know if he is today—teaching computer keyboarding skills. At least that is the way it was explained to me.

So what has happened to that human side is what I want to focus just a bit of time on because that is the reason why I wanted to primarily bring it up today because I think we are losing sight of that. You have a math teacher who has been teaching for many years. Through what we do in our life, we try to build up ourselves, and we make what we would classify as a reputation for ourselves. I would suggest to you that the reputation of this teacher has been called into question, that that reputation has been damaged. Whether it has been justified or not in reality, the perception—and there is absolutely no doubt about the perception—is that this teacher's

reputation has been called into question. We know in terms of health, again, from what I have been told, the individual has taken time off. How much time off, I do not know, but the individual has taken time off because of this particular incident or what has resulted as a result of that incident. This teacher has had to take time off.

From what I understand he has taken that time off because of his health. So you are talking about an individual's health, well-being and reputation has really been put at serious risk because this province sent a directive, and all this individual did was follow that directive. I would have liked to have brought more information to this Chamber in regard to the individual. In fact, I had attempted to get hold of the individual. I indirectly was given a call, and I was told that Jim Treller has been instructed—and the impression I was given over the telephone is that it came from the administration that Jim Treller not talk to me. It was implied to me, and again this is third party, that there were very strong repercussions that would occur if Jim Treller was to talk to me as an individual.

* (1640)

In my mind I had thought, and I believe I raised the issue with the member for The Maples (Mr. Kowalski): is this in fact a matter of privilege because it is limiting the way in which I can represent Manitobans as a whole on a vitally important issue? I did feel personally quite slighted when I was initially told that I cannot talk to Jim Treller. I have not talked to Jim Treller for months. It would have been advantageous for me to have had some sort of dialogue or discussion with Mr. Treller so that I could get a better assessment in terms of where it is this particular individual is going, how this individual feels, if in fact he was off because of health reasons, he had to take time off as a result of that incident back in June of last year. You know, there are so many questions that I would have welcomed to have asked Mr. Treller. I have not forced the issue with Mr. Treller because I do not want to cause more problems for this particular individual because I know that there were issues such as professional misconduct that were levelled against him. I

understand that those allegations have in fact been dropped.

I know, whenever an issue of this nature occurs, there is always the temptation to get legal assistance. At the time, again, a number of months ago, that was not even being addressed. The onus, from what I understand at the time back then, was that he would have to find his own lawyer; he would have to pay his own legal bills. Well, Mr. Chairperson, what I would like to know from the government, first and foremost, before we get into the integrity of those exams, is the case of Mr. Treller. I believe that Mr. Treller did what he was obligated to do, what we would have expected all of our teachers that were supervising those standard exams, that this Minister of Education (Mr. McCrae), this government mandated this individual to report that breach.

He did what he was supposed to do, and look what has happened to him today. I find it absolutely amazing that so much time has actually lapsed in this issue and to date still has not been dealt with. My question—and the reason why I am going to make a very specific question because I hope to get a copy of this to the constituent of mine who had raised the issue initially in hopes that Mr. Treller will be provided a copy. If I get his home address, I will be mailing him a copy of the Hansard.

My question to the Minister of Education is: what today is the Minister of Education prepared to do for Mr. Treller? The human side of the issue. How do I know that Mr. Treller is not going to be left alone in fighting this issue or fighting this injustice to his health and well-being and to his reputation? What is the government prepared to do to ensure that he is not going to have to spend money out of his own personal pocket in order to fight this particular issue? What does the Minister of Education have to say about the Manitoba Teachers' Society and the role that the Manitoba Teachers' Society has to play in defending Mr. Treller's rights, because at the time, a number of months ago, I was told again—and my information is dated—that the Manitoba Teachers' Society was not going to be getting involved in the issue. What message does the Minister of Education want to send to Mr. Treller to ensure that the

directive that his government told him is not going to permanently cause damage to Mr. Treller, not only his reputation, but is also going to see his health and well-being improve as a result of a government that is prepared to take action?

I would like to refrain from the politics of the Brian O'Leary and so forth. That we will get into, but right now, for this particular answer, what message does the Minister of Education want to send to this particular teacher who followed his directive?

Hon. James McCrae (Minister of Education and Training): Mr. Chairman, the honourable member has raised, on a number of occasions now, a matter which is multidimensional in its effects and in its scope. The honourable member centres his comments today around Mr. Jim Treller, and I can understand a member of the Legislature taking a responsible approach and dealing with the matter in the way that the honourable member for Inkster is doing. That is the right and the duty of an MLA to advocate, I suggest, on behalf of constituents in this place. So I have no criticism for the honourable member for Inkster, although he has been critical of myself and the handling of this matter by the government. I can understand where he is coming from even in that regard. I will attempt in a very few moments to explain the situation as I see it today, especially when we know that tomorrow will be a significant day in this whole rather unfortunate set of circumstances.

I cannot be quite as kind to members of the New Democratic Party on this topic as the honourable member for Inkster can be. You have to remember that I am from Brandon, Mr. Chairman, and I sit here as a Brandonite week in and week out in this Legislature. I look at the Leader of the Opposition (Mr. Doer), and it appears to me that he is amassing quite a record for himself, a record of double standard and of hypocrisy. Hypocrisy does not surprise me; I have seen it for all the years I have been in this House, and maybe I have seen elements of double standard. But I am noticing in recent times that double standard is becoming more and more pronounced.

So we see in the City of Brandon, for example, the Leader of the Opposition defending abuse of authority on the part of a city councillor who just happens to be a candidate for the New Democratic Party. We see in the case raised by the honourable member for Inkster (Mr. Lamoureux) in which one, Mr. Brian O'Leary, has acknowledged the inappropriate opening of an exam package in a province-wide examination program. This Mr. O'Leary happens to be the campaign manager for the New Democratic Party in the upcoming provincial election. I mean, there are parallels here.

We on this side of the House have been hearing a number of things said about the Monnin inquiry and all of the things the Premier (Mr. Filmon) should do or should not do or has not done and has done, and a lot of righteous indignation coming from members of the new Democratic Party but a conspiracy of silence. Indeed this afternoon, the two ears in the New Democratic Party listening to my comments this afternoon are all we have to hear what is going on in this committee this afternoon.

Mr. Chairperson: Order, please. Let me just advise the member that we should not draw too close to the lines. We are all aware of what the rules are, and we should choose our words very carefully.

The honourable minister, to continue.

Mr. McCrae: Yes, indeed, we should, Mr. Chairman, and I accept what you have had to say. But I must say, how else are we in this province going to be able to make appropriate decisions about the choices that we make when we have this clear case of a double standard, where we have the campaign manager, the provincial campaign manager for the New Democratic Party, Mr. Brian O'Leary, acknowledging wrongdoing in breaching security respecting the administration of the province-wide examination program, and we hear nothing? We hear a deafening silence from the Leader of the Opposition, the honourable member for Concordia. In fact, there is a conspiracy of silence going on in the New Democratic Party.

The honourable member for Inkster, in his remarks this afternoon, referred to the political nature—again, he has referred to the political nature of this matter, and he made a specific reference to party politics. I guess I will just leave it at that point, because I leave it for the reader or for the observer of this particular issue to decide about the role of party politics in this particular very unfortunate situation.

* (1650)

The honourable member has alleged, or has passed on the allegation, which, perhaps is a fairer way of putting it, that the reputation of Mr. Jim Treller has been damaged by this set of circumstances, references even to his health, to the fact that perhaps due to the events surrounding Mr. O'Leary's wrongdoing and Mr. Treller's alleged treatment in this regard his health has suffered as a direct result of all of that and that he has had to take time off work as a result of the acknowledged wrongdoing of Mr. Brian O'Leary.

The honourable member has made reference to a gag order, repercussions, intimidation, with respect to Mr. Treller's role here. These are matters which, if true, would be a matter of very significant concern, and I am not in a position to say if they are true or not true, but I do know that some months ago the Deputy Minister of Education and Training asked the Superintendent of Schools for Seven Oaks School Division, Mr. Wiens, to give us a report on what it is the school division is doing with respect to these matters. I have been advised that tomorrow, June 18, we will receive that report, but we read in the public media that Mr. Wiens thinks no harm has been done. This is the same person who is going to be providing us with a report tomorrow who has already let it be known that no harm has been done.

I am not sure about that. The allegations being passed on today by the honourable member for Inkster (Mr. Lamoureux), which reflect things he has been hearing in his constituency, suggest that perhaps harm was done, significant harm. None of this is to say anything about my concern as a Minister of Education under whose responsibility rests the administration of the whole standards and testing

program that we have in our school system. Somebody says no harm is done when there has been a breach of security; how can somebody be so sure about that? I do not know, but I think we need to find out the answers to those questions.

The honourable member also refers to the role of the Manitoba Teachers' Society in this matter. I am simply not the one, at this point, to comment on that, but has Mr. Treller, who it is suggested made a report of a breach which he is expected to do under the rules, has that appropriate action on his part given rise to some inappropriate actions as a result of his doing the right thing? In other words, are we feeding the perception that wrongdoers get promoted and those who do right get punished? Is this what the conspiracy of silence is all about with respect to the New Democratic Party in this province, a conspiracy of silence surrounding the activities, acknowledged wrongful activities of the province-wide campaign manager of the New Democratic Party? Mr. O'Leary, I understand, has held very high positions in the New Democratic Party in the past. The question I have today, prior to receiving the report, is if—and this part is not challenged—this is an acknowledged wrongdoing on the part of Mr. O'Leary, this does not give New Democrats any concern? Yet they certainly have taken some very strong positions respecting the matters surrounding the investigation done by former Chief Justice Alfred Monnin and have stood with righteous indignation and said a lot of things, and they know what they are.

So I share the honourable member's concern, and I know he wants more comfort than he is getting this afternoon in my comments on behalf of the situation in which Mr. Treller finds himself. I do wish more could be said to bring some finality, some closure, to bring some responses frankly to the honourable member's questions. I do say let us wait till tomorrow and allow me a chance to review the report that Mr. Wiens, the superintendent of Seven Oaks School Division, will be making available to me, knowing, as I have said, Mr. Wiens thinks no harm has been done, and if that is the case, what does that say about his report? But I guess I will not answer my own question on that until I have had a chance to review the report. I just say in light of the wrongdoing of Mr. O'Leary, I am

having a little trouble—or am I having trouble?—understanding the conspiracy of silence that shrouds this issue, the conspiracy of silence which exists in the benches of the New Democratic Party.

Mr. Lamoureux: Mr. Chairman, I started off in terms of talking about the politics and the potential politics. It is a very interesting story in terms of the politics of this particular issue. There is no doubt about that. The more specific question that I had asked the minister was in terms of the message that he would want to convey to Mr. Treller. I personally believe that Mr. Treller is owed some form of an apology. I base it on a breakfast round table that I was asked to come to where Mr. Treller and a group of his peers were around there. They were all talking about how Mr. Treller is no longer going to be teaching math because he squealed on the person that actually breached the security. It was most unfortunate to see that sort of perception being given.

So, in my opinion, the perception has cost Mr. Treller a great deal in terms of his reputation. I have not had it confirmed first-hand only because of the gag order that I believe it also has had a serious impact on his health and well-being. If in fact that is the case, I would have expected the minister to acknowledge that there is a need for some form of compensation, for the minister to acknowledge that there is a need to take some form of action that would try to return some of that reputation that Mr. Treller had lost from it. That is really what it is that I was looking in terms of the minister to get a response. Of course, and it almost slipped my mind, the issue of any sort of actions that Mr. Treller might need, i.e., a lawyer in order to assist in defending. He should not have the responsibility, I believe, of having to defend himself, given the information that I have been provided.

Having said that, Mr. Chairperson, I do want to venture into the breach itself. As I indicated, there is really at the core two issues, the one being the human side, and the minister in his next response wants to comment further. I did pose the question already in regard to that, but if he wants to add to it, I would welcome that in

his next response, but now I want to move on in terms of the breach.

The question is: was there any harm done? The minister has already made reference to the superintendent implying that he did not see any harm being done. I would argue that a great deal of harm has been done. You have, which is now fairly well known in the educational circles, a serious breach of a standard exam. That standard exam breach resulted in, from the best that I can tell, no action against or no report in regard to the individual that breached the security of the standard exam. To believe that that has no long-term or short-term implications to other school divisions or other teachers, I would think one would have to be incredibly naive. You put into place a process which is there to protect the integrity of the exams. You expect our people who are responsible for the implementation of those exams to behave in a very professional manner, even if that means if you oppose. If I as a teaching supervisor take great exception to the government forcing me to put into place a standard exam, even if I oppose it tremendously, if it goes against my principles that to implement the standard exams on whatever grade levels is just wrong, I still have my job as a professional, and it is part of my job is to ensure that those standard exams are, in fact, respected.

* (1700)

I believe that a vast majority of our teachers would see it in the same way in which I have just finished saying it. Well, when we look at the incident or the actual breach, Mr. Chairperson, it has to now put a supervising teacher of these standard exams in a very awkward position. In committee, I said to the minister it took a lot of courage for Mr. Treller to do what he did. The minister's response was, well, not necessarily courage; he did what he was supposed to do. It was his duty to report the breach.

An Honourable Member: And it did take courage.

Mr. Lamoureux: It did take courage, but he implied that it was the teacher's duty. The Minister of Education (Mr. McCrae) is correct. It was his duty to do it.

One now has to question, if there was a breach today, if I was the teaching supervisor ultimately responsible, I would be in a very tough spot because, on the one hand, I have the provincial Minister of Education saying, look, if someone breaches, you have to tell me about it. On the other hand, I see what has happened—because we are talking about the perception here—to someone who did just that. So you are putting a lot of people which our community hold a deep amount of respect for, our educators, at risk here. You are saying to them to do something that ultimately could be to their own personal detriment because the government was quite negligent in taking action. It is one thing to see it; it is another thing to stand by and let it occur and not take any sort of action in order to defend the integrity of the standard exams.

I believe that if there were breaches that were occurring since then or even prior to then, that the chances of someone reporting a breach today are not that great, Mr. Chairperson. I really believe that. I do not think that a teacher, even though it is their duty to report the amount of pressure that is being put on them, I believe is not acceptable. You cannot give a directive and not stand by the person who follows that directive. I think that that is the way most people, including myself, perceive it. The provincial government has given a directive and is not standing behind it. As a result of not standing behind it, one has to question the integrity of that particular directive.

Now, having said that, I feel somewhat alone in raising this issue. I do believe that if the politics were different, if it would have been a Conservative situation, a Conservative tie-in to it, that I would have at least 25 members of this Chamber that would be hounding on this government and claiming all sorts of unethical actions. I really believe that to be the case. I also believe that you would have 25 members of this Chamber at the very least demanding that there be an independent investigation because of the political nature. If you had a conspiracy of silence or if you had the same situation reversed in another school division which the party ties were that strong as they are in this particular one, but just happens to be for the official opposition, that a Department of Education investigation would not be good enough, that

you would have 25 members demanding an independent investigation. If we did not get an independent investigation, they would be demanding your resignation, Mr. Minister. I really believe that.

You have got to be very careful when you comment on the members of the media. You have to be careful because you do not necessarily want to slight people which you want ultimately some day to be able to schmooze a little bit and possibly get them to take a spin which you want to see, and so forth. So I look at this particular issue, and I believe because it happens to be the official opposition and even because it is me as a member of the Liberal Party raising this issue, that the issue in itself is being brought down a little bit in terms of public importance.

I really believe that this is an important issue for the public to be aware of. I believe that for a number of reasons. It saddens me in part that this particular issue has not warranted the type of attention that it deserves, because I believe that standard exams are a good thing if in fact they are properly utilized. I disagree with the Grade 3 level, but I believe that the minister and this department and this government are causing a grave injustice to the integrity of those exams that has an impact on those standard exams and how successful they will be in the future, and Lord knows we pay a bundle in order to implement these standard exams.

I believe that integrity is what is important here. That integrity is being called into question. Because it happens to be the campaign manager of the New Democratic Party and others, I tell you, you would not believe the amount of comment and feedback that I get on this particular issue. The minister makes reference to the conspiracy of silence, the affiliation of the superintendent within the New Democratic Party and the affiliation with the principal within the New Democratic Party. Was there any sort of discussion amongst MLAs in the current New Democratic caucus with those individuals in terms of what should we be doing?

I think that there is a huge Pandora's box that is there. The report comes out tomorrow. There is nothing in that report that I would give

any credibility to, absolutely nothing. I am telling you that today because I do not believe that there is going to be a sense of fairness in that report. I believe, as many of my constituents believe, that it will in fact be a whitewash. I do not question that. But you know something, it will be the poor whistleblower who is going to pay the price on the human side. It is going to be the integrity of the standard exams that is going to pay the public interest's price.

* (1710)

That is the reason why I asked the Minister of Education (Mr. McCrae) that no matter what the Minister of Education says or does on this particular issue in terms of its investigation, I am not going to give that any credibility either. I believe that the Department of Education is not in a position in order to investigate what actually took place at The Maples high school. I really believe that. I believe that the Department of Education would do a disservice if they believed that they could investigate this whole issue. That is the reason why I, along with members from my party, believe what is necessary is an independent investigation. That is the reason why I asked the question the other day of the minister, Mr. Chairman, to lobby, to get the Minister of Education to acknowledge that just given the very political nature of this issue, no matter what the report comes down on with tomorrow, no matter what sort of a report that the Department of Education is going to be given, both of those reports will carry zero credibility with an objective public.

I believe that if I sat down with a group of truly independent individuals and I had members from within the department and members from within the school division, at the end of the discussion I would in fact be able to win the argument for an independent investigation. I argue for an independent investigation with the information that has been provided to me. I will continue to argue for the independent investigation for two primary reasons. If the minister believes in standard exams, then he has got to be concerned about the integrity of the system and the very serious breach that has occurred. If the minister believes in justice, and being a former Minister of Justice, justice for the

teacher in this particular issue, then the minister will see, as I see, the need to have an independent investigation. There is no need for us even to wait till tomorrow's report. There really and truly is not.

The school division can save the courier costs and forget about couriating it over, quite frankly. The Minister of Education can save some time and just call for the independent investigation. We are not talking about a huge amount of dollars, we are not talking about, you know, a Monnin inquiry. There is no comparison, absolutely no comparison. What we are talking about is getting—

An Honourable Member: People's reputations.

Mr. Lamoureux: Oh, no, reputations are important at many different levels. No doubt the impact of an independent investigation could have a very serious impact on the provincial election that is up and coming, whenever it might be. There is a very good chance of that. I am not going to say that that is not the case. But we can see an independent investigation come to a conclusion, in all likelihood, within three weeks. It is not going to be something that is going to be where you have to get all these groupings of individuals to sit around a table and debate it endlessly and have a 5,000-page report. I do believe that it is important to get someone who has some stature within the community that would be perceived as being apolitical.

I was talking with my colleague for The Maples (Mr. Kowalski) as to the types of personalities. One individual who came up was Bill Norrie. Bill Norrie has done work in the past on education-related issues, in particular the boundary redistribution issue. There are many quite capable, competent lawyers that have excellent reputations of being apolitical, Mr. Chairperson, that the government can tap into.

Well, the benefits of that independent investigation, imagine if you are a teacher over at Maples high school and you have someone that is now approaching you from the school division and saying, well, what do you think really happened there, Mr. So-and-So or Mrs. So-and-So? To what degree do I give that confidence in terms of getting fair, honest, open

representation of the facts? I think that there is a good argument to be made that if you have someone that comes in from the outside that is really and truly independent and that person who is being interviewed does not have to worry about his or her future as a result of saying something, I think there is a lot of merit to that. I really believe that.

Equally, Mr. Chairperson, if you had the deputy minister himself or one of the deputies, you know, John Carlyle, sitting down with a teacher and John Carlyle says, well, what do you think about this unethical behaviour or trying to imply something? That could, in fact, have an impact, or whoever John Carlyle or the minister actually takes from within the Department of Education. I believe that that, too, will bias the type of comments that could be made and would be made.

I would be very much interested in having a discussion with what I know of the incident with whomever the investigator, an independent investigator. I have very little interest in meeting with the school division or the Department of Education, because I do not give them any credibility, but if it was an independent investigator, I would be quite content on sharing with that individual what I know has occurred in this particular situation. I really believe that an independent investigator would in fact be able to quickly assess what has actually transpired.

The type of action, like what should happen as a result of it, well, that is something which at this stage I am not prepared to comment on. I must say, my initial response, we had found out months and months ago that this breach of security occurred. I would have been a lot more sympathetic if the day that the breach occurred, for example, you get an admission, yes, it was the wrong thing to do, I should not have done it, and here are the circumstances of what happened, and it will not happen again. The individual who breaks the breach is slapped on the wrist, and so forth.

* (1720)

Mr. Chairperson, a lot has happened since then. I believe that there has been an attempt to cover this whole issue up. That is what really

offends me, the cover-up. I believe that there was a serious attempt to keep members of the public and the Department of Education, who has been negligent, in the dark on what actually has taken place. I find that to be quite upsetting. When we look at the parameters as to what this independent investigator should be looking into or looking at, I would suggest to you that there are a number of things, and if the Minister of Education (Mr. McCrae) saw fit to recognize the importance of the independent investigator, I would be more than happy to elaborate on a few of those points as to what I believe this independent investigator should be looking into.

Right off the hand, it is stating the most obvious: the actual breach itself; what actually took place; what the motivation was behind the breach; who was actually involved in the breach. I have heard all sorts of stories as to why it was breached: a lack in confidence in what it is the province was doing; they wanted nothing to do with it. Was that breach used to facilitate an opposition party inside the Chamber? I do not know, and that is a very serious allegation.

I believe that we have to look at what actually has taken place. I made reference, has the official opposition tried to influence in any fashion the report that is going to be coming out? Well, that is the political side of it. That is the political side in which it is very easy for us to get up and start demanding and calling into question the ethics, and we have seen many examples of that already. But, if we get lost in that aspect of it, believe it or not, I believe we are doing a disservice to the issue at hand, the core issue of the integrity of the standard exams and the core issue of what has happened to this particular individual.

So I would ask the Minister of Education—and there is a good chance that he will likely speak for a few minutes—to acknowledge at the very beginning of whatever it is that he might say. I have argued for the independent investigation. I believe that the government recognizes that need. Will the Minister of Education do what is right this afternoon and acknowledge that there is in fact a need for an independent investigation and in fact the government will take appropriate action to ensure that that does take place?

Mr. McCrae: I know the honourable member has been pressing me, and I appreciate all the reasons why. I will acknowledge this afternoon that the things that the honourable member brings forward make it more and more imperative that we simply get to the bottom of what happened in Seven Oaks School Division surrounding this matter, which began with the admitted breach of the security arrangements by Mr. Brian O'Leary, then principal of the Maples Collegiate.

The honourable member will no doubt be a little disappointed in my answer this afternoon because it does not round out the circle, and I acknowledge that. I am just saying to the honourable member that I am as interested as he is in getting to the bottom of this, but having a look at the report Mr. Wiens will be making available tomorrow, I think I owe that courtesy. That being said, by Mr. Wiens's own words, I have reason to be curious. I have reason to be worried about what that report is going to tell us because Mr. Wiens has already determined that no harm was done by this breach.

An Honourable Member: Well, why would he do that?

Mr. McCrae: Well, that does not accord very well with any of the allegations that the honourable member for Inkster is raising this afternoon with respect to Mr. Treller's reputation being damaged, with respect to issues related to Mr. Treller's health, with respect to a gag order brought in by senior people in the school division, complete with intimidation of Mr. Treller and the role of the Manitoba Teachers' Society. All of these questions are now hanging there. If the report that we receive tomorrow does not deal in any adequate way to answer those questions, then we have a problem. We have a problem that no one in a democratic society should feel satisfied has been resolved when it has not.

If you do not think this is important, if you do not think the conspiracy of silence on the part of the New Democrats does not speak volumes about their own ethics and political morality in this situation, let me read something to you, Mr. Chairman. I am reading from a transcript of a radio talk show program on which the

honourable Leader of the Opposition (Mr. Doer) was a guest. Well, he was talking about the Monnin report. This was on March 30, and this is a transcript of that conversation between Mr. Charles Adler on the one hand and the Leader of the Opposition on the other hand: Well, he said: if I appoint somebody to be the campaign manager of our party and appoint him as the secretary to the chief of staff position and the secretary of cabinet, Treasury Board is responsible in these kinds of allegations, I would take responsibility under responsible government and resign.

So if you do not think it is important, these kinds of matters, that is what the Leader of the Opposition said just some two and a half months ago. Today and yesterday and on each day that the honourable member for Inkster (Mr. Lamoureux) has raised this wrongdoing on the part of Mr. Brian O'Leary, campaign manager for the New Democratic Party, we have heard deafening silence. In fact, I think I have heard the Leader of the Opposition from his seat uttering words of commendation of Mr. Brian O'Leary. However, he will have to correct me if I am wrong about that. The fact is, Mr. Treller, I assume, and I am looking at the honourable member for Inkster for confirmation, I assume none of these questions would be hanging in the air today if Mr. Brian O'Leary had not inappropriately, wrongly opened the examination package relating to the Standards Testing Program in the province of Manitoba, something that Mr. O'Leary has admitted doing. But, oh, we are going to hear apparently that there was no harm done. So I guess that is okay. To those who want to sustain a conspiracy of silence, I guess it is okay.

You know, when I look back over the events of the last year, Mr. Chairman, and I see the various things said about this person and that and I think of the honourable member for Crescentwood (Mr. Sale) and his gratuitous pot shots at innocent individual people even as late as yesterday, people doing their work in the public service or wherever they happen to be as if they are somehow distantly acquainted with the members of the governing party in Manitoba, then they are fair game to take pot shots at. Never mind people's reputations; that does not matter. Never mind people's physical health;

that does not matter. If you are not a New Democrat, I guess you can just take those sorts of pot shots and it does not matter; if you are not a New Democrat, it is fair game to take pot shots at people.

An Honourable Member: Why not?

Mr. McCrae: There we go. The honourable member for Transcona (Mr. Reid) has just confirmed by saying why not as he sits there laughing about the acknowledged misbehaviour of his own campaign manager, Brian O'Leary. He is giving him the old thumbs up, as I speak.

Now, Mr. Chairman, are the New Democrats serious or are they not serious about appropriate activity in the political realm? I repeat, I would take responsibility under responsible government and resign. Who said that? That was the Leader of the Opposition, the honourable member for Crescentwood.

An Honourable Member: Concordia.

* (1730)

Mr. McCrae: Concordia, I am sorry. I quote: Well, if I appoint somebody to be the campaign manager of our party and appoint him as the secretary to the chief of staff position and the secretary of cabinet, Treasury Board is responsible in these kinds of allegations, I would take responsibility under a responsible government and resign.

The honourable Leader of the Opposition and some of his colleagues have been very high and mighty in these last months, Mr. Chairman. They have been very righteously indignant about every little thing that has been happening here in the province of Manitoba. We know some of the things that have happened in the province of Manitoba have not been right, and significant actions have been taken. What actions has the Leader of the Opposition taken with respect to his own campaign manager, let alone himself, when he says he would resign when faced with similar circumstances?

So the honourable member for Inkster (Mr. Lamoureux) wants to talk about an independent inquiry. I guess what he is saying by making

that request is that the superintendent of the Seven Oaks School Division is simply not independent enough. I suppose one could argue that. But all I am asking at this stage is that the honourable member be patient at least until tomorrow until I can have a look at the report which is expected from the Seven Oaks School Division. But, given the history of this thing, the time some of this is taking, I can understand the honourable member's concern. Given the allegations that he is hearing, the honourable member is probably in such a position that he would likely be asked to make information available to the very independent inquiry that he is asking for.

So I do not know that I can let him name the participants in such a hypothetical, at this point, inquiry, if the honourable member is privy to certain information. Now, I know sometimes it is secondhand, sometimes it is not, but I cannot really talk about that very much at this point. I am, to say the least, concerned.

From a political standpoint, I mean, it is the double standard here that bothers me so much. I mean, we have a conspiracy of silence respecting this. We have outright defending and supporting of a city councillor in Brandon who inappropriately abuses his authority, who just happens to be the candidate for the NDP in Brandon West, and the Leader of the Opposition outright defends that person's behaviour and, in this case, silence.

The honourable member for Inkster (Mr. Lamoureux) referred to the role of the Manitoba Teachers' Society. Who has been the president up until recently until defeat by a democratic vote, who has been the president of the Manitoba Teachers' Society but one Ian MacIntyre. And what is he doing now? Well, he is seeking nomination for the New Democratic Party in River East.

The honourable member for Inkster refers to party politics and the political nature of all of this. Who am I to say, except with all those questions he leaves me here in the Legislature, he leaves me to deal with all these questions, and what do we get from the New Democratic Party with respect to all of their friends?

Some Honourable Members: Silence.

Mr. McCrae: A conspiracy of silence in this House, and who knows where else that conspiracy may exist?

So I am saying to the honourable member, I am listening to what he is asking, I am taking note of the recommendations and suggestions he is making. I want to get to the truth of this matter. Manitobans need to know the truth of the matter. When the honourable member talks about Mr. Treller, I get very strong feelings inside as he talks about that, and for obvious reasons. If these things should turn out to be true, they are very serious matters.

There is a matter here that affects basically all Manitobans but certainly many, many thousands of Manitobans—and the honourable member has mentioned it in his comments—and that is the standards and testing program. We know the NDP have problems with the whole concept of a good strong solid education for our kids and that politics comes before the requirements of our kids. We already know that; they have shown us that many, many times over. But I am serious, Mr. Chairman, I am serious about our kids, that they get a good opportunity to take advantage of the challenges ahead. I am very serious that we have a system of testing in our province that has integrity.

What kind of message does Brian O'Leary send to other teachers across Manitoba when he can break the rules with impunity? What kind of message does that send to the children, that a school principal in this province can break the rules and not very long after get a promotion to assistant superintendent in the school division? What kind of message is that? Will Mr. Wiens's report tomorrow answer that question? Mr. Chairman, stay tuned.

Mr. Lamoureux: Mr. Chairperson, a question for the Minister of Education. Obviously I am going to have to learn to accept, I guess, that some arguments I just cannot necessarily win in terms of calling for an independent investigation today.

Having said that, Mr. Chairperson, I do believe that the minister will have the report tomorrow, and no doubt he will have a couple of days to review it. Can I at the very least get a

commitment from the Minister of Education that this government or the Department of Education will not lead any form of an investigation, that the Department of Education will not lead any investigation into this matter, given the very political nature, given the allegations of NDP conspiracy and the Tories want blood through the jugular on this particular issue? Given the context of the issue, will the Minister of Education, at the very least, commit today to not having an investigation from within his own department? If he is not satisfied with the report that he receives tomorrow, if he is not satisfied with that report, will the Minister of Education commit to an independent investigation as a form of an appeal of that particular report?

Mr. McCrae: I do not think that we should conclude at any time that I would want to be part of any review or investigation that does not have some integrity, some quality in it. I know what the honourable member is saying; I know that he is saying that there are politics at the school division level, where there is already some report being prepared. I do not want the honourable member to be misled into thinking that that is the result of investigation, because, to be fair, the deputy minister asked the school division: what have you done about this wrongdoing on the part of Mr. O'Leary, the school principal involved?

That is basically what is being inquired into here, and, for the life of me, I cannot figure out either why it has taken so long to get the answer. But we have been told that tomorrow we should have it. And so I am not going to compound the problem by any kind of thought of any kind of further review that would not be anything but independent.

Mr. Chairperson: Is the committee ready for the question? The question before the committee: is it the will of the committee to adopt the resolution?

Some Honourable Members: Agreed.

Mr. Chairperson: Agreed and so ordered. The resolution is accordingly passed.

The second resolution respecting Interim Supply reads as follows:

RESOLVED that a sum not exceeding \$39,639,880, being 35 percent of the total amount to be voted, as set out in Part B of the Estimates, be granted to Her Majesty for the fiscal year ending the 31st of March, 2000.

* (1740)

Is the committee ready for the question?
Shall the resolution pass?

Some Honourable Members: Agreed.

Mr. Chairperson: The resolution is accordingly passed.

This section of the committee shall rise.
Call in the Speaker.

IN SESSION

Committee Report

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

I move, seconded by the honourable member for Arthur-Virden (Mr. Downey), that the report of the committee be received.

Motion agreed to.

Hon. Harold Gilleshammer (Minister of Finance): I move, seconded by the Minister of Highways (Mr. Praznik), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of ways and means for raising of the Supply to be granted to Her Majesty.

Motion agreed to.

COMMITTEE OF WAYS AND MEANS

Interim Supply

Mr. Chairperson (Marcel Laurendeau): The Committee of Ways and Means will come to order, please. We have before us for our consideration two resolutions respecting the

Interim Supply bill. The first resolution reads as follows:

RESOLVED that towards making good the Supply to be granted to Her Majesty on account of certain expenditures of the Public Service, for the fiscal year ending the 31st day of March, 2000, the sum of \$1,942,548,615, being 35 percent of the total amount to be voted as set forth in Part A of the Estimates for the fiscal year ending the 31st day of March, 2000, laid before the House at the present session of the Legislature, be granted out of the Consolidated Fund.

Is it the will of the committee to adopt the resolution?

Some Honourable Members: Agreed.

Mr. Chairperson: Agreed and so ordered.

The second resolution reads as follows:

RESOLVED that towards making good the Supply to be granted to Her Majesty on account of certain expenditures for the Public Service for the fiscal year ending the 31st day of March, 2000, the sum of \$39,639,880, being 35 percent of the total amount to be voted as set out in Part B of the Estimates for the fiscal year ending the 31st day of March, 2000, laid before the House at the present session of the Legislature, be granted out of the Consolidated Fund.

Is it the will of the committee to adopt the resolution?

Some Honourable Members: Agreed.

Mr. Chairperson: Agreed and so ordered.

Committee rise. Call in the Speaker.

IN SESSION

Committee Report

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

I move, seconded by the honourable member for Arthur-Virden (Mr. Downey), that the report of the committee be received.

Motion agreed to.

INTRODUCTION OF BILLS

Bill 32—The Interim Appropriation Act, 1999

Hon. Harold Gilleshammer (Minister of Finance): Madam Speaker, I move, seconded by the Minister of Highways and Transportation (Mr. Praznik), that leave be given to introduce Bill 32, The Interim Appropriation Act, 1999 (Loi de 1999 portant affectation anticipée de crédits), and that the same be now received, read a first time, and ordered for second reading immediately.

Motion agreed to.

SECOND READINGS

Bill 32—The Interim Appropriation Act, 1999

Hon. Harold Gilleshammer (Minister of Finance): I move, seconded by the honourable Minister of Highways and Transportation (Mr. Praznik), that Bill 32, The Interim Appropriation Act, 1999 (Loi de 1999 portant affectation anticipée de crédits), be now read a second time and referred to the Committee of the Whole.

Motion agreed to.

Mr. Gilleshammer: I move, seconded by the Minister of Highways and Transportation (Mr. Praznik), that Madam Speaker do now leave the Chair and the House resolve itself into the Committee of the Whole to consider and report of Bill 32, The Interim Appropriation Act, for third reading.

Motion agreed to.

COMMITTEE OF THE WHOLE

Bill 32—The Interim Appropriation Act, 1999

Mr. Chairperson: The Committee of the Whole will come to order to consider Bill 32, The Interim Appropriation Act, 1999.

Does the honourable Minister of Finance have an opening statement?

Hon. Harold Gilleshammer (Minister of Finance): Yes, thank you, Mr. Chair.

Bill 32 is required to provide interim spending and commitment authority for the 1999-2000 fiscal year pending approval of the 1999 Appropriation Act. You may have noticed that Bill 32 is different from previous Interim Appropriation Acts. It now has two parts for 1999 and 2000 expenditure authority, Part A that provides authority for operating expenditure and Part B that provides authority for capital investment. This is to accommodate the change in accounting policy being implemented in 1999-2000 with respect of recording and reporting of tangible capital assets of the province in accordance with standards issued for governments by the Canadian Institute of Chartered Accountants.

Under our previous accounting policy, the amount of expenditure to purchase an asset was recorded in the year that the asset was acquired. Under the new policy, the cost of acquiring an asset will be amortized over its useful life. In 1999-2000, this amortization charge will include the amortization expense for any asset acquired and put into use during the fiscal year as well as the annual amortization expense for assets acquired in prior fiscal years that have a remaining useful life. The amortization expense will continue in future years until an asset is disposed of or reaches the end of its useful life. Essentially, amortization charges will be recorded annually in Part A, estimates of operating expenditure to reflect the support each asset provides to the operations of government along with all other expenditures required to carry out programming in a given year.

The cost of acquiring an asset will be authorized through Part B capital investment. This authority is only in place for acquisition of assets on an annual basis and will lapse at the end of each fiscal year. This means that, for multiyear projects, this authority represents only the expenditure required in a given year. An abatement clause has also been included to rescind the special warrant which currently provides spending authority to facilitate

government operations. The amount of interim spending authority included in Section 2 of Bill 32 is \$1,942,548,615 or 35 percent of \$5,550,138,900, which is the amount to be voted as contained in the 1999-2000 Part A Estimates of Operating Expenditure. This amount is expected to last until approximately the end of July 1999.

* (1750)

Section 3 of Bill 32 includes an amount of capital investment authority of \$39,639,880 or 35 percent, which is the amount to be voted as contained in the 1999-2000 Part B Estimates of Capital Investment. This amount is expected to last until approximately the end of July 1999.

Section 4 allows for the recording of the amortization of a capital asset over the recognized life of the capital asset. The amortization of the asset becomes an annual expense for which there is no cash outlay.

Section 5 provides authority of up to \$100 million to make commitments beyond the 1999-2000 fiscal year to ensure the completion of projects or fulfilment of contracts initiated but not completed prior to March 31, 2000. Expenditures on these commitments may not be made in the 1999-2000 fiscal year unless additional spending authority is provided.

Section 6 provides that expenditures made under the special warrant issued pursuant to Order-in-Council 158/1999 shall be deemed to have been made under the authority of this act and the said special warrant shall cease to have effect on the coming into force of this act. This Order-in-Council was approved to provide interim funding for the 1999-2000 expenditure authority pending approval of an appropriation act by the Legislature.

Section 7 stipulates that once another appropriation act is passed, any funds expended or committed under the authority of this interim appropriation act will be deemed to have been made under the authority of the subsequent appropriation act.

Section 8 simply affirms that money expended under the authority of this act must be duly accounted for.

Mr. Chairperson, with these comments, I commend the bill to the members of the committee.

Mr. Chairperson: Does the critic for the opposition have an opening statement?

Mr. Steve Ashton (Thompson): Yes, Mr. Chairperson, just briefly on behalf of our Finance critic, I want to put on the record that we are passing this with limited debate to make sure that the civil servants and others in this province who require payment receive it over the next period of time. It is very important to get this passed, I believe the Minister of Finance has indicated, certainly by Monday, and we are trying to do it today to make sure there is absolutely no problem.

I also want to note, too, that the reference the Minister of Finance has made to the separate allocation in terms of capital is part of the process that needs to be undertaken with public finances in this province generally, which is to ensure that we follow standard accounting procedures, something that is not in place in far too many areas of government. So that is certainly welcome, because I think it is important for us as a public body to represent our books in a way that is as clear and transparent and in accordance with accorded normal accounting principles as it is for any other private or public institution, so that is certainly welcome.

With those brief comments, we are prepared to pass this as soon as possible.

Mr. Chairperson: Shall we group the clauses? [agreed]

Clauses 1 to 3—pass; Clauses 4 to 9—pass; preamble—pass; title—pass. Bill be reported.

Committee rise. Call in the Speaker.

IN SESSION

Committee Report

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of the Whole has considered Bill 32, The Interim

Appropriation Act, 1999, and directs me to report the same without amendment.

I move, seconded by the honourable member for Arthur-Virden (Mr. Downey), that the report of the Committee of the Whole be received.

Motion agreed to.

Hon. Darren Praznik (Government House Leader): Madam Speaker, if there is perhaps a willingness for the House not to see the clock so we can complete this process and bring in the Lieutenant Governor, it would be most appreciated.

Madam Speaker: Is there unanimous consent of the House to continue to proceed and for the Speaker not to see the clock should we not reach that point by six so that we can have Royal Assent of the bill? [agreed]

REPORT STAGE

Bill 32—The Interim Appropriation Act, 1999

Hon. Harold Gilleshammer (Minister of Finance): Madam Speaker, I move, by leave, seconded by the Minister of Highways and Transportation (Mr. Praznik), that Bill 32, The Interim Appropriation Act, 1999 (Loi de 1999 portant affectation anticipée de crédits), be reported from the Committee of the Whole and be concurred in.

Motion agreed to.

THIRD READINGS

Bill 32—The Interim Appropriation Act, 1999

Hon. Darren Praznik (Government House Leader): Madam Speaker, I would move, seconded by the honourable Minister of Natural Resources (Mr. Cummings), that Bill 32, The Interim Appropriation Act, 1999 (Loi de 1999 portant affectation anticipée de crédits), be now

read a third time and passed. I make that motion with a request for leave.

Motion agreed to.

ROYAL ASSENT

Deputy Sergeant-at-Arms (Mr. Garry Clark): His Honour the Lieutenant Governor.

His Honour Peter Liba, Lieutenant Governor of the Province of Manitoba, having entered the House, and being seated on the Throne:

Madam Speaker addressed His honour in the following words:

Madam Speaker: May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of Manitoba in session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for Your Honour the acceptance of this Bill:

Bill 32, The Interim Appropriation Act, 1999; Loi de 1999 portant affectation anticipée de crédits.

* (1800)

Mr. Clerk (William Remnant): His Honour the Lieutenant Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence, and assents to this bill in Her Majesty's name.

His Honour was then pleased to retire.

Madam Speaker: As previously agreed, the hour being after 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. Monday next.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 17, 1999

CONTENTS

ROUTINE PROCEEDINGS		L. Evans; Praznik	2989
		L. Evans; Radcliffe	2990
Presenting Reports by Standing and Special Committees		Community Colleges Friesen; McCrae	2990
Committee of Supply Laurendeau	2977	Winnipeg Stadium Robinson; Stefanson	2991
Tabling of Reports		Pan Am Games Robinson; Newman	2991
Supplementary Information for Legislative Review, Manitoba Finance; Manitoba Enabling Appropriations and Other Appropriations Gilleshammer	2977	Robinson; Stefanson	2992
Final report, Manitoba Round Table on Environment and Economy from 1988 to 1997 Cummings	2977	Matter of Privilege	
1997 Annual Report, Provincial Ombudsman Dacquay	2977	Justice Minister's Comments Ashton	2984
		Toews	2984
Oral Questions		Mackintosh	2985
Regional Health Authorities—Winnipeg Doer; Stefanson	2977	Praznik	2986
Physician Resources Chomiak; Stefanson	2979	Chomiak	2987
Labour Force Robinson; Newman	2980	Lamoureux	2988
Aboriginal Unemployment Rate Robinson; Newman	2980	Doer	2988
Gang Hotline Mackintosh; Toews	2981	Members' Statements	
Flooding Lamoureux; Enns	2983	Winnipeg Beach Elementary School Helwer	2992
Simplot Plant—Brandon		Community Colleges Friesen	2993
		Power Up Initiative M. Driedger	2993
		Susan Mah Jennissen	2994
		Pan Am Games Kowalski	2994
		ORDERS OF THE DAY	
		Debate on Second Readings	
		Bill 33—The Special Payment to Certain Dependent Spouses of Deceased Workers Act Reid	2995

Bill 4–The Law Fees Amendment and Consequential Amendments Act		Energy and Mines	3013
Mackintosh	3002	Family Services	3022
Kowalski	3002	Consumer and Corporate Affairs	3024
Bill 11–The Statute Law Amendment (Nunavut) Act, 1999		Interim Supply	3036
Hickes	3003	Committee of Ways and Means	
Bill 12–The Statute law Amendment Act, 1999		Interim Supply	3048
Kowalski	3008	Introduction of Bills	
Reid	3008	Bill 32–The Interim Appropriation Act, 1999	3049
Bill 18–The Correctional Services Amendment Act		Second Readings	
Mackintosh	3009	Bill 32–The Interim Appropriation Act, 1999	3049
Lamoureux	3009	Committee of the Whole	
Bill 5–The Highway Traffic Amendment, Off-Road Vehicles Amendment and Consequential Amendments Act		Bill 32–The Interim Appropriation Act, 1999	3049
Jennissen	3009	Third Readings	
Lamoureux	3010	Bill 32–The Interim Appropriation Act, 1999	3051
Bill 6–The Highway Traffic Amendment Act		Gilleshammer	3049
Kowalski	3011	Royal Assent	
Jennissen	3011	Bill 32–The Interim Appropriation Act, 1999	3051
Bill 13–The University of Manitoba Amendment Act		Committee of Supply (Concurrent Sections)	
Mihychuk	3012		
Lamoureux	3013		
Praznik	3013		